



Daily News

New Democrat Coalition likely to push for multilateral approach to trade

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Reps. Rick Larsen (D-WA) and Gregory Meeks (D-NY), co-chairs of the moderate New Democrat Coalition's new task force on trade issues, told *Inside U.S. Trade* that a trade agenda for the coalition is in the works and stressed the group's support for a multilateral approach to agreements, which has been disdained by the Trump administration.

"I still am a firm believer in multilateral trade deals. I think it's significant for us to lead in those regions and to set the rules and not allow anyone else to set the rules," Meeks told *Inside U.S. Trade* on Feb. 7. He added that the lack of participation in certain multilateral deals -- particularly the Trans-Pacific Partnership -- allows other actors such as China to assume power positions that should be held by the U.S.

Meeks noted that the New Democrats' position is unchanged and said the group will continue to endorse multilateral deals over bilateral ones.

The New Democrat Coalition includes 54 House members who generally support a "pro-growth" agenda and are more favorable to trade agreements than many of their colleagues in the House Democratic Caucus. The group this year modified seven task forces to include: global competitiveness and trade; tax reform; 21st century infrastructure; affordable and accessible health care; cybersecurity; future of work; and housing. The task forces are responsible for meeting with stakeholders and developing both short and long term policy positions for the coalition.

Congressional Republican leaders on trade issues are generally supportive of negotiating multilateral trade deals, and Meeks said the New Democrats hope to engage with House Ways & Means Committee Chairman Kevin Brady (R-TX) among others in an effort to get lawmakers back onto the multilateral "bandwagon."

Asked about President Trump's upcoming Feb. 10 meeting with Prime Minister Shinzo Abe, Meeks said he "hopes the president will learn something" that causes the administration to move in a "different direction" when it comes to prioritizing bilateral deals.

Larsen said Trump's preference for bilateral agreements raises questions about how the new administration would address highly integrated global supply chains and rules of origin in bilateral deals.

"My personal assessment is that bilateral agreements grow up to be multilateral agreements. So the administration's focus on bilaterals is probably going to run into the reality of the global supply chain that is not bilateral," Larsen told *Inside U.S. Trade* on Feb. 7.

New Democrat Coalition Chairman Jim Himes (D-CT), along with Meeks and Larsen, issued a statement on Jan. 23 arguing that the administration's decision to withdraw from the Trans-Pacific Partnership "cedes" U.S. leadership both economically and geopolitically.

"Withdrawing from TPP without having an alternative allows China to fill the void and sets far less fair and progressive rules. In order to remain a leader in the global economy -- particularly in the Asia-Pacific region -- we must continue to engage on the world stage and put American interests first," the trio said.

Both Meeks and Larsen said a formal agenda is still in the works for the trade task force, but that discussions are ongoing about components of trade policy in the new administration.

Larsen indicated that defining what issues should be included in future trade agreements would likely be "first and foremost" on the coalition's trade agenda.

"I think a lot of us are in a 'wait and see' mode," Larsen said, adding that he thinks the New Democrats could support certain parts of TPP -- such as the trade in digital goods, intellectual property rights, and state-owned enterprise provisions -- being "lifted" from the previous deal and "dropped" into any renegotiations of the North American Free Trade Agreement.

Meeks and Larsen did not discuss how their coalition would address a border-adjustable tax, a key component of Brady's trade agenda.

Meanwhile, Patrick Malone, communications director for Chairman Himes, told *Inside U.S. Trade* that the New Democrats have yet to take a position on the idea of the border adjustability tax, but noted that the coalition's tax reform and fiscal responsibility task force "will be looking at this issue among many others."

"Individual members are still reviewing the idea of border adjustability tax, and the last proposal on the issue is from the middle of last year, so it's difficult to say what members would even be supporting or opposing at this point," Malone said. -- *Isabelle Hoagland* (isabelle.hoagland@iwpnews.com)

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