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FREE TRADE

CAFTA is a sour deal for sugar industry

BY ROBERT E. COKER and GASTON CANTENS

We remember the promises of all the economic and social benefits for the United States and Mexico if Congress would approve the North American Free Trade Agreement (NAFTA). Today, no one could say with a straight face that it worked out as promised. On the contrary, Florida suffered a net loss of 35,511 jobs as a direct consequence of NAFTA. Manufacturing jobs were lost across the country as factories moved over the border to take advantage of cheaper labor. And, in Mexico, workers' wages are even lower today than before NAFTA.

Incredibly, the ideologues who brought us the NAFTA debacle are trying again. The Central American Free Trade Agreement (CAFTA) is this decade's stalking horse for so-called free trade. If CAFTA passes, the people at fault will be those who were fooled a second time. Fortunately, this time, there are more doubters. The "promises" to improve the conditions of workers, the environment and democracy in CAFTA countries will turn out empty, just as they did in NAFTA.

Before NAFTA, we had a trade surplus with Mexico, today we have a \$200 million trade deficit. Despite promises to the contrary, Florida farmers have been devastated by cheap, unregulated crops. Florida's tomato crop is all but gone, and hundreds of farms are out of business. And, none of the promised consumer savings has been realized. Despite the promises to ship American corn and corn products to Mexico in exchange for Mexican sugar shipped here, Mexico has not allowed one grain south. CAFTA will be the same snare and delusion because despite the well-known impacts of NAFTA, free traders believe that "we are always one free-trade agreement away from prosperity."

Florida sugar farmers already cannot sell all the sugar they can produce and have been forced to reduce their operations and lay off workers. So it is not surprising that the U.S. government's own economists admit that Florida's sugar farmers will be harmed by increased imports of more than 100,000 additional tons of foreign sugar.

The CAFTA-DR countries (the Dominican Republic also signed on to the CAFTA trade pact) already send sugar here, accounting for nearly 25 percent of our sugar imports. Additional imports would flood an oversupplied market in the United States. Economists at the University of Florida and Louisiana State University estimate that the treaty will cost American sugar farmers more than \$180 million.

Why trade good Florida jobs for more foreign subsidized sugar? The sugar industry provides more than \$3 billion and 25,000 jobs to Florida's economy. The U.S. International Trade Commission reports that CAFTA will send more sugar workers to the unemployment line than workers from any other industry. And CAFTA will increase America's overall trade deficit with these countries by more than \$100 million.

The nations included in CAFTA represent a very small pool of economic activity. Together they have a combined regional economy smaller than that of the Tampa's metropolitan area. Worse, our government admits that CAFTA would actually increase our trade deficit with the region to \$2.4 billion.

The United States already supplies more than 90 percent of most agricultural imports to Central American markets. Florida ports and air terminals already handle most of the trade. We have little to gain.

For the record, we have, since the beginning, endorsed and financially supported the location of the Free Trade Area of the Americas (FTAA) secretariat in Miami, which would benefit all of Florida.

CAFTA is not the answer to our needs for fair trade. It is bad for Florida and bad for America.

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