

Citizens Trade Campaign

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In Wake of FTAA Setback, U.S. Pursues Corporate-Driven Agenda With CAFTA

Central America Agreement Would Mean Greater Exploitation of Workers, Environment in U.S. and Central America

WASHINGTON – Negotiations on the Central America Free Trade Agreement (CAFTA) are set to get underway this week in Washington. The proposed agreement would create a NAFTA-style arrangement between the U.S. and Central American countries. After the U.S. drastically scaled back talks on the proposed Free Trade Area of the Americas (FTAA) in Miami three weeks ago in order to avoid political deadlock with Brazil and Argentina, the U.S. Trade Representative's Office has stated that bilateral deals with other countries and smaller, regional agreements like CAFTA are a greater priority. The U.S. is pursuing a CAFTA model that all but ignores years of recommendations and concerns from labor, environment, family farm, faith-based, and development groups in the U.S. and Central America.

“People in this country are already losing their jobs. We’ve lost 760,000 jobs to NAFTA already. In an election year, is this Congress really going to jeopardize thousands more actual jobs and job opportunities by voting for this agreement?” asked Gretchen Gordon, Director of Citizens Trade Campaign.

“As it now stands, CAFTA would result in the loss of thousands of U.S. apparel and textile jobs. Because labor rights are systematically violated in CAFTA countries it is impossible for workers in Central America to improve their standard of living. CAFTA is good for the big retailers, not for apparel and textile workers,” stated Mark Levinson, Chief Economist for UNITE.

“This agreement will seriously undermine the citizens of Central America,” said Brent Blackwelder, President of Friends of the Earth. **“Since multinational companies could challenge environmental and public interest protections before international tribunals, demanding tens of millions in compensation, how many Central American countries will still take action to safeguard their citizens and environment?”**

CAFTA negotiations are expected to include new provisions on “trade in services”: **“CAFTA is aimed right at the heart of essential public services and will make it increasingly difficult for Central Americans to receive affordable water, electricity and telephone service,”** Gretchen Gordon said. **“As tens of thousands of Central Americans have said in demonstrations, this agreement is a bad deal for Central America.”**

“After ten years of terrible real life effects, the NAFTA model is in such ill repute that its Bush Administration boosters struck out at the WTO in Cancun, were forced to shrink the FTAA in Miami and now have to rely on bullying a few relatively weak Central American countries into accepting the NAFTA poison through the proposed CAFTA,” said Lori Wallach, Director of Public Citizen's Global Trade Watch.

The Citizens Trade Campaign (CTC) is a national coalition of environmental, labor, consumer, family farm, religious, and other civil society groups founded in 1992 during the fight over the North American Free Trade Agreement (NAFTA). CTC members include the National Family Farm Coalition; United Methodist Church General Board of Church and Society; Public Citizen; International Brotherhood of Teamsters; UNITE!; Friends of the Earth; the United Steelworkers of America; United Students Against Sweatshops; Communications Workers of America; Western Organization of Resource Councils; American Lands Alliance; Institute for Agriculture and Trade Policy; Alliance for Sustainable Jobs and the Environment; and Defenders of Wildlife, as well as regional, state, and city-based coalitions, organizations, and individual activists throughout the United States.

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