

## **Democracy Sold Out - CAFTA Approved by Pork and a Hill of Beans**

### **Global Exchange**

**By Deborah James**

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Razor Thin Vote Seals Fate Against More Expansion of NAFTA At 12:03 am on July 28th, the House of Representatives approved the Central America-Dominican Republic-United States Free Trade Agreement, CAFTA. CAFTA, which would expand NAFTA to Central America and the Dominican Republic, would devastate farmers, privatize essential public services, and accelerate the race to the bottom on wages in the US and all over Central America.

At the end of the allotted 15 minutes of voting time the count was 180 to 175 against CAFTA, so the Republican leadership kept the vote open over an hour, in order to bully legislators into approving the bill. In the final tally, which was 217 to 215, a full 15 Democrats voted in favor of big business by supporting CAFTA, while 25 Republicans defied the Bush Administration and voted against it. Democrats deserving of punishment include Representatives Bean (D-IL), Cooper (D-TN), Dicks (D-WA), Cuellar (D-WA), Hinojosa (D-TX), Jefferson (D-LA), Matheson (D-UT), Meeks (D-NY), Moore (D-KS), Moran (D-VA), Ortiz (D-TX), Skelton (D-MO), Snyder (D-AR), Tanner (D-TN), and Towns (D-NY). The full roll call vote is available at <http://clerk.house.gov/cgi-bin/vote.asp?year=2005&rollnumber=443>.

The Republicans who refrained from voting were known CAFTA opponents who evidently caved into hard-core bullying from their leadership. Yet stiff criticism also goes to the Democrats who could have prevented handing Bush a win on a silver platter by sticking to labor and their environment rather than corporate interests.

It seems that some Representatives have not reviewed the record of the massive failure of NAFTA, the agreement that cost a million US jobs and increased poverty in Mexico. NAFTA also caused the loss of 38,000 US family farms, while pushing 1.5 million Mexican farmers off their land. Yet others, like Hilda Solis (D-CA), the only Representative from Nicaragua, gave a passionate and compelling argument against CAFTA.

CAFTA was approved, and that will be the bottom line for communities in Central America and the US who will face years of decreasing living standards, falling wages, eroding environmental protection, and losing family farms because of CAFTA - not to mention the 275,000 HIV positive Central Americans who will be cut off from life-saving generic medicines because of the extremist patent monopolies embodied in the treaty.

In tonight's vote, money values of big corporate interests trumped human values of worker's rights, fair trade, and environmental protection. Once again, the people of the US - and the Democratic Party - lost an opportunity to deliver a crushing blow to the

Bush Administration. Yet House Majority Leader Nancy Pelosi (D-CA) predicted that Bush's win on CAFTA "will be a Pyrrhic victory for him, because we will take our message to the American people that we are the ones looking out for them."

### Twisting Arms Until They Break into a Thousand Pieces

Since CAFTA was so damaging to American workers, the environment, and Central Americans, it wasn't able to pass on its own merits. CAFTA's passage was bought by an outrageous amount of pork barrel politics, and fake side deals that don't amount to a hill of beans. Earlier this month, Republican leaders – in no secret maneuver – casually linked transportation and energy bill giveaways to support for CAFTA.

A report issued earlier this month by Public Citizens demonstrated that 89% of side deals negotiated to gain votes for previous trade deals have been broken. The side deals on sugar, labor, and textiles have all been exposed as band-aids that hardly cover the festering wounds of job loss that CAFTA will cause. And the China-punishing legislation hastily approved to buy another couple of votes was shown by the AFL-CIO to contain less protections for American jobs than other China legislation already in committee.

### Unpacking the Rhetoric

A central tenet of Republican arguments rests on a projected theory that free trade delivers economic prosperity, ergo CAFTA will deliver development. Had the situation not been so tragic, it would have been comic to view Republicans repeatedly claiming that CAFTA would help poor Central Americans develop because they would have increased access to US imports. The problem with the theory, is, well, the results of the theory when applied.

After 25 years of following free-trade doctrine (opening markets, privatizing basic services, deregulating industry, lowering tariffs, orienting their production for export, and consecrating intellectual property) Latin Americans have achieved the lowest rate of economic growth in their history – less than .5% a year in the last 25 years, compared with a total of 80% during the previous 20 years. The main issue here is that so-called "free trade" doesn't actually deliver the promised benefits – because it really has little to do with free trade, but much to do with transferring wealth and decision making power from the public to private, unaccountable elites known as multinational corporations. Until we have a sea change in what the US public understands by the phrase "free trade" we will continue to see our democracy turned into a political system of corporate rule.

### Specter of 9/11

The US Trade Representative Robert Portman was joined by Vice President Dick Cheney in working the House floor tonight to secure votes. President Bush made a highly rare appearance in the House, mostly framing CAFTA as a security issue. As Bush's polling numbers fall, support for the war in Iraq recedes, and his top advisor Karl Rove is

embroiled in a political scandal, Bush pushed hard for a “policy win” to attempt to demonstrate that he wasn’t a lame duck.

Bush’s primary argument centered around the outrageous argument that CAFTA would increase our national security. The phrase “fledgling democracy” was used so many times to refer to Central American countries that you’d think they had hatched last month, with the help of mother hen USA. Tom Delay has evidently taken up permanent residence in never-never land to be able to make arguments like, “It is good for our national security in supporting these fledgling democracies at our back door. It is good for our effort against illegal immigration. It is good for our economy.”

House Majority leader Nancy Pelosi (D-CA) pushed back hard against the ridiculous Bush hypothesis that CAFTA would increase national security. "Trade alone, devoid of basic living and working standards, has not, and will not, promote security, nor will it lift developing nations out of poverty," she said. "Our national security will not be improved by exploiting workers in Central America."

Republicans have been much more adept than progressives at linking issues of security with trade. We in the global economic justice movement must learn adapt our rhetoric and strategies to the political changes our country has undergone post-9/11, and make the argument that fair trade, not corporate globalization, will increase security. But we also need more collaboration with the movements for civil liberties and peace to link the issues, including from our progressive media, who barely covered CAFTA before it passed.

### Vision for the Hemisphere

Republicans actually acknowledged that poverty – and a lack of hope for future economic opportunity – breed insecurity. But they have the math backwards. CAFTA will not eradicate poverty, but will greatly increase it. The biggest impact of CAFTA, according to the think tank the Center for Economic and Policy Research, will be to push down wages. And the Administration continue to frame the issue of free trade and democracy as two sides of the same coin, rather than acknowledging that one is an economic platform that a well-functioning democracy may choose not to pursue.

CAFTA proponents repeatedly baited voters with the specter of an imminent takeover of Central America by alleged communist forces, harkening back to the wars and instability of the 1980s. “We can send free trade to Central America today, or we will be sending troops tomorrow” was a frequent refrain. Venezuelan President Hugo Chavez and Cuba’s Castro were constantly invoked as being ready to “fill the ideological void” if the Congress “turned their backs on Central America.” It was as if Central America was an empty vessel, waiting for US leadership to fill. It was the first time the subject of ALBA, the Venezuelan’s Bolivarian Alternative for the Americas, was raised on the House floor – yet it was portrayed as a radical attack on America rather than a political and economic program that embodies a different vision for the future of the Americas based on a better vision of economic integration among the peoples of Latin America.

## Stepping Stone to the FTAA Crumbles

The passage of CAFTA is a serious blow to our movement for global justice. But the vote also seals the fate of the future of NAFTA expansion. If CAFTA, a deal with the tiniest economies in the region and the least economic impact on the US possible, squeaked by with only a razor-thin 2-vote margin, the possibility that the Administration could get a deal approved with economies that would actually impact the US doesn't pass the laugh test. The Bush dream of a Free Trade Area of the Americas is even farther away than before the CAFTA vote. The "stepping stone to the FTAA" has crumbled under their feet.

## Meanwhile, Back at the Ranch

This week, in addition to bribing CAFTA into existence, the Bush Administration has also been negotiating the expansion of NAFTA to Colombia, Peru, Ecuador, and Bolivia through the Andean Free Trade Agreement (AFTA – it, too, rhymes with NAFTA.) AFTA negotiations have stumbled over crucial chapters on agriculture and intellectual property. They have also been difficult to continue amidst the popular overthrow of governments in Ecuador and Bolivia in the midst of negotiations. A recent round of negotiations in Miami this month ended inconclusively. But most governments have been waiting to see if CAFTA was going to be approved by the US Congress. Now that the margin was so razor-thin, negotiators will likely take the hint that "free-trade" agreements under the same model are highly unpopular with the US public.

## Day of Reckoning

Now that the fight is over, we pass into the stage of reward and retribution. We can, and must, display the political power to not walk of the playing field now, but to spend the extra effort necessary to back up our elected officials when they fought for us, and punish those who sold out their constituents' interests by voting them out of office.

This may be difficult during the week when the labor movement has experienced its biggest split in 50 years. It should not go unnoticed that Bush picked the moment when the labor movement, those in the US who will be most clearly affected by CAFTA, was fighting each other as much as fighting against CAFTA, notwithstanding the Herculean efforts of the rank and file – and the AFL's trade program – to organize hard to against the bill.

## Where To Go From Here

There are two main agenda items for the next few days. The first is to call your legislator and reward or punish them for your vote. Let them know about the deep knot in your gut from witnessing the CAFTA defeat, and the emptiness on the tables of many workers that will follow. Check out the link above to find out how your legislator voted, and call the switchboard 866-340-9281 or 877-762-8762 with your response.

But then, we must pick ourselves up, and fight even harder next time. That means the current negotiations on the World Trade Organization, which has a key General Council meeting this week in Geneva, Switzerland. And it means stopping the expansion of NAFTA to the Andes through AFTA.

But most importantly it means getting involved more than we were this time. Bush won because they are fighting to win – whatever it takes, including unethical and undemocratic pork barrel and arm-twisting. Our side fought very, very hard to win, but we lack control of both chambers of the legislative branch, and the executive. (That makes the fight to keep the judiciary balance all the more essential, by the way.) To win on that unlevel playing field, we have to be more strategic, better funded, more organized, and get millions more people involved.

Highly strategic, savvy grassroots organizing was carried out by groups like the Citizens Trade Campaign and Public Citizen, along with key unions, environmental groups, faith communities, solidarity activists, and human rights organizations including Global Exchange. These groups are only as strong as their membership base is active. But they also need your support. So right after you get off the phone with your legislator, be sure to check out the groups listed below, and others that have supported the fight against CAFTA. Become a member, get on their email lists, and make a donation.

That way, we'll all build a stronger Fair Trade movement, and convert this legislative defeat into a long term opportunity to build a movement that will lead us to true victory against AFTA, the FTAA and the WTO the next time around.

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