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Losing Latin America? A Protectionist Congress Is Destroying U.S. Credibility

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In American election years, a theme sure to grab the nation's attention is who "lost" a certain country. In 1952, it was "Who lost China?" In 1980, it was "Who lost Iran?" In 2008, voters may rightfully begin to ask who lost an entire region. In this case, it will be "Who lost Latin America?"

Few pieces of legislation have commanded broader support in the press among U.S. foreign policy leaders of both parties and with Latin American diplomats and specialists than the U.S.–Colombia Trade Promotion Agreement. Before a committee of the House of Representatives on April 10, Organization of American States Secretary General Jose Miguel Insulza was asked whether the U.S. trade agreement with Colombia was good for the Hemisphere. He answered with a resounding "Yes." Insulza, the former Foreign Minister of Chile, a country with more free trade agreements than any other nation in the world, knows that economic growth and increasing prosperity are natural consequences of free trade. The Chilean government's track record of strengthening its market-based democratic institutions through steadily increasing trade has launched Chile on the enviable path to emerge as Latin America's first developed nation.

How many times have legislators on the Hill said, "We ought to listen to what our neighbors to the South say"? We should follow their recommendations on important issues. It is disappointing that the majority on Capitol Hill, who voted on April 10, 2008, to put the Colombia trade agreement on ice indefinitely, are too busy listening to their own rhetoric and questionable arguments

about past human rights violations in Colombia and misguided readings of our own economic woes to hear the great outcry from south of the border in favor of the agreement.

If Colombia's human rights record of violence against labor unions is as terrible as leftist opponents of the Colombia agreement allege, why did Congress recently vote overwhelmingly to grant one-way access to the U.S. market for products from Colombia through its recent renewal of the Andean Trade Preference legislation? It is irrational to punish American workers and businesses for Colombia's tragic history of violence by refusing to approve the Colombia agreement, which is the only way that the U.S. will achieve two-way trade with that country. American workers will gain new job opportunities through the increased U.S. exports to Colombia (about \$1 billion per year) that will result from the tariff-lifting provisions of the free trade agreement that open the door to U.S. exports. Have we forgotten that Colombia's economy has been growing at one of the fastest rates in Latin America?

Declining Violence in Colombia. When President Álvaro Uribe entered office in 2002, violence was indeed ripping apart the very fabric of the Colombian nation. Combined, the narcoterrorist

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Revolutionary Armed Forces of Colombia (FARC) and the paramilitaries of the United Self-Defense Forces of Colombia (AUC) had over 50,000 combatants in the field. Since 2002, with additional U.S. help under Plan Colombia and in accordance with President Uribe's Democratic Security strategy, the number of combatants has declined by at least 75 percent. Today, only the discredited FARC, with less than 10,000 fighters, represents a significant menace to the government as it ruthlessly uses the hostages it holds to leverage international attention and concessions.

The overall murder rate in Colombia has dropped by 40 percent, kidnappings are down by 83 percent, and terrorist attacks have decreased by 76 percent.¹ Murders of trade unionists have dropped even more, by 75 percent,² with only 11 killings thus far in 2008.³ While these murders are deplorable, there is no indication that the government of Colombia had any involvement in them. In cases that were heard in court, the majority of the homicides were found to be for nonpolitical reasons. Trade unionists, an estimated 70 percent, are heavily concentrated in noncompetitive public-sector unions and represent less than 5 percent of Colombia's work force.⁴ Labor spokesmen in the private sector tend to favor completing the agreement. Moreover, the government is actively investigating all acts of violence and threats against unionists. With dubious logic, the U.S. Congress wants to punish the Colombian government that has done so much to improve the situation.

Congress Sends Protectionist Signal, Blocks Agreement. Unfortunately, the congressional leadership ignored this remarkable record of progress under President Uribe and forced a vote along party lines on April 10, 2008, that will delay indefinitely

any consideration of the pending U.S.–Colombia Trade Promotion Agreement. This choice reneged on the commitment in the Trade Promotion Authority statute that Congress passed in 2002, when it pledged that trade agreements negotiated by the executive branch before June 30, 2007, would receive a straight up-or-down vote within 90 legislative days of submission by the President to Congress for approval.

The Stakes Are High in Colombia. A race is on for influence and, ultimately, for power in the Western Hemisphere. Strangers from the Eastern Hemisphere, from China to Russia, from Europe to Iran, are interested in trade and secure supplies of resources, minerals, and energy. These less constrained outsiders with little oversight arrive daily in places like Bogota and Panama City with new offers for trade and investment. While we elect to sit on the sidelines, others move to cut deals and cut us out.

Substantial stakes are on the table in Colombia. The U.S. government has invested hundreds of millions of dollars since 1999 in, and has achieved significant progress through, Plan Colombia in addition to spending four years negotiating the free trade agreement with Colombia. All of this is now placed in jeopardy by Congress's decision this week to alter established rules and break faith with the Colombians. In the 500-plus days since the U.S. and Colombian governments signed the trade agreement in August 2006, U.S. businesses and workers have already lost the opportunity to export more than \$1 billion worth of American-made products and services duty-free to Colombia while Congress has dithered and played politics with trade.⁵

Congress has sent a loud and frightening signal to all of our friends in Latin America and beyond: Ignore what we say and watch what we do. The vote

1. Office of the United States Trade Representative, "Colombia FTA Facts," March 2008.
2. Hugh Bronstein, "Colombia Trade Deal Dead This Year, U.S. Unions Say," *The Washington Post*, February 12, 2008, at www.washingtonpost.com/wp-dyn/content/article/2008/02/12/AR2008021201744.html.
3. José de Córdoba, "Colombia's Uribe Says Passage of Free-Trade Pact Is Critical," *The Wall Street Journal*, April 4, 2008, at <http://online.wsj.com/article/SB120728135158288953.html>.
4. Open Letter to the AFL-CIO from Colombian Union Leaders, March 28, 2008. See also Mary Anastasia O'Grady, "Unions for Free Trade," *The Wall Street Journal*, April 14, 2008 at http://online.wsj.com/article/the_americas.html (April 14, 2008).
5. Office of the United States Trade Representative, "Colombia FTA: Dates You Need to Know," April 8, 2008, at http://ustr.gov/assets/Document_Library/Fact_Sheets/2008/asset_upload_file563_14730.pdf.

against the agreement has translated into a significant loss of face for President Uribe and the entire Colombian nation, as well as a potentially devastating blow to U.S. prestige and influence in the entire Andean region.

Meanwhile, Congress's action on April 10 is seen as a vote of "No Confidence" in the Colombian people and will be a public relations victory for Venezuelan President Hugo Chávez and the FARC narcoterrorists he is trying to legitimize in order to undermine the Uribe government. Chávez vows to drive out the "U.S. imperialists" and have sway in the "Gran Colombia" that was (briefly) headed by Simon Bolivar 200 years ago. Colombia is the bull's eye in Hugo Chavez's quest to become the final political and economic arbiter in the Andes.

Conclusion. Colombians and all of our other friends in Latin America deserve better: They

deserve the support of all Americans. Congress should reverse its decision to suspend action on the U.S.–Colombia Trade Promotion Agreement and bring it to a favorable vote, sealing a permanent bond with our allies and friends in Colombia and signaling to the entire continent that the United States has not lost interest in Latin America. This will show that the United States is not retreating: that it stands ready to make a strong, stable, and democratic Colombia a pivotal point for continued and expanding relations with the Western Hemisphere.

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