

Side issues stall action on trade agreements

Pacts with 4 nations are worth billions to farmers in U.S.

By Stephen J. Hedges
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WASHINGTON - Four trade agreements worth billions of dollars to the U.S. farm industry are stalled in Congress over disagreements that have little to do with trade, but that include concerns about paramilitary death squads, mad cow disease and the shooting 15 years ago of a U.S. soldier in Panama.

While most agribusinesses and farmers are waiting for Congress to pass the stalled, subsidy-laden \$286 billion 2007 farm bill, the Bush administration has been pressing for approval of trade agreements with Peru, South Korea, Colombia and Panama.

The White House argues the agreements will eliminate trade barriers and expand markets for farmers, meat, pork and poultry producers and a wide range of agricultural concerns. Under voting rules, one of the pending agreements, with Peru, must win Senate approval by Dec. 12; it has already passed the House.

But the three others -- with Panama, Colombia and South Korea -- haven't yet been scheduled for votes. That's not likely to happen, if ever, until well into 2008, Senate sources said.

Exactly how much the pending trade agreements are worth to U.S. companies is unclear. But unfettered access to South Korea's economy alone would be worth billions; in 2005 the \$983 billion economy was the world's 10th largest. South Korea imported \$44 billion of U.S. goods in 2004, according to government trade statistics.

So far, the administration has only submitted the Peru pact to Congress for approval. It's still waiting to submit the South Korea, Colombia and Panama agreements. Opponents said the delays are due to administration fears it doesn't have the votes to win approval of the agreements.

But Gretchen Hamel, a spokeswoman for the Office of the U.S. Trade Representative, which negotiated the agreements, said the delay is due to congressional scheduling.

The recent debate over the Peru agreement shows just how contentious the trade agreements can be.

The Nov. 8 vote split Democrats in the House, 116 of whom voted against the measure. The measure passed only after novel labor and environmental requirements were inserted into the agreement.

The other agreements might not have the same luck.

The South Korea agreement is faltering over a trade issue that isn't part of the agreement. South Korea banned the import of U.S. beef after 2003, when mad cow disease was discovered in the U.S. It relaxed the ban in 2006 to allow boneless beef from younger cattle. But trade was halted again when several boxes of beef containing bones showed up in shipments.

Since then, the beef industry has been pushing its congressional friends to apply trade pressure.

One of those friends is Sen. Max Baucus, a Democrat from Montana who chairs the Senate Committee on Finance, which first considers trade agreements.

"The science is clear," Baucus said several months ago. "All American beef is safe, whether it has bones or does not."

U.S. beef has won a "controlled risk" classification under international standards, which should allow access to South Korea under World Trade Organization rules, said Mark Keenum, the undersecretary of Agriculture for farm and foreign agricultural services.

"Without the normalization of the beef trade with South Korea," Keenum said, "I do think politically it is going to jeopardize the ability to get the trade promotion agreement."

In Colombia, U.S. unions and a sizable number of those in Congress have repeatedly raised concerns over the murders of trade union leaders there. The Bush administration has argued that the government of Colombian President Alvaro Uribe has reduced violence.

And any agreement with Panama came to a standstill with the Sept. 1 election of Pedro Miguel Gonzalez Pinzon as president of the Panamanian National Assembly.

Gonzalez was indicted in the U.S. in the shooting death of a U.S. Army Sgt. Zak Hernandez Laporte in June 1992. Gonzalez denied being the shooter and was cleared in a 1997 trial in Panama.

But Baucus, among others, has pledged the Panama trade pact will not move forward as long as Gonzalez is in office.