

# NAFTA hurt Latinos, study says

## U.S. Hispanics lost jobs; Mexicans saw wages drop

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The North American Free Trade Agreement created a race to the bottom for Hispanics on both sides of the U.S.-Mexico border, according to a report issued Monday by two nonprofit groups.

The report, titled "Another Americas is Possible: The Impact of NAFTA on the U.S. Latino Community and Lessons for Future Trade Agreements," found that in the decade since the treaty went into effect, Latinos living in the United States lost their jobs while workers in Mexico saw their income drop.

NAFTA's critics said it's being used as a blueprint for the Central American Free Trade Agreement.

The pact, known as CAFTA, lowers trade barriers erected by the United States, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and the Dominican Republic.

Congress is expected to vote on the trade deal after November's election. CAFTA backers recently said they don't have the votes to pass it.

Last week, Central American ambassadors and trade representatives visited Houston to gain support for CAFTA. Several Houston-based business owners said the agreement will benefit their companies and create jobs here.

If the NAFTA model is duplicated with CAFTA, its critics warn that more U.S. companies will relocate to Central America.

The agreement gives Central American textile makers duty-free access to apparel if it contains fabrics from the United States or Mexico, allowing Central Americans to compete against cheaper labor in China after quotas end next year for most of the world's apparel makers, said Rep. Kevin Brady, R-The Woodlands.

After NAFTA was implemented for Canada, Mexico and the United States, many U.S. companies relocated manufacturing plants south of the border. Since then, many of those jobs were shifted to countries paying even lower wages.

"This is an exploitation model," said Lesley Ramsey, director of the Austin-based Texas Fair Trade Coalition.

Instead of benefiting Mexicans, NAFTA contributed to an increase in prices of Mexico's staple of corn tortillas, increased the number of impoverished women and destroyed small businesses as mega-retailers moved in.

In the United States, the treaty put more than 38,000 farmers out of business, the report said. And NAFTA caused many Latinos to lose their manufacturing jobs, especially in South Texas' Cameron County, which faces double-digit unemployment rates, the study said.

The Texas Labor Council for Latin American Advancement and Public Citizen's Global Trade Watch issued the report.