

Independent Ideas For Our Next President

Climate Change and Trade Policy

Tackling Trade and Climate Change Leadership on the Home Front of Foreign Policy

Background

For the next President, effective leadership abroad will depend largely on marshalling bipartisan support for foreign policy at home. Trade and climate change provide the best case studies in how to improve coordination between the conduct of foreign policy and constituency-building on the home front. After hard slogging with foreign governments in recent years, agreements have run into stiff opposition on Capitol Hill—in the case of trade, mostly from Democrats, and with climate change, from the Republican side of the aisle. The issues also are linked, both as problems and in terms of potential opportunities for their solution.

Majorities in many nations around the world—including the United States—support maintaining an open world trading system and getting a handle on the problem of global warming. But global negotiations have faltered for good reason: political leaders have different economic and geopolitical interests, as well as differences in how they judge the preferences and tolerances of their own publics. So far, the United States has been unable to forge, on these two issues, the domestic consensus on which its international leadership depends.

Recommendations

In dealing with trade and climate change, the next President will more likely succeed with an approach that:

- lays the ground domestically for diplomatic initiatives by mustering public and congressional backing, rather than waiting for negotiators to bring home a signed treaty
- seeks breakthroughs on trade and climate change that complement each other, thereby creating cross-cutting coalitions to support both efforts
- pays more attention to developing nations early in the process, since their influence over the outcome— for good or ill—is increasing
- uses American leadership to improve the effectiveness of the international institutions responsible for dealing with these challenges

Key Facts

- world trade contributes about \$1 trillion a year to our economy and is responsible for more than 12 million American jobs
- successfully reducing trade barriers could help lift as many as 400 million people out of poverty worldwide in the next decade
- human activity could further raise average global temperatures from 2.5° F to 10° F in this century

A full version of this proposal, as well as supporting background material, is available at <u>www.opportunity08.org</u>.

About the Authors and the Project

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Opportunity 08 aims to help 2008 presidential candidates and the public focus on critical issues facing the nation, presenting policy ideas on a wide array of domestic and foreign policy questions. The project is committed to providing both independent policy solutions and background material on issues of concern to voters.