Bush Urges Central American Trade Pact

By NEDRA PICKLER The Associated Press Thursday, May 12, 2005

WASHINGTON -- President Bush tried Thursday to break congressional resistance to a free-trade agreement with Central American nations by arguing that open markets will help improve security and promote freedom in the Western hemisphere.

Bush welcomed the presidents of the Dominican Republic and the five Central American countries of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua to the White House for a private Oval Office meeting and a public show of unity in the Rose Garden.

"The best way to achieve peace and prosperity for our hemisphere is by strengthening democracy and continuing the economic transformation of Central America and the Dominican Republic," Bush said. "And all of us agree that the Central American and Dominican Republic Free Trade Agreement presents us with an historic opportunity to advance our common goals in an important part of our neighborhood."

Bush signed the pact last May, but it needs the approval of Congress. The agreement, known as CAFTA, is supported by business groups who say it will open up new markets for U.S. exporters. But many labor, human rights and immigration groups are working equally hard to defeat it because they say it will do little to correct abuses of workers and the environment.

Some opponents have said they would consider supporting a free trade pact that improved labor standards in Central America. But Honduran President Ricardo Maduro said the treaty has already been ratified by lawmakers in some of the Central American countries as it is.

The pact is being opposed by nearly all congressional Democrats and some Republican lawmakers from textile and sugar-producing states that fear the competition from cheaper imports.

With opponents claiming they have enough votes to kill the measure, the battle is shaping up as the most ferocious free-trade confrontation in Congress since the debate over the North American Free Trade Agreement more than a decade ago. That 1994 pact links the United States, Canada and Mexico.

Critics are upset that more than 3 million U.S. manufacturing jobs have been lost over the past five years, and they say more free-trade pacts are not a good idea at a time of soaring trade deficits.

"I believe CAFTA is where Congress draws the line on America's failed trade policies," said Sen. Byron Dorgan, D-N.D., who is working to build a roadblock in the Senate.

The event with Bush in the Rose Garden was an attempt to change the measure's momentum. The six presidents spent Wednesday walking the halls of Congress to lobby for the pact.

Bush said CAFTA brings benefits to both sides _ new jobs to Central America and a new market of 44 million consumers for U.S. products. Most Central American exports, he said, already enter the United States duty-free, while U.S. products exported south are subjected to hefty tariffs.

But the president's most passionate appeal was to opponents' patriotic interests.

"These are small nations, but they're making big and brave commitments, and America needs to continue to support them as they walk down the road of openness and accountability," Bush said. "The United States was built on freedom, and the more of it we have in our backyard, the freer and safer and more prosperous all of the Americas will be."