

Background for Farmers: The Colombia Free Trade Agreement

Lessons Learned from NAFTA: Selling Out the Family Farm

- Each trade agreement since the early 1990's has resulted in opening our borders to cheaper, lower- quality imported food, without regard to how it is produced or who produces it.
- U.S. trade negotiators have demonstrated no restraint in trading away the interests of U.S. farmers and ranchers. They are being forced to compete with imported food products that are often of lower-quality and less expensive to produce.
- The way these trade agreements are written, U.S. farmers and ranchers will be locked into a competitive disadvantage. Recent trade agreements, such as NAFTA and CAFTA, have been destructive and intensely unpopular with family farmers and ranchers across the country.
- Fast track-enabled trade agreements mandate the U.S. to import food produced under horrific labor conditions, using pesticides banned here, while U.S. producers comply with high labor, environmental and health standards that far exceed our global competitors' standards.
- The current administration has used rural America as bait to help promote a trade policy that has decimated our nation's agriculture trade surplus in the last several years.
- "As a result, we will continue to see an erosion of our rural communities that are dependent on the U.S. cattle industry because we will be systematically replacing domestic production with larger volumes of imported product," said Bill Bullard, CEO of the Ranchers-Cattlemen Action Legal Fund.

One Farming Crop will Benefit: Coca Production

- The elimination of remaining tariffs for staple food crops will allow multinational agribusiness cartels to dump cheap imports into Colombia at below the cost of production, displacing farmers from their local markets, forcing them from their land, and causing a mass migration from the rural countryside.
- The same thing happened with the North American Free Trade Agreement, which resulted in millions of poor Mexicans leaving their farms to seek work elsewhere, any way they could.
- Once rural farmers are pushed off their land, pressure to feed their families may force many of these locals to grow more coca for cocaine production or join illegal armed groups, leading to an increase in violence and insecurity in the region.
- This is directly counter to current U.S. policy and spending goals. Since 2000, Colombia received more than \$4 billion in aid from the U.S., mostly military, to fight leftist insurgents linked to the country's cocaine trade.
- The Colombian Ministry of Agriculture has said that including the extreme drug patent rules and agricultural terms in this FTA will lead to increased drug production, trafficking and illegal armed groups.
- It's absurd that our country is considering passage of an FTA leading to increased harvesting of illegal crops like coca, the base ingredient of cocaine, as we send taxpayer money over there to fight the drug war.

Sugar: Attempts to Sweeten the Deal Leave a Bitter Taste

- Under a tariff-rate quota (TRQ), countries may ship specified quantities of a product into the United States at zero duty. Imports above the quota are subject to a tariff.
- Colombia sought significantly more access to the U.S. sugar market, while asking for continued protections for its own rice, poultry and other agricultural products.
- The United States gave Colombia 50,000 tons of additional access to the U.S. sugar market. In comparison, the Peru FTA only gave an additional access of 11,000 metric tons of sugar to that country.
- There were several such disagreements over staple commodities such as chicken legs, beef, rice and beans, all of which were considered sensitive in the original negotiations.

I'm a Chiquita Banana and I'm here to say: Send lawyers, guns and money

- Chiquita recently agreed to pay a \$25 million fine to settle a complaint with the U.S Justice Department, which accused the company of paying paramilitary groups more than \$1.7 million from 1997 to 2004.
- To address negative perception problems surrounding the trade deal, the Colombian government is turning to K Street lawyers, lobbyists and marketing flacks for help in passage. They've paid at least \$308,000 to firms over the past year, according to records filed with the Justice Department.
- Colombia has signed contracts with public-relations giant Burson-Marsteller, the Glover Park Group and Johnson, Madigan, Peck, Boland & Stewart.
- Major corporations like Wal-Mart also serve as leading lobbyist for speedy approval of trade agreements. Wal-Mart was not shy about saying that barriers to store entry and tariffs on expansion inputs were eliminated for them under CAFTA.
- Two months after CAFTA passed, Wal-Mart purchased the additional shares necessary to become the major shareholder of a local competing domestic food chain. Wal-Mart now stands as Central America's largest retailer with over 420 outlets and counting.
- The Columbia FTA is not about helping local "Ma and Pa shops" in that country. International corporate conglomerates will decimate local Colombian business much like they've wiped out America's main streets.

Undocumented Migration: Doubling after NAFTA

- Undocumented migration to the U.S. from Mexico has **more than doubled since NAFTA was enacted**. As Congress currently considers immigration reform policies to address the status of millions of undocumented workers in the United States, it ignores how these problems could become worse under the Colombia FTA
- The agreement does nothing to slow undocumented migration into the U.S. If the Colombia FTA has the same impact as NAFTA, it will actually increase the flow of undocumented Colombian immigrants into the U.S.
- Increased border policing and militarization since NAFTA also led to more than 2,700 deaths from failed attempts to cross into this country.

Food Safety: The World's Breadbasket Orders Out for Lunch

- In 2005, the United States, formerly known as “the world’s bread basket”, became a net food importer for the first time, with a food deficit of nearly \$370 million. This means an increasing amount of food on our dinner plates is now imported, and a vast majority of that food is unexamined and untested.
- This year alone, the United States has received imports of contaminated sea food, pet food, livestock feed, human food, toothpaste, children’s toys and more. Unchecked food imports and inadequate import inspection systems jeopardize consumer confidence in the quality and safety of imported products.
- Just like NAFTA, the Colombia agreement prioritizes increasing the *volume* of traded food over the *safety* of that food. In fact, the FTA often considers safety precautions a “barrier to trade”, discouraging some procedures for inspecting beef, pork and poultry.
- Nearly \$65 billion in food is imported annually – almost double the value imported when NAFTA and the WTO went into effect. According to a report by Public Citizen, the U.S. Food and Drug Administration (FDA) will conduct border inspections on only 0.6 percent of imported vegetables, fruit, seafood, grains, dairy and animal feed in 2007.
- The FDA data also makes it clear that Americans are three times more likely to be exposed to dangerous pesticide residues on imported foods than on domestic foods.
- A California beef trade group has expressed concern that the FTA will flood our U.S. market with Colombia beef. Currently, only 11 percent of imported beef, pork and chicken is inspected at the border by the U.S. Department of Agriculture (USDA).

There's No Such Thing as a “Free Trade” Lunch

- There is a hidden safety cost to passing trade agreements. Trade rules in the Colombia FTA replicate past limits on the safety standards the U.S. can require for imported food, and how much inspection is permitted.
- Colombia, Peru and Panama are three of the world’s top 20 exporters of shrimp to the United States, and the proposed Colombia FTA is anticipated to increase seafood imports into the U.S.
- In 2006, the USFDA inspected only 1.93 percent of seafood imports, and just 0.16 percent of the 859,357 shipments of seafood were refused entry. (Public Citizen Report)
- In the NAFTA-WTO era, seafood imports have increased 65 percent. Between 1995 and 2005, shrimp imports alone jumped 95 percent.
- The estimated annual incidence of infection with *Vibrio*, a diarrheal disease associated with seafood, increased 78 percent from 1996 to 2006.
- The lack of fairness in today’s trade agreements, which do not require our Colombian competitors to meet the same high production standards as those in the U.S., perpetuates a race to the bottom.

There's Nothing "Free" About this FTA: Opponents Support a Fair Trade Agreement

- Trade isn't "free" when we lose our family farms, when thousands are killed for standing up in the workplace, or when we destroy the most biodiverse regions on the earth. These prices are simply too high.
- We are not against trade. We are for preserving family farms, for ensuring food safety, for protecting Colombian farmers and for Colombian human rights.
- We are also for gains in U.S. jobs, for increased living standards, for more domestic manufacturing, for stronger health and environmental standards.
- We support open trade and globalization, but want to leverage our marketplace to ensure trade is done fairly, with a focus on supporting a majority of the world's people.
- Right now, American trade policy reflects the narrow interests of a few multinational conglomerates, rather than benefiting the majority of workers in both countries that create the value of these goods and services through their labor.
- Past trade agreements like NAFTA and CAFTA are corporate investment schemes, concocted in back rooms by a handful of select people. Congress isn't even allowed to amend or alter them.
- America has the largest and most robust market in the world, and if we open it up to other countries, we should expect them to play by the same rules we do, on a level playing field.
- This bilateral deal would be America's biggest in the Western Hemisphere since NAFTA was passed in 1994. In 2005, Colombia and the U.S. had \$14.3 billion in two-way trade. Most of that is Colombia moving goods into America.
- This FTA provides Colombia with duty-free access to our markets for almost all of its industrial goods. Because our economy is 104 times larger than Colombia's, they want this agreement much more than we do.

Desperate Times call for Desperate Process Measures

- President Bush's fast-track authority expired at the end of June 2007, but he pushed through the Colombia deal shortly before that deadline expired.
- When a deal is "fast tracked" under trade promotion authority, Congress either can approve or reject that negotiated trade agreement within certain time limits, but may not amend it. Put simply, Congress does not have a voice in fixing so many of the problems mentioned above.
- The Bush administration is threatening to submit the Colombia FTA to Congress without the consent of the Democratic leadership. No administration has yet presented a fast-track trade bill without close consultation with the leadership. This desperate move, never used before, would likely backfire against Republicans in the 2008 elections.
- Benjamin Franklin said the definition of insanity is repeating the same thing over and over, and expecting different results. That is exactly what we are doing with our current trade policy.