Associated Press

Guatemala Votes to Ratify Free Trade Pact

March 10, 2005

Shrugging off rowdy protests in the streets, Guatemala's Congress voted overwhelmingly on Thursday to ratify a Central American free trade agreement with the United States. The 126-12 vote had been delayed by days of street protests that had kept lawmakers from reaching their chambers for some sessions.

El Salvador and Honduras had earlier approved the agreement, which is still pending before the U.S. Congress.

Hundreds of police ringed the area around the legislature in downtown Guatemala City, with water cannons and truncheons to hold back 600 union members, farmers and students who were demanding a national referendum on the deal, which they said would hurt the nation's poor.

The protests finally subsided on Thursday after police warned that they would arrest and prosecute the leaders of the demonstrations for causing a public disturbance. The office of the government human rights prosecutor said that police clubs broke the leg of at least one protester on Thursday. At least six people were injured during protests on Tuesday, when police used tear gas as well as water cannon to keep demonstrators from crossing their lines.

The United States signed the free-trade agreement, known as CAFTA, last May with Guatemala, El Salvador, Honduras, Nicaragua, and Costa Rica. The Dominican Republic signed later.

President Bush has said the accord would open new markets for U.S. goods and services while encouraging economic and democratic reforms in Central America.

However some business and labor groups in the United States have opposed it, fearing competition from low-wage Central American countries. Opponents here fear that they could lose out to cheaper imported goods and powerful foreign rivals.