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The U.S.–Colombia Trade Promotion Agreement: Don't Let Progress Fall Victim to D.C. Politics

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Colombian President Alvaro Uribe, a staunch ally of the United States and supporter of market-based democracy, has been fighting with great courage and success since 2002 to build a more democratic and prosperous Colombia. Yet, liberal Democrats in Congress have all but declared dead on arrival a U.S.–Colombia Trade Promotion Agreement that would encourage continued progress in Colombia. To make matters worse, they have proposed significant changes and cuts to the fiscal year 2008 budget for Plan Colombia, the successful joint U.S.–Colombia anti-narcotics program.¹ To bolster prosperity and security for both the United States and Latin America, Congress must continue to assist and engage one of America's closest friends in the Andean region.

Congress's Phony Objections to TPA. The Democratic-controlled Congress refuses to renew President Bush's "fast-track" Trade Promotion Authority (TPA), which expired on June 30. Congressional leadership is also forestalling ratification of TPA agreements negotiated by the Bush Administration with Colombia, Peru, Panama, and South Korea. At first, congressional leadership insisted that all four trade agreements be renegotiated before June 30 to include new chapters on labor and the environment. Regrettably, the Bush Administration caved in and added the onerous and vague provisions. Now the Democrats seem to be renegeing on their promise to pass the renegotiated (and now flawed) agreements.² Apparently at the behest of protectionist interests in U.S. organized labor,

House Democrats are using any and every excuse to avoid approving the agreements. With regard to Colombia, Democrats point to the country's tragic history of anti-union violence and demand "evidence of sustained results on the ground" before they will agree to ratify the trade agreement.

The Democratic leadership in Congress is insulting both President Uribe and the 62 percent of Colombian voters who re-elected him in 2006.³ On a recent visit to Washington, Mr. Uribe said that Colombia will not join "a relationship wherein the U.S. is master and Colombia a slave republic."⁴ Furthermore, it is hypocritical of the Democrats to imply that Colombia is deficient in labor matters. Colombia has ratified more international labor agreements than the United States, and Colombian labor laws meet international standards.⁵ Even more shameful is the Democrats' failure to mention that much of the violence in Colombia is linked to cocaine trafficking. Ninety percent of Colombian cocaine goes to satisfy the cravings of American drug users.⁶

U.S. Aid and Colombian Progress. The Clinton Administration created Plan Colombia in 1999 to curb cocaine production and smuggling and to

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reduce the drug-related violence that has plagued Colombia. The Bush Administration has continued funding for a multi-pronged approach: eradication and interdiction; disarmament of paramilitary and guerilla groups; and alternative employment for coca farmers. Plan Colombia has bolstered the Colombian government, allowing President Uribe to beef up his government's long-running fight against the Revolutionary Armed Forces of Colombia (FARC), a gang of ruthless narco-terrorists who control territory in remote and undeveloped areas of the country. Now allied with Venezuelan President Hugo Chavez, the FARC has been trying to overthrow democracy in Colombia for more than 20 years. Plan Colombia has helped Colombian authorities eradicate record levels of illicit crops, interdict cocaine shipments, and extradite narco-traffickers to the United States.⁷

Under Mr. Uribe's leadership, violence has dropped by impressive amounts. The murder rate has fallen by almost half, and kidnappings have decreased substantially. Terrorist attacks have also dropped, and thousands of illegal combatants have been disarmed. Mr. Uribe's approval rating exceeds 70 percent.⁸ Despite his tremendous record, Mr. Uribe knows that better law enforcement alone can-

not solve Colombia's problems. Peace and prosperity depend on continued economic growth. Toward that end, the Uribe administration has intensified economic liberalization programs. Colombia's monetary and fiscal policies are now disciplined, and the government has instituted difficult reforms to its tax, pension, and budgetary systems. Inflation is low, and the peso is stable.⁹ Colombia's gross domestic product grew nearly 7 percent in 2006. Investment has also increased—from 14 percent of GDP in 2002 to 27 percent in 2006.¹⁰

Benefits for the United States. The foot-dragging in Congress is ironic, because the United States would benefit most from ratification of the U.S.–Colombia Trade Promotion Agreement—as it was originally negotiated. Colombia already has considerable access to the U.S. market under the Andean Trade Preference Act and other legislation. The TPA agreement would open Colombia's market to American services, consumer and industrial products, and agricultural exports. In addition, the original TPA assured that Colombia would strengthen protection of U.S. intellectual property rights and investments.¹¹ The TPA agreement is also good for U.S. national security. The 9/11 Commission recommended that U.S. government counterterrorism

1. John D. Negroponte, "Helping Colombia Is in Our National Interest," *The Miami Herald*, May 22, 2007, p. A19.
2. Steven R. Weisman, "Bush in Accord with Democrats on Trade Deals," *International Herald Tribune*, May 10, 2007, at www.ihf.com/articles/2007/05/11/business/11trade.php (August 16, 2007).
3. U.S. Department of State, Bureau of Public Affairs, "Background Note: Colombia", March 2007, at www.state.gov/r/pa/ei/bgn/35754.htm (July 30, 2007).
4. Álvaro Uribe, "Words of President Uribe in the 39th Government Community Meeting from Buenaventura," speech in Buenaventura, Colombia, June 30, 2007, at www.presidencia.gov.co/prensa_new/discursos/discursos2007/junio/cc_39_buenaventura.htm (July 30, 2007).
5. Jeffrey J. Schott, Ed., *Trade Relations Between Columbia and the United States* (Washington, D.C.: Institute for International Economics, 2006).
6. U.S. Department of State, Bureau of International Narcotics and Law Enforcement Affairs, *International Narcotics Control Strategy Report, 2007*, March 2007, at www.state.gov/p/inl/rls/nrcrpt/2007/vol1/html/80855.htm (July 30, 2007).
7. U.S. Department of State, *International Narcotics Control Strategy Report*.
8. Eric Farnsworth, "Submission for the Record before the US International Trade Commission Hearing on the US–Colombia Trade Promotion Agreement," testimony before the U.S. International Trade Commission, October 5, 2006 at www.americas-society.org/coa/publications/Testimonies/ITC%20Testimony%20on%20Colombia%20FTA10.5.06.pdf (July 30, 2007).
9. U.S. Department of State, Bureau of Economic, Energy, and Business Affairs, "2006 Investment Climate Statement—Colombia," March 2006, at www.state.gov/e/eeb/ifd/2006/62320.htm (July 30, 2007).
10. Oscar Iván Zuluaga, "Bogotá: Colombia In The Eyes of Wall Street," *Council of the Americas 2007 Latin American Cities Conferences: Santa Fé de Bogotá Colombia*, June 28, 2007, at www.counciloftheamericas.org/coa/events/past/Bogota%20Conference%20Summary.pdf (July 30, 2007).

strategy include economic policies that provide opportunities for people to live in more open societies, thereby improving the lives and futures of their families.¹²

Conclusion. As President Uribe tries to reduce poverty and income inequality in his country by opening up to the global economy, next-door neighbor Hugo Chavez is tightening a noose around Colombia. Former Spanish President Jose Maria Aznar, himself no stranger to the tragic consequences of terrorism, recently noted that by turning its back on Colombia in its hour of need, the United States would send a “devastating message not only to Colombians but to the wider world.”¹³ The U.S.–Colombia Trade Promotion Agreement serves both

U.S. and Latin American interests and will create new economic opportunities for citizens in both countries. It will also strengthen U.S. national security and provide, through economic growth, additional resources for the Colombian government to fight terrorists and cocaine traffickers. Congress should immediately ratify all four trade agreements as originally negotiated and restore full funding to Plan Colombia. The Bush Administration and the U.S. business community should use the TPA agreements to begin a new era of economic engagement with Latin America.

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11. Office of the United States Trade Representative, “Trade Facts: Brief Summary of the U.S.-Colombia Trade Promotion Agreement,” June 2007, at www.ustr.gov/assets/Document_Library/Fact_Sheets/2007/asset_upload_file363_13072.pdf (July 30, 2007).
 12. National Commission on Terrorist Attacks, *The 9/11 Commission Report* (New York: W.W. Norton & Company, Inc., 2004), p. 378, at www.9-11commission.gov/report/911Report.pdf (July 30, 2007).
 13. José María Aznar, “The Case for the Colombia FTA,” *The Wall Street Journal*, July 16, 2007, at online.wsj.com/article/SB118454016607867037.html (July 30, 2007).