

CAFTA Laws Take Center Stage

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Declarations by legislators and the Executive Branch yesterday made clear that the fight over the Central American Free-Trade Agreement with the United States (CAFTA) will not end with the national referendum Oct. 7.

At issue is the CAFTA implementation agenda – a set of 13 laws crawling through the Legislative Assembly – which would allow the free-trade pact to go into effect. Citizen Action Party (PAC) faction head Elizabeth Fonseca has declared that even if voters pass CAFTA, the party will use all the tools in its power to keep the assembly from approving the implementation agenda.

The agenda includes some of the most controversial aspects of the trade pact, such as taking monopolies away from the state-run Costa Rican Electricity Institute (ICE) and National Insurance Institute (INS).

Citizen Action “is ignoring the will of the Costa Rican people,” Presidency Minister Rodrigo Arias said in a press conference yesterday after the President's weekly Cabinet meeting. “They are making a mockery of Costa Ricans.”

Arias, who is the President's brother, said if voters reject the treaty, the Executive Branch would drop its push for opening in the telecommunications and insurance industries.

Fonseca said blocking the agenda after a “yes” vote “is not disrespectful at all” because the Executive Branch and the Supreme Elections Tribunal have treated the implementation agenda as separate from CAFTA.

Rodrigo Arias maintains that given a “yes” vote Oct. 7, the implementation agenda would have to be approved before a Feb. 29, 2008 deadline for the free-trade treaty to go into effect. Some legislative advisors have said Costa Rica could request an extension of the deadline.

Still, Rodrigo Arias remains “optimistic” that the agenda can be passed within the nearly five-month time frame. The “extraordinary session” during December could be one tool to push the 13 laws, Arias said. During such sessions, the Executive Branch has the power to define the legislative agenda.