Western Sugar opposes Central American trade proposal
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ALLIANCE, Neb. (AP) - Western Sugar Cooperative is joining others in the domestic sugar industry in opposition of a proposal that would allow four Central American countries to increase the amount of sugar they export to the United States by about 75 percent.

The provision is part of the United States-Central American Free Trade Agreement (CAFTA), which is being considered by President Bush.

The existing sugar-export limit would rise to 201,000 tons this year, then increase by 2 percent each year for 15 years.

"We don't like CAFTA at all," said Jack Fulton, Western Sugar director of government relations. "The entire sugar industry isn't in favor."

Western Sugar is a four-state cooperative with 1,300 members in Wyoming, Montana, Nebraska and Colorado. The Central American nations involved in CAFTA are El Salvador, Guatemala, Honduras and Nicaragua. The increase would equal the production of a single American company's output, Fulton said, and not have a significant affect on growers.

However, "that's just the beginning," he said.

Fulton and other industry officials view CAFTA as the first in a new round of free-trade agreements that would bring a flood of cheap foreign sugar.

Sugar producers supported the 2002 Farm Bill, which included provisions for their industry.

While CAFTA and potential agreements could erode those gains, other major commodity and agriculture groups have been in favor.

Fulton said labor unions are among other major groups opposing CAFTA.

Bush is expected to announce this month whether he'll sign the agreement. Although fast-track trade authority prevents changes by lawmakers, Congress must still adopt or reject CAFTA.

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