

## **General Background on the Colombia FTA**

### **This Colombia FTA Does Not Have the Support of Congress, or Most People**

- Not one U.S. labor, environmental, faith or consumer group has endorsed the Colombia FTA. These groups understand American companies are closing down and setting up overseas to take advantage of sub-standard wages and labor laws, off shoring loopholes and lax environmental regulations.
- The Bush administration submitted the Colombia FTA to Congress without the consent of leadership. No administration has yet presented a fast-track trade bill without close consultation with the Speaker. This move, never used before, is motivating most centrist Democrats to oppose the deal.
- Voters know past trade agreements haven't worked, or lived up to their many promises. The Colombia FTA is modeled after much of the same flawed language found in NAFTA and CAFTA, which has resulted in major job loss, environmental degradation, decimation of family farms and increased immigration.
- Most Colombian workers earn little more than \$600 a month. This FTA is much less about finding new markets for American goods than it is a continuation of this administration's failed trade policy – a policy that exploits workers in developing nations, fosters unsafe working conditions, and allows unsafe products and food into our country.

### **On Helping Colombia and "National Security Interests"**

- President Bush's efforts to create a false sense of urgency have been seen before. These arguments based on promoting national security are eerily reminiscent of how we got into the Iraq war. Next he'll be claiming Hugo Chavez has yellow cake uranium.
- House Democrats have twice passed the Andean Trade Preference Extension Act, providing economic development alternatives to illicit narcotics production and trafficking to create a more stable environment in Colombia.
- Congress has also voted to provide additional funds to support Colombia's efforts to strengthen its judicial system and stem violence against labor leaders.
- Trade can be a development tool, but the way this administration has pursued it is not sustainable. We want trade with countries that will open lasting markets for American goods, not just sources for cheap labor. The American people want a pro-trade, pro-development, pro-labor, and forward looking approach.
- The key issue is why we are focusing on this FTA instead of fixing the problems with our current trade policies that accept foreign governments' use of unfair tactics, such as currency manipulation.
- By this action, the Bush Administration continues to show how out of touch they are with the realities facing working families and communities across this country.

## **There's Nothing "Free" About this FTA: Opponents Support a Fair Trade Agreement**

- Trade isn't "free" when thousands are killed for standing up in the workplace, or when we destroy the most biodiverse regions on the earth. It isn't free when we lose thousands of Americans jobs so corporations can pay substandard wages abroad. These prices are simply too high.
- We are not against trade. We are for Colombian human rights, for Colombian democracy, for protecting Colombian biodiversity, and for Colombian wage increases.
- We are also for gains in U.S. jobs, for increased living standards, for more domestic manufacturing, for stronger health and environmental standards, and for safe food imports.
- We support open trade and globalization, but want to leverage our marketplace to ensure that trade is done fairly, with a focus on supporting a majority of the world's working people.
- Right now, American trade policy reflects the narrow interests of a few multinational conglomerates, rather than benefiting the majority of the workers that create the value of goods and services through their labor.
- Past trade agreements like NAFTA and CAFTA are corporate investment schemes, concocted in back rooms by a handful of select people. Congress isn't even allowed to amend or alter them.
- America's farmers and ranchers produce the safest, most abundant, most affordable food supply in the world. Yet our trading partners are not required to meet our high labor, environmental, health and safety standards.
- America has the largest and most robust market in the world, and if we open it up to other countries, we should expect them to play by the same rules we do, on a level playing field.

## **Scope of the Colombia FTA: Potential for Another Big Mistake**

- This bilateral deal would be America's biggest in the Western Hemisphere since NAFTA was passed in 1994. In 2005, Colombia and the U.S. had \$14.3 billion in two-way trade. Most of that is Colombia moving goods into America.
- This FTA provides Colombia with duty free access to our markets for almost all of its industrial goods. Because our economy is 104 times larger than Colombia's, they want this agreement much more than we do.
- America has considerable leverage in deciding how and when to open up our markets, and how to influence the Colombian government to stop the killing of workplace activists if they want access.
- American money flowing into Colombia follows a direct pipeline to the wealthy aristocrats and multinational business owners, and does not guarantee improved living conditions.
- There are no assurances that the working poor will receive financial gain, or that this version of "trickle down trade economics" will automatically help struggling workers.
- Colombian Senator Cecilia López Montaña, a professional economist, criticized politicians who drafted the Colombia FTA, saying they *"rarely do defend the weak, and as usual they end up embracing the arguments of*

*the obvious winners who, typically in Colombia, have always been the same: the financial sector, the big business, the exporting regions, and the skilled labor force."*

## **On Jobs and the Economy**

- Our communities are full of hardworking people with an expectation that government will work with them, not against them. Our trade policies have a direct impact on American workers, and unfortunately, they have not treated American workers, businesses and communities kindly or fairly.
- In Pennsylvania alone, 1,583 plants, offices and warehouses have closed since NAFTA took effect because of trade. Our nation has lost three million good manufacturing jobs on President Bush's watch.
- The agreement's investment provisions— which are not part of the existing preference program—would make it easier for corporations to move their manufacturing operations to Colombia and out of countries, such as the United States, with greater labor rights protections.

## **Bush Trade Policy: On the Fast Track, and the Wrong Track**

- The Bush administration submitted the Colombia FTA to Congress without the consent of the Speaker. No administration has ever presented a fast-track trade bill without close consultation with Congressional leadership.
- This move is motivating centrist Democrats to oppose the deal, and will likely backfire against Republican candidates in the 2008 elections.
- When a deal is "fast tracked" under trade promotion authority (TPA), Congress either can approve or reject that negotiated trade agreement within certain time limits, but may not amend it.
- Many see this ploy as a blatant campaign tactic to funnel corporate special interest money away from those opposing the deal, and to pro-status quo candidates. This strategy, however, ignores everyone's expectations that Democrats will gain seats in the house and senate, and special interests will continue to give to incumbents and the party in control.
- Fast tracking this proposal was a political blunder. It will activate the Democratic base, and dismisses the importance of Colombia's distinction as a murder capital of the world, setting this pact apart from the others.