Chicago Tribune
July 11, 2005

Harvesting Votes for CAFTA

Now that the U.S. Senate has passed the Central America Free Trade Agreement 54-45, the battle shifts to the House where the vote is too close to call because of undecideds such as Illinois Democrat Melissa Bean.

To help her make up her mind, here's the case for CAFTA: This treaty would do away with duties on U.S. exports to Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras and Nicaragua. Eighty percent of the exports from those countries to the U.S. already enter this country duty-free. CAFTA would boost U.S. exports and create more jobs for Americans. It also would create jobs in those six nations and improve working conditions: The treaty would require those countries to enforce the labor laws they already have on the books.

In overall dollars, CAFTA is small potatoes. The collective output of the six Central American countries is less than one-fifth the size of the Illinois economy. But the treaty would boost growth and bolster democratic development in those countries. It also would signal, on the eve of global trade talks, that America remains committed to freer trade.

Regrettably, this trade treaty has become a partisan lightning rod on Capitol Hill. It has come to embody not only the accumulated fears of American job losses, but also trade tensions over globalization in general and China in particular.

Many Democrats insist the potential economic benefits touted by Republicans are trumped by the failure to protect workers here or in Central America.

Illinois' U.S. House members--10 Democrats, nine Republicans--are dividing pretty much along party lines. Bean, who represents the far north and northwest suburban 8th Congressional District, is an unknown. As she considers how to vote, she might want to look at CAFTA's impact on Illinois, particularly the state's farmers.

More than 40 percent of what Illinois farmers grow is destined for the export market. Those exports support 54,000 jobs in this state. Eliminating duties and reducing tariffs would boost exports--and that would mean more jobs.

Illinois corn growers alone are expected over time to reap about half of the 40 million-bushel market CAFTA would create in those countries. That's 20 million bushels worth or, at today's prices, about $50 million a year.

Fellow Illinois Democrat Rahm Emanuel once helped President Bill Clinton pass trade treaties. The Chicago congressman hasn't yet officially said how he'll vote on this one, but he recently pointed out how inconsistent Bush administration trade policies are when it comes to Central America and Cuba: CAFTA, he said, is expected to increase overall

U.S. agricultural trade by about $1.5 billion a year. Meanwhile, the Cuban trade embargo costs American farmers about $1.2 billion.

We share Emanuel's disdain for the Bush administration's continued support of the Cuban trade embargo. It's been a disaster on every level. It hurts Cubans and it hurts Americans. Bean might ask CAFTA's opponents how voting against the treaty helps Illinois farmers, or Cuba, or Central America.

The answer is, it doesn't.