

The Colombia Free Trade Agreement: Impact on 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.

Foreign Investor Rights = Less Food Safety

- The Colombia FTA includes the exact same foreign investor rights found in NAFTA and CAFTA, allowing outside corporations to use closed trade tribunals to privately enforce an extreme set of investor rights by directly suing the United States.
- Foreign investors based in Colombia can challenge our U.S. state and local laws in foreign courts, and receive compensation if our laws undermine corporate profits. This allows foreign companies, for example, to bypass any food safety laws.
- The Colombia FTA, like other trade agreements, simply ignores majority votes taken by our representative government bodies. These FTAs are a direct assault on our democratic institutions, and result in a real loss of local government control.
- NAFTA has already generated "regulatory takings" cases against food safety regulations, responsible land use decisions, environmental safety initiatives, and other public health policies. These adverse rulings would not have been possible in U.S. courts.
- Under the investment chapter of this agreement, this FTA also provides incentives for U.S. companies to offshore jobs, outsource work, and leave the United States.
- The May 2007 deal to modify the Colombia FTA did not address basic NAFTA-style foreign limits on domestic procurement policy. Months before the May deal, most environmental, consumer and labor groups argued these provisions would need to be removed to avoid active opposition to these agreements.

New Language Does Not Address Food Safety Problems, and May Not Be Enforced

- The Colombia FTA text ignores limits on imported food safety and inspection, and still contains language requiring the United States to accept imported food that does not meet our safety standards.
- Newly inserted provisions dealing with labor and environmental issues are positive steps forward, but are also entirely dependent upon President Bush and the Executive Branch for enforcement.
- The current administration, with a consistent record of undermining domestic labor and environmental regulations, is unlikely to enforce any environmental or food safety provisions of the Colombia Agreement.
- All future enforcement of the new provisions will rely on similar discretion by future Presidents.
- Some members of Congress still remain concerned that these improved labor and environmental standards will be made part of virtual side deals, which have historically been ignored.
- The Colombia FTA ignores calls to change foreign investor provisions that remain almost word-for-word identical to the language found in CAFTA.
- The May 2007 trade deal ignored provisions that allow foreign investors to demand taxpayer-funded compensation for any governmental action – including a virtually limitless range of common policies used to protect the environment – which could affect an investor's expected future profits.

Lessons Learned from NAFTA: Selling Out the Family Farm

- 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.
- 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.
- "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.

The Colombia FTA is Unlikely to Receive a Vote

- There is wide opposition to the Colombia FTA, including a majority of House Democrats, Senate Leadership and most major stakeholders outside of corporate business interests.
- It is unlikely the trade pact will even be brought up for a vote. If it is, there are not enough votes to pass it.
- Not one U.S. labor, environmental, faith or consumer group has yet to endorse the Colombia FTA. These groups understand American companies are closing down and setting up shop across the border to take advantage of sub-standard wages and labor laws, off shoring loopholes and lax environmental regulations.
- Colombia is the most dangerous place in the world to advocate for worker rights. Over the past 20 years, more than 2200 Colombian unionists have been assassinated. And of the 144 unionists killed worldwide last year, 78 were Colombian. That's eight more than were killed in Colombia the year before.
- The Colombia FTA is modeled after the same flawed language found in NAFTA and CAFTA, which resulted in major job loss, environmental degradation, decimation of family farmers and increased immigration.
- 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.

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

- Trade isn't "free" when we import unsafe food, when thousands are killed for standing up in the workplace, or when we destroy the most biodiverse regions on the earth. It isn't free when we lose thousands of Americans jobs so corporations can pay substandard wages across the border. These prices are simply too high.
- We are not against trade. We are for safe food imports, for Colombian human rights, for Colombian biodiversity, and 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.

Scope of the Colombia FTA: Potential for Making Another Very Big Mistake

- 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.
- America has considerable leverage in deciding how and when to open up our markets, and how to influence the Colombian government to stop the killing of workplace activists if they want access to our buyers.
- American money flowing into Colombia follows a pipeline to the wealthy aristocrats and multinational business owners, and does not garnet improved living conditions or assurances that the working poor will receive any financial gain. There is no assurance this version of "trickle down trade economics" will automatically help the poor.
- Colombian Senator Cecilia López Montaña, a professional economist, criticized politicians who drafted the Colombia FTA, saying they **"rarely do defend the weak, and as usual they end up embracing the arguments of the obvious winners who, typically in Colombia, have always been the same: the financial sector, the big business, the exporting regions, and the skilled labor force."**

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 U.S. Constitution grants Congress the exclusive authority to "regulate Commerce with foreign nations" and the structure of Fast Track destroys this vital check and balance.
- 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.