

Hispanic Groups Divided Over CAFTA Benefits
The Associated Press
May 7, 2005

WASHINGTON -- Hispanic lawmakers and interest groups are of one mind in desiring prosperity and democracy in Central America, but they are divided over a free trade agreement facing a tough test in Congress.

Hispanic business groups are pushing hard for approval of the Central American Free Trade Agreement, or CAFTA, the most consequential trade deal since the U.S.-Canada-Mexico NAFTA agreement of a decade ago. They say it will open up new markets for American exporters and provide economic and political stability to a region with close ties to many Hispanic Americans.

But many Hispanic labor, human rights and immigration groups, as well as some Hispanics in Congress, are working equally hard to see it defeated.

"There should be a CAFTA, just not this CAFTA," said Rep. Xavier Becerra, D-Calif., who worries the agreement will worsen the rich-poor divide, both between the United States and the region and within the participating nations -- Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and the Dominican Republic.

A House vote on CAFTA could come as early as this month, depending on whether the Republican leadership can find the votes to prevail.

House Democrats, including the 19 Hispanics, are generally unhappy with labor and environmental provisions in the agreement that they say will do little to correct abuses. The four voting Republican Hispanics are more likely to support the deal, although three are from Florida, where the sugar industry is mounting a vocal campaign against it. Rep. Ileana Ros-Lehtinen, R-Fla., says she will vote for CAFTA and is optimistic the sugar issue can be resolved.

Rep. Henry Cuellar of Texas, the only Hispanic Democrat to announce his support for the agreement, said he was confident others in the caucus would eventually sign on. It shouldn't be a Hispanic issue, he said, "but as Hispanics we should be looking at how this will benefit our brothers and sisters in Central America."

The nation's 40 million Hispanics, including some 5 million from the CAFTA nations, tend to stay out of politics, but this time it could be different, said Anne Alonzo, senior vice president of the National Foreign Trade Council and organizer of the pro-agreement Hispanic Alliance for Free Trade.

"We're a sleeping giant that has not yet spoken out on this," she said.

Alonzo said the alliance, representing more than 120 business groups, is holding sessions with lawmakers and conducting grass-roots activities, such as arranging for the leaders of

the six CAFTA nations to meet with Hispanic groups around the country when they visit next week for a meeting with President Bush.

Also touring the country as a White House point man on CAFTA is Commerce Secretary Carlos Gutierrez, a Cuban-American.

But speaking out are Hispanic groups that say CAFTA, which will benefit many U.S. manufacturers and food producers by eliminating most tariffs, will harm Central America's rural poor.

Supporters talk about evening the playing field, said Gabriela Lemus, director of policy for the League of United Latin American Citizens, the nation's oldest Hispanic organization. But the poor in Central America "don't even have money to buy food," she said. "We're afraid that we are going to make it worse."

Angela Sanbrano, executive director of the Central American Resource Center, a Los Angeles group involved in immigration issues, said the influx of cheaper U.S. farm goods "will probably have a terrible impact on agriculture," forcing peasants to leave their land and, in some cases, head for the United States in search of work.

Becerra, Lemus and Sanbrano all supported the North American Free Trade Agreement, NAFTA, a decade ago, and now point to NAFTA's problems in opposing CAFTA. Real wages in Mexico are down since the trade agreement went into effect, and more than 1 million small-scale farmers have abandoned farming, many joining the flood of illegal immigrants, they say.

Federico Sacasa, executive director of the pro-free trade Caribbean-Central American Action, said critics should remember that only two decades ago Central America was wracked by civil war and turmoil and that CAFTA, by providing aid and direction for the region's economies, will raise living standards and promote democracy.

"CAFTA is not a panacea," he said. "It is one step in the process of development."