

# Free-Trade Fight Reflects Broader Battle

Renewal of Costa Rica Pact Protracted Tensions Over Control of U.S. Foreign Policy

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The vote was barely 24 hours away when [President Bush's](#) aides held an emergency conference call at 10:45 p.m. last Friday. House [Speaker Nancy Pelosi](#) (D-Calif.) and [Senate Majority Leader Harry M. Reid](#) (D-Nev.) had sent a letter that could sink a U.S.-led free trade agreement up for referendum in [Costa Rica](#). The Bush team decided to put out its own statement to save it.

The trade pact went on to pass narrowly Sunday, but the last-minute drama capped a furious few weeks in which the [White House](#) and Congress fought a proxy war in the tiny Central American nation. Congressional Democrats traveled to Costa Rica and issued a series of letters weighing in on the referendum, while the administration put out statements disputing the Democrats. Each side accused the other of improperly intervening in another country's vote.

"This was a wild ride," F. Tomás Dueñas, the Costa Rican ambassador to the United States, said in an interview yesterday. "I felt disappointed and sad that we were caught in the middle of a political discussion that was not with us."

The Costa Rica campaign was one more front in a broader struggle between the Republican White House and Democratic Congress for control of U.S. foreign policy, from the failed efforts by lawmakers to force Bush to pull U.S. troops out of [Iraq](#) to the debate over possible action against [Iran](#).

That struggle played itself out again this week over the nonbinding resolution passed by the [House Foreign Affairs Committee](#) denouncing as genocide the mass killings of Armenians in 1915. Democrats pushed through the measure over the objections of Bush and his advisers, who warned that it would damage U.S. ties with [Turkey](#). The government of Turkey yesterday recalled its ambassador in protest.

Trade has been a flashpoint for years, but it has flared up in recent months as Bush tries to win approval for new free trade pacts with [Colombia](#), [Panama](#), [Peru](#) and [South Korea](#). The White House and congressional Democrats sealed a deal in May to clear the way for Peru and Panama, but their fate remains uncertain. Bush has become concerned about what he calls a rising tide of protectionist sentiment at home, and he plans to travel to [Miami](#) today for a speech citing the virtues of free trade.

"I understand why people are anxious about trade," Bush said in an interview on [CNBC](#) yesterday. "People are saying, 'I may lose my job, or somebody else is going to get my job because of free trade.' And what's very important for people like me who believe in

markets is one, to explain the economic benefits, but also to assure people that there's trade adjustment programs to help people retrain for better jobs."

The trade debate has flavored the presidential campaigns. Under pressure from former senator [John Edwards \(D-N.C.\)](#), [Sen. Hillary Rodham Clinton \(D-N.Y.\)](#) called for a "timeout" on further trade agreements and said that the [North American Free Trade Agreement](#), pushed through by President [Bill Clinton](#), should be "adjusted." In a Republican debate this week, former [Massachusetts](#) governor [Mitt Romney](#) and former [Arkansas](#) governor [Mike Huckabee](#) addressed worker concerns, and former [New York](#) mayor [Rudolph W. Giuliani](#) and [Sen. John McCain \(Ariz.\)](#) offered full-throated support for free trade.

The Costa Rica campaign captured many of these issues, offering a battleground for forces on both sides in the United States. Costa Rica was the last of seven nations in the [Central American Free Trade Agreement](#) to ratify the pact, and the referendum last weekend attracted outsized attention from prominent figures.

[Sen. Bernard Sanders \(I-Vt.\)](#) and Rep. [Michael H. Michaud \(D-Maine\)](#), both CAFTA foes, traveled to [San Jose](#) at the request of the leader of the pact's opposition. In interviews yesterday, they said they went because U.S. Ambassador Mark Langdale was threatening retaliation if Costa Rica rejected the pact and that they wanted to correct the record.

At issue was what would happen to Costa Rica's current trade preferences under the [Caribbean Basin Initiative](#). Most elements of that program are written into U.S. law and would be unaffected unless Congress repeals them, but market access for textiles and apparel is set to expire in September 2008 unless Congress renews it. The administration said there is no guarantee those preferences would be renewed; opponents said they likely would be renewed, regardless of the vote. CAFTA opponents also said the pact could be renegotiated, while the administration said it would not be.

"My job going down there . . . was to tell the people they will not be punished by voting against CAFTA," said Sanders, the only socialist in Congress. "They should vote however they want."

Michaud said the administration was trying to "bully" Costa Ricans. "That's an abuse of power," he said.

Other Democrats weighed in. [Rep. Linda Sanchez \(D-Calif.\)](#) sent a letter to Secretary of State [Condoleezza Rice](#) complaining about Langdale. The opposition in Costa Rica filed a complaint against Langdale with the nation's election authorities. Sanders asked Reid to send a letter clarifying that there would be no consequence to current trade policies if Costa Ricans voted no; Reid signed it along with Pelosi.

U.S. Trade Representative Susan C. Schwab responded with a statement reiterating that there was no guarantee that current trade preferences would be renewed. Last Saturday,

as Costa Rican officials panicked that they would lose the next day, the White House put out a statement warning that it would not renegotiate the agreement if it were defeated and noting that the United States had never renewed trade preferences to a country that had rejected a trade pact.

In an interview, Schwab denied that the administration was the first to involve itself in the campaign. "The administration didn't respond until after all of that had started," she said. "The administration statements were just designed to clear up misstatements. There was no threat."

White House spokesman [Tony Fratto](#) said he believes that Langdale "stuck to the facts" and that the allegations against the ambassador "are unfounded." But congressional leaders, he said, were working against U.S. policy approved by Congress. "It's probably unprecedented for officials to advocate against the position of their government in a foreign country," Fratto said.

Dueñas, the ambassador, said Congress's involvement was inappropriate. "Unfortunately, the [Democratic Party](#) maybe overstepped the bounds," he said.

Reid spokesman [Jim Manley](#) rejected that characterization. "It certainly wasn't meant to be intervention," he said of the letter sent by Reid and Pelosi. "It was meant to set the record straight."

In the end, Costa Ricans approved the trade pact with 51.6 percent of the vote.