Hill Prep:
Congressional Trade Agenda

McLarty Associates

SIDO 2018 Washington Forum
February 26, 2018
WHAT IS ON CONGRESS’ MIND?

• Closely watching NAFTA and KORUS renegotiations
  • Awaiting to see if either will require Congressional action
• Some strategizing how Congress can block Trump Administration’s trade plans to undo NAFTA/KORUS
• Awaiting the President’s request for TPA
• You will find uncertainty on the Hill these days as the politics of trade are changing…

1) in Washington

2) across the country
POLITICS OF TRADE IN WASHINGTON

• Before… Republicans supported trade and Democrats were generally skeptical
  - And with Presidential support, trade agreements would pass…narrowly

• Now… President Trump’s campaign and his new Administration have changed the politics in Washington
  - Republicans are influenced by Trump’s views
  - Democrats are uneasy about agreeing with President Trump
At the same time, voter attitudes toward trade across the country are changing:

- Effect of new Administration
- Differing responses to globalization
VOTERS: Republicans More Skeptical Than Democrats

Free trade agreements between the U.S. and other countries have been a good thing for the United States

Democrats

Republicans

Support for NAFTA

Overall, do you think the North American Free Trade Agreement, also known as NAFTA, is good or bad for the US economy? (% good)

- Overall
- Republican
- Democrat
- Independent

2008: 40, 42, 43
2013: 44, 52, 63
2017: 50, 53, 71

2017 Chicago Council Survey
Chicago Council on Global Affairs
DEMOGRAPHIC DIFFERENCES ON TRADE

- Demographics help us understand this shift:
  - Pro-trade: younger people, people of color
    - Obama coalition
  - Anti-trade: older, white, male
    - Trump base

Free trade agreements between the U.S. and other countries have been a good thing for the United States

<table>
<thead>
<tr>
<th>Demographic</th>
<th>Pro-trade (%)</th>
<th>Anti-trade (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>51%</td>
<td></td>
</tr>
<tr>
<td>Women</td>
<td>54</td>
<td></td>
</tr>
<tr>
<td>Men</td>
<td>48</td>
<td></td>
</tr>
<tr>
<td>18-29</td>
<td>67</td>
<td></td>
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<tr>
<td>30-49</td>
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<tr>
<td>50-64</td>
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<td>65+</td>
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</tr>
<tr>
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</tr>
<tr>
<td>White</td>
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Note: Whites and blacks include only those who are not Hispanic; Hispanics are of any race.
So Where is Congress?