



# Congressional Hispanic Caucus

109<sup>th</sup> Congress Congresswoman Grace Flores Napolitano, Chair

## **For Immediate Release**

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## **Congressional Hispanic Caucus Opposes CAFTA**

*CHC concerned trade agreement would widen gap between haves and have-nots*

Washington, DC -- Today, the Congressional Hispanic Caucus (CHC) issued the following statement announcing its strong opposition to the Central American Free Trade Agreement (CAFTA):

The decision to oppose CAFTA came after almost two years of careful consideration, dialogue with numerous organizations and individuals, and extensive debate. It is a decision we make based on the concerns of our constituents, the impact of the agreement on the United States, and the effect this trade agreement could have on millions of our Latino brothers and sisters in the western hemisphere.

In a May 15, 2003 letter to U.S. Trade Representative Robert Zoellick, the CHC raised several concerns about the direction the Bush administration was taking CAFTA negotiations. The CHC urged the Ambassador to negotiate an agreement that included meaningful labor and environmental obligations, including a fully enforceable commitment by CAFTA countries to adopt and effectively enforce internationally recognized core labor standards. The CHC is extremely disappointed that this sincere advice was not completely heeded.

As Hispanic Members of Congress, we fully understand the critical importance of promoting economic development throughout the Americas. However, United States policy towards Latin America must promote growth that is sustainable, just and inclusive, regardless of socio-economic status. We must invest in programs that elevate people to a higher standard of living, that allow for and encourage entrepreneurship and self-reliance, and adhere to democratic principles.

A decade after the passage of NAFTA, an agreement that some CHC members supported, it is clear some sectors in the Latino community benefited. As a caucus, however, we are gravely concerned those benefits were lopsided. This model of trade has not delivered the promised benefits and has widened the gap between the rich and poor. For instance, 47% of workers receiving federal assistance for being certified as having lost a job due to NAFTA were Latino.

In Mexico, 1.3 million small to medium-size Mexican farmers have been forced off their land because they were unable to compete with large multi-national producers. For those concerned about our "broken borders", the CHC asks that you think of this: the employed farmers and agricultural workers of 10 years ago have become the undocumented immigrants of today.

The United States must also be cautious about entering into free trade agreement with countries that lack strong legal systems, transparency, and accountability. If this agreement ensured the Rule of Law, and created a transparency in the governance of the nations involved, perhaps we would support it. Unfortunately, it does not. According to Transparency International, four out of the six CAFTA countries received a Corruption Perception Index score which indicates rampant political and legal corruption.

It is our strong belief that CAFTA will only continue to broaden the gap between the haves and have-nots. It is in the vital interest of the hemisphere and in the interest of the security of our great nation that we look for avenues to close the gap. CAFTA is certainly not the answer. It is our hope that in the future the Administration produces agreements that are more fair and better address the concerns of the CHC. We can and must do better for the Americas.

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*The Congressional Hispanic Caucus (CHC) is comprised of 21 members of Congress of Hispanic descent. Since 1976 the CHC has been addressing the needs of the Hispanic community in all areas of American life. For more information on the CHC call*

*(202) 225-2410.*

*[www.napolitano.house.gov/chc/](http://www.napolitano.house.gov/chc/)*