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**CAFTA**

# Unhealthy for U.S., Central America

**BY FRED FROST**

**www.flaflcio.org**

Last Saturday marked the one-year anniversary of the Bush administration's signing of the Central American Free Trade Agreement. It also marks one year without a vote on the agreement as a result of widespread opposition from workers both at home and abroad.

CAFTA's predecessor, the North American Free Trade Agreement, was supposed to open markets for American goods and services, creating high-paying jobs at home and prosperity abroad. But the opposite has occurred. This deal with Canada and Mexico has cost U.S. workers nearly 900,000 jobs and job opportunities -- 35,511 of these right here in Florida -- and it hasn't delivered reductions in Mexican poverty. In 11 years under NAFTA, the U.S. trade deficit with Canada and Mexico ballooned to 12 times its pre-NAFTA size, reaching $111 billion in 2004. We can expect CAFTA to have similar, if not worse, effects.

CAFTA, like NAFTA, will sell out America's jobs while doing nothing to pull people out of poverty in Central America. In the U.S., for example, 146,000 U.S. sugar workers -- many of them right here in our state -- run the risk of joining the millions of displaced workers struggling to make ends meet. CAFTA will do nothing to close the enormous gap between our exports and imports.

**Mexico hurts after NAFTA**

The trade deficit symbolizes the flood of jobs leaving our country and the devastation of our communities as plants close. We don't have to look far to find proof -- remember Florida's Sola Optical? Sagaz Industries? Where did these good jobs go?

The problems with bad trade deals aren't confined to our country.

Look at what happened in Mexico under NAFTA. NAFTA's failure to protect fundamental human rights has allowed employers to continue thwarting unions in Mexico's export industries, denying workers a fair share of the wealth they create. As a result, over the last 11 years, wages in Mexico have fallen and poverty risen.

More than a million Mexican farmers lost their land because of low-priced agricultural imports. Many were forced to search for work in factories along the border and many came to the United States as migrant laborers. Since NAFTA's implementation, immigration from Mexico has more than doubled. Now, investors in Mexico's assembly plants are moving them to China, where labor costs are even lower and workers have even fewer rights.

Who gained under NAFTA? Multinational corporations. NAFTA granted foreign investors sweeping new rights to demand compensation for government regulations that protect the environment and public health. Profits have skyrocketed as jobs disappeared and wages stagnated.

CAFTA will allow rampant worker abuse to persist. For years, the State Department and the International Labor Organization have criticized Central American laws for violating basic international standards. Employers routinely exploit these weaknesses to harass, intimidate, fire and blacklist workers who try to organize unions. Governments in the region turn a blind eye to the abuse and create a climate of impunity for violators.

Both U.S. and Central American workers have come far in the fight for fair trade.

**Protect worker rights**

The public is increasingly dissatisfied with the failed trade model that CAFTA replicates. Polls show that America's working families consider NAFTA bad for the United States, and they demand stronger worker and environmental protections in trade deals. Even certain business sectors, such as the Florida Farm Bureau, have publicly voiced their concerns. Meanwhile, workers in Central America continue to work with small farmers, religious leaders and human-rights activists to protest CAFTA in their countries.

We must push for new trade rules that protect worker rights, create good jobs and promote equitable growth both at home and abroad. Trade rules must be balanced and ensure that no government and no corporation can gain a competitive advantage by exploiting its workers.

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