

UPS chief stumps for free trade

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What can Brown do for you? It can make you a free trader.

UPS chief Scott Davis has taken to the podium lately, railing against protectionism anywhere he can.

In Brussels, Singapore and points in between, he brought his message to the troops at UPS. In Washington and Detroit, to outside audiences. Next stop, Hong Kong, for the American Chamber of Commerce meeting.

His speaking tour is likely to continue for quite some time, since the issue keeps popping up in Congress. First on the stimulus bill. Now, on the House bill curbing greenhouse-gas emissions.

Davis, chairman and CEO of the Sandy Springs-based package delivery giant that operates in 200 countries, knows his bread is buttered with global trade.

“We’re all about enabling global commerce,” said Davis, 57. “Our clients will be selling and sourcing goods all over the world.”

Atlanta is chock-full of international companies with CEOs who are in sync with Davis. The last thing they want to see is a growing movement to restrict free trade or impose tariffs — moves that if successful will cause retaliation by other nations.

Davis, an athletic, mild-mannered man, describes the ongoing trade debate as a tug-of-war between the heart and the head.

The heart, he said, is represented by those who lose jobs to overseas competitors or because their own companies moved operations there.

“In that situation, many people will go with their hearts,” he said, promoting “Buy American” legislation. “We have our work cut out for us.”

The task can become particularly difficult in a global recession like this one, he said, when many people are looking for help anywhere they can find it.

But Davis is trying to mobilize people to respond with their head, pointing out the dangers of raising trade barriers.

“The threats are from both economic turmoil and the protectionist impulses it drives,” Davis told the Detroit Economic Club last month. “We must argue that protectionism is the worst response at the worst time. We can’t let political expediency cloud global reality.”

But he knows that it’s more than just political expediency. Real people with real families lose real jobs and end up in real financial trouble. That hurts our economy, too.

If the free traders like Davis are going to convince the fair traders to back off tariffs and other tough measures, they have to do more to improve our social safety net.

Yes, there are limited programs right now to help some displaced workers whose jobs are lost to trade. But let me emphasize the word limited. The Trade Adjustment Assistance program helps workers who can prove they’ve been displaced “as a result of increased imports.”

In a global economy, U.S. workers get displaced for many reasons. And those workers also could use the help given to employees who qualify for the TAA program — income support beyond unemployment compensation and job training. Of course, health-care expenses present another financial burden for displaced workers.

For Davis’s position to prevail, he and his allies will need to push for a stronger safety net. Protectionism will remain an issue without one, because there are too many unprotected victims.

“We have to do better at that,” Davis said. “It’s our responsibility.”