



# **Colombia Free Trade Agreement Editorials**

**04/10/08 – 04/23/08**

# What's at Stake in Colombia

By JAMES A. BAKER III

Wall Street Journal Op-Ed

April 23, 2008

I've worked in politics long enough to know that when politicians spend too much time locked in partisan conflict, they can forget what they were fighting about in the first place. Unfortunately, this may be happening with the Colombia Free Trade Agreement.

The White House and Congress have reached an impasse. As a result, an economically and geopolitically important agreement is hanging in the balance. If our leaders in Congress don't change their approach, a critical building block for stability in an important region of South America may fall victim to domestic partisan squabbling.

I know an agreement can be struck because, for more than three decades, trade has been a rare issue that lends itself to consensus. As recently as December, Congress displayed the type of bipartisan leadership that Americans desire when it ratified a free trade agreement with Peru that is very similar to the one proposed for Colombia. And yet, this spring, the world is watching to determine if the United States will remain committed to embracing a free-market global economy, or display a growing isolationist attitude that can befuddle and vex our allies around the world.

The economic arguments that favor the agreement with Colombia are clear. Today, approximately 90% of Colombian exports come to the U.S. duty free under the Andean Trade Preferences Act and other agreements. President George H.W. Bush signed it as a way to counter the drug trade. By increasing trade, the law has helped create almost 600,000 jobs in Colombia, and these jobs are the best defense against the narco-traffickers and the terrorist networks they support.

While the Andean measure is an important and necessary pillar in our efforts to stem the flow of illegal drugs, it also means that American companies and workers do not play on a level playing field. We can change that by passing the Colombian agreement. Once enacted, over 80% of U.S. exports of consumer and industrial products to Colombia would immediately become duty-free, and all remaining tariffs would be eliminated within a decade.

Members of the U.S. Congress should also consider the national security arguments that favor this free-trade agreement. Colombia has long been a valued ally in a region that is increasingly becoming adverse toward our interests. Bolivia and Ecuador are to one degree or another antagonistic toward the U.S., and Venezuela is outright hostile.

Compare that to Colombia, an openly supportive, long-time ally that has long partnered with the U.S. on economic and security matters. Colombia was there when we needed an ally in that region. The backbone of the U.S.-Colombia security relationship, Plan Colombia, was started by President Bill Clinton and continued by President George W. Bush. Since Plan Colombia was

conceived in 1998, the Colombian government has worked closely with the United States to prosecute the war on drugs.

It has done so while constantly battling the so-called "Revolutionary Armed Forces of Colombia" (FARC). This group is no quaint band of pseudo-revolutionaries. Simply put, it is a terrorist organization – so classified by both the European Union and the U.S. government – and one that receives a significant amount of its financing from the drug cartels.

If the contents of a recently-seized computer once owned by Raul Reyes, a FARC leader that Colombia recently killed, are verified as accurate, the world would have incriminating evidence that Venezuela and Ecuador have been clandestinely supporting the FARC.

Does America want to allow Hugo Chávez to remake the Andean region in his image? While this matter is currently being investigated, it is clear that Chávez and his allies are already destabilizing the region. Both Ecuador and Venezuela, two of Colombia's biggest trading partners, have brought trade between them and Colombia to a virtual standstill.

Colombia is at a crossroads; it is literally besieged on all sides. As Canadian Prime Minister Stephen Harper said in September, "If the U.S. turns its back on its friends in Colombia, this will set back our cause far more than any Latin American dictator could hope to achieve"

While I understand that some have concerns about the level of violence in Colombia against union members, I urge those skeptical of the FTA to consider three important points:

- Thanks to a renewed effort by the Colombian government to crack down on labor violence, violence against union members has sharply decreased, dropping from over 200 homicides in 2001 to 26 in 2007.
- The Colombian government is investing nearly \$40 million in a protection program that has nearly 2,000 union members enlisted.
- Consider how much worse things would be in Colombia if we did not stand with our ally, and allowed destabilization to occur in the Andean region. A recent editorial in the Bogotá newspaper El Espectador accurately stated, "Blocking a tool like the free trade agreement, which seeks to foment development, does not seem like the best mechanism for defending Colombian trade unionists."

Now is the time for our leaders to show leadership and make a decision based on the overwhelming arguments in favor of this agreement.

*Mr. Baker was Secretary of State under President George H.W. Bush.*

# The Colombia Trade Stakes

By CONDOLEEZZA RICE

Wall Street Journal Op-Ed

April 7, 2008

It is not every day that our government, with one bold stroke, could strengthen the competitiveness of U.S. workers; support a democratic ally on the cusp of achieving lasting national success; weaken those who would sow instability and autocracy in our hemisphere; and send an unequivocal signal to the entire world that the United States is a confident, capable global leader that acts not only in its own interest, but in the interest of its friends.

All of this is what we can gain if Congress approves the free trade agreement that our administration has negotiated with Colombia. We have had ample time for deliberation. Soon it will be time for a decision.

With courage and sacrifice, Colombians have taken their nation from the verge of failure to the brink of peace and prosperity in little more than a decade. The U.S. has been with them every step of the way. With our sustained bipartisan support, begun by President Clinton and Congress in the 1990s and expanded by President Bush and Congress since 2001, Colombia's democratic government and its people have reclaimed their country from the FARC – a narco-terrorist group that, disturbing new information suggests, has been receiving assistance from beyond Colombia's borders.

Today, as war has given way to growing security, Colombians who once fled their homes in fear are returning by the thousands. Democratic institutions and the rule of law are growing stronger and more inclusive. Unemployment and poverty are at their lowest levels in over a decade and a growing economy is creating good jobs for Colombians in their own country. In short, Colombia is becoming a normal nation again.

In February, I saw some of this progress firsthand when I visited Medellin with nine Democratic members of Congress. Once the murder capital of the world and the home of Pablo Escobar, Medellin today is a place of safer neighborhoods, thriving businesses and a palpable hope that pervades the city. Medellin is but one reflection of the brave and difficult decisions that Colombia's government is making nationwide. Passing the free trade agreement would reinforce these good decisions and enable Colombia to expand prosperity and social justice to more of its people.

Colombia's transformation to an increasingly stable and prosperous democracy is one of the world's great victories for human rights. Still, this progress has been accompanied by violent crimes, including the murder of labor leaders and other innocent people. This is unacceptable to us and it is unacceptable to President Alvaro Uribe, whose government is working to bring the guilty to justice and to protect all Colombians. Since 2002, the murder of trade unionists has fallen by nearly 80%. But as President Uribe has rightly said, when it comes to murders and crimes against innocent Colombians, his goal is "zero."

Colombia is a functioning democracy. The fact that our friend remains imperfect, and that it still faces overwhelming challenges, should lead us not to withdraw our support, but to increase it – to help Colombia's legal and democratic institutions function more accountably, more effectively and more transparently. And that is exactly what this trade agreement would do.

This agreement is also a far better deal for U.S. workers than the one they have now. At present, more than 90% of Colombian goods enter the U.S. duty-free, while our exports to Colombia face tariffs of up to 35%. This agreement would level the playing field for U.S. workers, enabling them to send the products of their labor to Colombia on the same terms that Colombians now send theirs to us. The result, according to the U.S. International Trade Commission, would be an annual increase of approximately \$1.1 billion in U.S. exports to Colombia.

Beyond our economic interests, this agreement will also further our national interest in a free and peaceful hemisphere. Some in the Americas today want to shove the region toward authoritarianism. This system has failed before, and it will fail again. The only question is how much harm it will cause in the meantime, and in large part that depends on us – on whether we support the vast majority of people in the Americas today who believe, as we do, that security and social justice are best achieved through liberty and the rule of law, free and fair trade, and responsible democratic governance. Colombia shares these values, and we have invested billions of dollars in our ally's success. How could we possibly retreat now?

The fate of this agreement raises even larger questions: How does the U.S. treat its friends, especially when they are under pressure and attack? Will we remain engaged as a global leader or will we pull back unilaterally? Will we define our role in the world by confidence in our own principles or by capitulation to unfounded fears? The eyes of many nations, particularly those in our own hemisphere, are upon us, and let no one think that the choices we make will not echo around the globe.

For more than a decade, U.S. policy toward Colombia has clearly demonstrated that Republicans and Democrats can work together, elevate the national interest above partisan politics and sustain an effective strategy to achieve critical long-term goals. It is now time to write the next chapter in this venerable bipartisan story. We must approve this free trade agreement with Colombia – for the sake of both of our peoples' success.

*Ms. Rice is U.S. secretary of state.*

# Our Free-Trade Consensus

By KENNETH DUBERSTEIN and THOMAS F. MCLARTY, III

Wall Street Journal Op-Ed

April 4, 2008

It may seem odd during an election year to find two former White House chiefs of staff – one Democrat and another Republican – jointly penning an op-ed. But there is at least one thing we agree on, and that is the need to restore a bipartisan consensus in favor of free trade.

Last May, the administration and Congress achieved an important breakthrough on the treatment of labor and environmental issues in bilateral free trade agreements. This deal, negotiated in good faith by respected leaders from both parties, gave hope to those of us who believe America's future prosperity depends on active engagement in the global economy.

Yet today, the deal is being put to the test by the U.S.-Colombia Free Trade Agreement (FTA) now ready to be considered by Congress. Not only are economic gains at stake; there are also important political and strategic interests to consider.

On the trade front, it is important to understand that, as Under Secretary of Commerce Chris Padilla has said, the U.S. already has free trade with Colombia – but it's "one-way free trade." Thanks to the Andean Trade Preferences Act, which Congress passed 16 years ago, Colombian exporters pay tariffs on only 8% of the goods they send to the U.S. Meanwhile, U.S. exporters currently pay tariffs – some as high as 35% -- on 97% of the products we sell Colombia.

The U.S.-Colombia FTA would level this uneven playing field, eliminating the tariffs on U.S. goods and creating new market access for U.S. service suppliers. And it would do all of this with a major trading partner. The U.S. exports more to Colombia than Russia, even though Russia has a population that is three times larger and an economy seven times that of Colombia.

Under the agreement now before Congress, U.S. exports to Colombia, from cars to chemicals to consumer products, would grow by an estimated \$1 billion per year – a direct benefit to U.S. workers and their families. From Colombia's perspective, the FTA would add a welcome dimension of certainty to our trading relationship, encouraging investors to commit to Colombia and help create jobs there, too.

In addition, the agreement would send an important signal of support to a close neighbor, friend and ally. Over the past 10 years, Colombia has made tremendous political and economic progress, and great strides in turning back the tide of narco-terrorism that threatened the region's stability. The U.S. has been a key partner in that effort – beginning with the Clinton administration's 1999 aid plan, which continues as Plan Colombia. The results are impressive. Roughly 30,000 paramilitary fighters have been demobilized. Terrorist attacks, kidnappings and homicides in Colombia have plummeted over the past several years. A decade ago, residents of Medellin – the center of the drug trade in Colombia – would not visit their local plaza without armed bodyguards. Today, parents and children enjoy the city's plazas and parks without fear.

To be sure, there still is work to be done. While Colombian President Alvaro Uribe has taken significant steps to protect trade unionists, for example, violence persists against labor leaders. But as the many Colombian unions that support the trade agreement know, rejecting the agreement will not save a single life – whereas passing it will be a powerful vote of confidence in the democracy Colombians have struggled so hard to protect. The regional role of Colombia as an enduring democracy, working in partnership with the U.S., is a powerful signal to neighboring countries as well.

Both presidents we were privileged to serve were committed to security in the Western Hemisphere and to opening new markets to goods through free trade. For instance, both presidents signed important trade agreements that opened new markets abroad – including the U.S.-Canada Free Trade Agreement in the last year of Ronald Reagan's presidency and the North American Free Trade Agreement in the first year of Bill Clinton's. Likewise, both believed that the security of our Latin American neighbors was important to our own national security. They invested much in ensuring that democracy and economic freedom took root and grew in Latin America.

The U.S.-Colombia FTA merits bipartisan support. We also believe that restoring a durable bipartisan consensus on trade requires our leaders to work harder at ensuring that no one gets left behind.

Exports accounted for 40% of America's economic growth in 2007; trade creates jobs, higher wages and lower prices in aggregate terms. Yet people don't live their lives in the aggregate – they live as individuals. The skies may look bright at 40,000 feet, but that's no help to someone struggling to make ends meet on the ground.

That's why those of us who believe in the power of open markets, and who want to see closer ties of trade and investment around the world, need to do more to help workers, families and communities adapt to change. The more we can do to soften trade's blows, the easier it will be to spotlight trade's benefits – which, in the case of the U.S.-Colombia FTA, are substantial and deserve our support.

*Mr. Duberstein was a White House chief of staff for President Ronald Reagan. Mr. McLarty was a White House chief of staff for President Bill Clinton.*



# Free Colombia

## A trade pact everyone can love

Washington Post Editorial

March 31, 2008

SOMETIME AFTER Congress returns from Easter recess this week, President Bush is likely to present the Colombia Trade Promotion Agreement for the approval of the House and Senate. As we have said, the proposed pact is good policy for both Colombia and the United States. Colombia has long enjoyed periodically renewable tariff-free access to the U.S. market; the agreement would make that permanent. In exchange, U.S. producers would, for the first time, get the same tariff-free deal when they export to Colombia. Meanwhile, the agreement contains labor and environmental protections much like those that Congress has already approved in a U.S.-Peru trade pact. A vote for the Colombia deal would show Latin America that a staunch U.S. ally will be rewarded for improving its human rights record and resisting the anti-American populism of Venezuela's Hugo Chávez.

Sending the agreement to the House of Representatives without the prior approval of Speaker Nancy Pelosi (D-Calif.) would be risky for the president; usually, the executive and legislative branches tee up such votes cooperatively. But months of Democratic resistance to the Colombia deal may have left Mr. Bush no choice. The agreement is being held hostage by members of the House (and Senate) who argue that Colombia -- despite a dramatic drop in its overall murder toll under the leadership of President Álvaro Uribe -- hasn't done enough to protect trade union activists or to punish past murders of labor leaders. It's a spurious complaint: Actually, in 2006, union members were slightly less likely than the average Colombian to be murdered. But the human rights issue has served as cover for many Democrats whose true objections are to free trade itself.

Once the agreement arrives on the Hill, Congress will have 90 legislative days to vote yes or no -- no amendments and no filibusters allowed, because special "fast track" rules apply. The Bush administration is betting that enough Democrats would support the pact to ensure its passage in the House, if it ever comes up for a vote. Of course, Ms. Pelosi could make an issue of the president's failure to get her approval to submit the pact and then could have her caucus shoot down the deal. But she could also engage the White House in serious negotiations. The president has signaled a willingness to consider reauthorizing aid for workers displaced by trade, legislation that is dear to the Democrats' labor constituency and that he has heretofore resisted.

Ms. Pelosi recently said that no Colombia deal could pass without trade adjustment assistance -- without also mentioning the bogus trade unionists issue. Perhaps she is realizing that talking to Mr. Bush about swapping a Colombia vote for trade adjustment assistance might actually lead to a tangible accomplishment. At least we have to hope so.



# Approve pact with Colombia

**FARC is losing ground and hostage negotiations are on. Congress should approve a trade deal with the country.**

Los Angeles Times Editorial

April 8, 2008

Colombia is positioned to enter its most peaceful and prosperous era in decades. At home, the leftist Revolutionary Armed Forces of Colombia, or FARC, is losing its long war against the government; in the U.S., a free-trade pact awaits approval from Congress. American actions in the next weeks will help determine whether Colombia's political and economic opportunities gather momentum or falter.

Under pressure from human rights and labor organizations, Colombia has done what Democrats in Congress have urged: improved the country's dismal labor record. Certainly more progress must be made -- Colombia still leads the world in murders of union organizers -- but President Alvaro Uribe's government has reduced the number significantly and shown that it's on the right track. Now the U.S. must demonstrate faith in an ally -- faith that its reforms are not solely the product of political pressure from the north, and that the people of Colombia and the government are equally committed to a more just society. Congress should approve the trade pact.

This juncture presents opportunities for both countries. Battered and demoralized, the FARC is under intense international pressure to release its hostages: Franco-Colombian Ingrid Betancourt, three American military contractors and hundreds of Colombians. The United States' hands-off policy has been fruitless; now is the time to actively work for the release of Marc Gonsalves, Keith Stansell and Thomas Howes. New Mexico Gov. Bill Richardson has visited Uribe to discuss the crisis, and given his history of successful hostage negotiations, his standing as a special envoy of the Organization of American States and his connections in Latin America, he's a logical choice as mediator.

A peaceful resolution to the hostage crisis will also improve the region's political landscape. Colombia's recent incursion into Ecuador, where it attacked a FARC camp, won Uribe tremendous support at home but strained relations with its neighbors. Venezuelan President Hugo Chavez, who is ideologically aligned with the rebels, has exploited this anxious moment, and the Bush administration's neglect has only helped to tilt South America hard left. This is why it is crucial for the U.S. to act decisively on the trade agreement and the FARC. Freeing hostages and opening trade are both in Colombia's interests; those are interests we share and should advance.

# Our view on free trade: Pass the Colombia pact

## **Democrats pander to Big Labor, flirt with return to protectionism.**

USA Today Editorial

April 9, 2008

As they work their way through gritty blue-collar states, Democratic presidential candidates Barack Obama and Hillary Clinton have each had what might best be called "trade moments."

As they work their way through gritty blue-collar states, Democratic presidential candidates Barack Obama and Hillary Clinton have each had what might best be called "trade moments."

Obama was embarrassed after an aide told the Canadian government that Obama wasn't really serious about renegotiating the North American Free Trade Agreement. And Clinton pushed aside her top strategist, Mark Penn, whose day job as public relations executive led him to promote a trade pact with Colombia that the candidate opposes.

These episodes have been dissected as gaffes, tactical errors or, in Penn's case, conflicts of interest. What they really are is evidence of the candidates' willingness to pander on free trade — and their party's growing willingness to accept the labor movement's defeatist anti-trade positions.

There is no compelling reason to reopen NAFTA, or to think that the United States could do any better on second effort. The addition of more than 30 million U.S. jobs since it went into effect in 1994 makes it hard to argue it has been bad for the nation.

Nor is there a good reason why Obama, Clinton and other leading Democrats should oppose a proposed free trade agreement with Colombia, set for a vote this year, considering that:

\* Colombia would get nothing from it other than the permanent extension of the status quo. That's because most of its products already come into this country duty-free thanks to a decision two decades ago to promote legitimate businesses in an Andean region rife with cocaine.

\* Most U.S. exporters to Colombia would see their tariffs, now ranging from 7% to 80%, slashed to zero. For a company such as Illinois-based Caterpillar, a major exporter to Colombia, that could mean a \$200,000 savings on a piece of heavy equipment.

\* The government of Colombia is a solid ally and a counterweight to Venezuelan strongman Hugo Chavez. It has accepted decades of American arguments that free markets and trade are the best engines of growth and antidotes to extremism.

Labor leaders point to violence against union workers as a justification to delay a deal indefinitely. This is a red herring. Colombia is an unusually violent place — because of

everything from criminals to drug cartels and the Marxist terror group known as FARC — but evidence that union members are victimized more than others is thin.

That the Colombia deal might be in trouble shows how Democrats have been worn down by years of facile anti-trade arguments. With free-trader John McCain atop the Republican ticket, the two parties arguably are further apart on trade now than at any moment since 1932.

The irony is that back then, their roles were reversed, with Republican Herbert Hoover pushing high tariffs and Democrat Franklin Roosevelt opposing them. Roosevelt won in a landslide, and world trade became a vital part of the nation's economic growth for decades to come. That is something the Democrats, currently focused on short-term campaign tactics, should think about as they flirt with protectionism.

# Colombia and Cat

Wall Street Journal Editorial

April 9, 2008

President Bush sent the U.S.-Colombia Free Trade Agreement to Congress on Tuesday, and Democratic leaders greeted it with a Bronx cheer. No surprise there. AFL-CIO President John Sweeney has been promising that the deal won't pass, and we're guessing his confidence has something to do with Big Labor's contributions to the Democratic Party in an election year.

But if House Speaker Nancy Pelosi's anti-Colombia motivations are easy to divine, Mr. Sweeney's are more puzzling. Union leaders like to say they're looking out for the well-being of the rank and file. But by quashing the Colombia FTA, Mr. Sweeney would weaken the competitiveness of American manufacturing and put some of America's best-paying union jobs at risk. These are jobs that exist today but could well be gone if Congress rejects this market opening in South America.

Exhibit A are 8,600 jobs at two Caterpillar Inc. factories in Illinois. Caterpillar exports more to Peru and Colombia than it does to Germany, Japan or the United Kingdom. So keeping and growing market share in both countries is important to union members in both plants. Not all are union jobs but both facilities are United Auto Worker shops.

Consider exports of the off-highway truck, made in Decatur. Customers in Colombia now pay a 15% tariff – equal to \$200,000 – on the import of these vehicles. If the FTA goes through, that import tariff goes to zero immediately. Conversely, if the deal dies and Colombia, which is trying to expand its world trade, strikes an agreement with another country where similar vehicles are made, U.S. exports will immediately be at a 15% price disadvantage.

Colombia also has a large mining industry, and there are more Cat D-11 bulldozers in Colombian coal mines today than in any other country in the world. Those bulldozers are made in East Peoria. Colombian customers pay a 5% duty to import Cat bulldozers, which compete against Komatsu bulldozers made in Japan. Union members might ask Mr. Sweeney why he wants to spurn an offer that would give U.S. products a 5% price edge against Japanese competition.

Caterpillar – which has a total U.S. work force of 50,545 – faces an even more imminent threat in the case of its motor graders, a piece of heavy equipment used to level the playing field, literally. A company called Champion also makes motor graders in Canada, and Colombia is also negotiating an FTA with Canada. If Canada seals a deal with Colombia while the U.S. walks away from its Colombia pact, graders made in the U.S. will cost more than those made in Canada. Once again, Mr. Sweeney's agenda makes the U.S. work force less competitive.

The AFL-CIO's rejectionism makes even less sense when you consider that 92% of Colombian goods coming to the U.S. now enter the American market duty-free under the Andean Trade Preferences Act, or ATPA. In June 2007, 365 members of Congress voted to renew the ATPA and thereby maintain open U.S. markets for Colombian products. The FTA is a chance to open Colombian markets to U.S. goods and services. Killing it is like saying that we want U.S. products going to Colombia to be heavily taxed. Even for a trade protectionist like Mr. Sweeney, that makes no sense. For American workers, it's crazy.

# Drop Dead, Colombia

## **Democratic Speaker Nancy Pelosi blocks a trade deal with America's closest South American ally.**

Washington Post Editorial

April 10, 2008

THE YEAR 2008 may enter history as the time when the Democratic Party lost its way on trade. Already, the party's presidential candidates have engaged in an unseemly contest to adopt the most protectionist posture, suggesting that, if elected, they might pull out of the North American Free Trade Agreement. Yesterday, House Speaker Nancy Pelosi declared her intention to change the procedural rules governing the proposed trade promotion agreement with Colombia. President Bush submitted the pact to Congress on Tuesday for a vote within the next 90 legislative days, as required by the "fast-track" authority under which the U.S. negotiated the deal with Colombia. Ms. Pelosi says she'll ask the House to undo that rule.

The likely result is no vote on the agreement this year. Ms. Pelosi denies that her intent is to kill the bill, insisting yesterday that Congress simply needs more time to consider it "in light of the economic uncertainty in our country." She claimed that she feared that, "if brought to the floor immediately, [the pact] would lose. And what message would that send?" But Ms. Pelosi's decision-making process also included a fair component of pure Washington pique: She accused Mr. Bush of "usurp[ing] the discretion of the speaker of the House" to schedule legislation.

That political turf-staking, and the Democrats' decreasingly credible claims of a death-squad campaign against Colombia's trade unionists, constitutes all that's left of the case against the agreement. Economically, it should be a no-brainer -- especially at a time of rising U.S. joblessness. At the moment, Colombian exports to the United States already enjoy preferences. The trade agreement would make those permanent, but it would also give U.S. firms free access to Colombia for the first time, thus creating U.S. jobs. Politically, too, the agreement is in the American interest, as a reward to a friendly, democratic government that has made tremendous strides on human rights, despite harassment from Venezuela's Hugo Chávez.

To be sure, President Bush provoked Ms. Pelosi. But he forced the issue only after months of inconclusive dickering convinced him that Democrats were determined to avoid a vote that would force them to accept accountability for opposing an agreement that is manifestly in America's interest. It turns out his suspicions were correct.

"I take this action with deep respect to the people of Colombia and will be sure that any message they receive is one of respect for their country, and the importance of the friendship between our two countries," Ms. Pelosi protested yesterday. Perhaps Colombia's government and people will understand. We don't.

# Pelosi's Bad Faith

Wall Street Journal Editorial

April 10, 2008

The Democratic Party's protectionist make-over was completed yesterday, when Nancy Pelosi decided to kill the Colombia free trade agreement. Her objections had nothing to do with the evidence and everything to do with politics, but this was an act of particular bad faith. It will damage the economic and security interests of the U.S. while trashing our best ally in Latin America.

The Colombia trade pact was signed in 2006 and renegotiated last year to accommodate Democratic demands for tougher labor and environmental standards. Even after more than 250 consultations with Democrats, and further concessions, including promises to spend more on domestic unemployment insurance, the deal remained stalled in Congress. Apparently the problem was that Democrats kept getting their way.

So on Monday, President Bush submitted the bill to Congress over liberal protests, which, under a bargain between Congress and the White House for trade promotion authority, mandated an up-or-down vote within 90 days. Today Ms. Pelosi will make an ex post facto change to House rules to avoid the required vote, withdrawing from the timetable and thus relegating the Colombia deal to a perhaps permanent limbo.

Democrats say it would have failed anyway, but at least a vote during the next three months would have forced them to show the courage of their protectionist convictions. Instead, they chose to shelve the bill in an election year while paying off organized labor and other antitrade yahoos. The gambit is especially humiliating for Ways and Means Chairman Charlie Rangel, a free-trader who has been trying to strike a deal with the Administration but keeps getting rolled by Ms. Pelosi.

For good measure, the double-cross dismantles the only process that allows any Administration to conduct good-faith negotiations with foreign nations. No one is going to take the U.S. at its word if Congress is going to change the rules when it has second thoughts and renege.

The latest Democratic objection is that Bogotá isn't doing enough to protect labor activists. But the murders of trade unionists have fallen by almost 80% since 2002, in part because of special protection programs, and Colombian President Álvaro Uribe has reduced other violence by nearly every measure, particularly against narco-traffickers. But any excuse will do. Yesterday Ms. Pelosi said the bill would harm "the economic concerns of America's working families." Yet over 90% of Colombian imports enter the U.S. duty-free, while the agreement would open the Colombian market to American goods that face tariffs as high as 35%.

Even if the free trade agreement is somehow removed from cold storage, Ms. Pelosi's cheating is a first-order strategic blunder. Colombia is one of America's closest friends in a hostile region menaced by Hugo Chávez's Venezuela. For all the talk of repairing the U.S. "image" in the world, the Democrats don't really mind harming that image if it pleases the AFL-CIO.

# Yes to free trade

THE WASHINGTON TIMES EDITORIAL

April 10, 2008

With time running out on this year's legislative calendar, President Bush has sent the Colombia Free Trade Agreement to Congress. The trade deal deserves to be approved for four very big reasons. First, the trade pact effectively levels the playing field by providing much greater benefits to U.S. exporters, which face high tariffs, than it gives to Colombia, whose products already arrive in the United States with very few restrictions. Second, in a South American region that has moved decidedly leftward in recent years — e.g., Venezuela, Bolivia and Ecuador — Colombia remains our strongest ally on the continent. Third, with an expanding economy and a population of 44 million, Colombia has South America's second-largest number of consumers whose demand for unrestricted U.S. industrial, farm and consumer products offers great potential for U.S. firms and workers. Fourth, Colombia has indisputably made great strides in recent years on the economic- and political-reform fronts; in its efforts to demobilize paramilitary forces; and in its battle against the Revolutionary Armed Forces of Colombia (FARC, an internationally designated terrorist organization and narco-trafficking syndicate). Under the brave, competent leadership of President Alvaro Uribe, Colombia deserves to become a free-trade partner of the United States.

The trade agreement was signed 16 months ago. It was later revised in accordance with Democratic demands that more stringent labor and environmental standards be added. Under the terms of the Trade Promotion Authority (TPA) process, Congress has 90 legislative days to conduct up-or-down votes without adding amendments. However, the Colombia trade deal, which may become the first trade agreement that Congress has ever rejected, is strongly opposed by the Democratic congressional leadership, which is threatening to delay consideration of the trade pact.

The economic benefits are clear. Colombia has enjoyed preferential-trade access to the U.S. market since 1991. Today more than 90 percent of its exports arrive in the United States duty-free. Colombia wants the free-trade agreement because it would make this preferential-trade access permanent. Tariffs up to 35 percent currently apply to U.S. industrial and consumer products exported to Colombia; many U.S. agricultural products face tariffs above 80 percent. The free-trade agreement would immediately eliminate tariffs on 80 percent of industrial and consumer products exported to Colombia. Eventually, 100 percent of U.S. exports would enter Colombia's large and growing market duty-free.

Democrats, U.S. labor leaders and others, including this page, are rightly concerned about the labor activists who have been murdered during the past 20 years in Colombia. Under Mr. Uribe, however, who became president in 2002, violence against labor activists has plunged. Meanwhile, Hugo Chavez, the increasingly authoritarian, anti-American president of Venezuela, continues to support the murderous FARC. As Canadian Prime Minister Stephen Harper recently observed: "If the U.S. turns its back on its friends in Colombia, this will set back our cause far more than any Latin American dictator could hope to achieve."



# Time for the Colombian Trade Pact

New York Times Editorial

April 12, 2008

American workers are understandably anxious. Their incomes went nowhere through six years of economic growth. Many are losing their jobs as the economy slips into recession. Yet concern about workers' plight should not lead Congressional Democrats to reject the trade agreement with Colombia. This deal would benefit the American economy and further the nation's broader interests in Latin America.

It is time for Congress to ratify it.

The trade pact would produce clear benefits for American businesses and their workers. Most Colombian exports are exempt from United States' tariffs. American exports, however, face high Colombian tariffs and would benefit as the so-called trade promotion agreement brought them down to zero.

The deal also would strengthen the institutional bonds tying the United States to Colombia, one of America's few allies in an important region that has become increasingly hostile to the United States' interests. Perhaps most important, the deal would provide a tool for Colombia's development, drawing investment and helping the nation extricate itself from the mire of poverty that provides sustenance to drug trafficking and a bloody insurgency.

Violence in Colombia is way too high. We remain very concerned over the killing of trade unionists by right-wing paramilitary groups. Last year, we advised Congress not to ratify the trade agreement until Colombia demonstrated progress in investigating the murders and prosecuting and convicting their perpetrators.

Though by no means ideal, the situation today has improved. Thirty-nine trade unionists were killed last year, down from 197 in 2001, the year before the government of Álvaro Uribe came to office. Prosecutors obtained 36 convictions for the murder of trade unionists — up from 11 in 2006 and only one in 2001. The budget of the prosecutor general's office has increased every year. Last year, it created a special unit to prosecute labor murders that has obtained 13 sentences.

Pressure from the United States Congress has contributed to this progress, nudging the Colombian government with its offer that gains on the human rights front would lead to ratification of the trade agreement. Washington must sustain the pressure to ensure the energetic prosecution of crimes by paramilitary thugs and further reduce violence against union members. It has a powerful tool to do so: about \$600 million a year in mostly military aid for Colombia to combat drug trafficking. The money must be approved by Congress every year.

Rejecting or putting on ice the trade agreement would reduce the United States' credibility and leverage in Colombia and beyond. In a letter last year to Congressional Democrats, a group of Democratic heavyweights from the Clinton administration and previous Congresses wrote: "Walking away from the Colombia trade agreement or postponing it until conditions are perfect

would send an unambiguous signal to our friends and opponents alike that the United States is an unreliable partner without a vision for cooperation in our hemisphere.” It would serve human rights in Colombia no good.

Unfortunately, the agreement has become entangled in political jockeying between the White House and Democrats. The Democrats are right to demand assistance for American workers, and the Bush administration should work with Congress to expand the safety net for workers displaced by globalization. But this should not stop the Colombian trade pact from coming to fruition.

# FORUM: A partner in Colombia

By Harold McGraw III  
Washington Times Op-Ed  
April 12, 2008

In recent years, free trade agreements have proven to be valuable drivers of America's economic growth - lowering tariffs, increasing market access and improving trading rules for United States' products and services. The proposed U.S.-Colombia Trade Promotion Agreement offers an especially compelling opportunity to bolster our economy, while sending an important signal to a vital U.S. ally.

The agreement is now in the hands of Congress, and it has the opportunity to show the world that America will not turn inward. Decisive, bipartisan action by Congress would help strengthen American competitiveness, support political and social progress in Colombia and democracy in the region, and improve our standing on a continent that has long been victimized by totalitarian regimes and anemic growth.

Foreign investors have seen what I have seen in my own interactions with Colombia's popular, democratically elected president, Alvaro Uribe: economic and political policies that are pro-business, pro-democracy and that uphold the rule of law. These policies have created one of the most vibrant economies in Latin America and the biggest market for U.S. agricultural exports in the region, yielding investments that fueled Colombia's remarkable 6.6 percent economic growth rate in 2007 and resulting in a fourteen-fold gain in the Colombian stock market since October 2001.

Colombia has prudently established free trade agreements with several key countries in the Western Hemisphere, but not with the U.S. In contrast, the goods and services of thousands of U.S. companies - and the many thousands of men and women they employ - that currently export to Colombia are penalized with high tariffs and other restrictive barriers. The U.S.-Colombia agreement would immediately eliminate these onerous tariffs on 80 percent of all U.S. consumer and industrial exports, as well as eliminate a host of other barriers to trade, enabling these U.S. companies for the first time to compete in the region on a level playing field.

An accord with Colombia would offer more than just economic benefits to America. Passage of the agreement would encourage a friendly democracy and improve our standing in the region. After the recent turmoil caused by hostile troops from Venezuela and Ecuador gathering on Colombia's borders, there has never been a better time to send a clear message to pro-democratic forces throughout Latin America that the U.S. stands with nations like Colombia in support of economic, political and human rights reforms.

Despite the clear and inarguable benefits of a U.S.-Colombia Trade Promotion Agreement, some Americans remain fearful of free trade and, more broadly, international engagement, and would choose to isolate the U.S. economy from the world. Doing so would be more than bad foreign policy; it would be bad business. Free trade provides access to previously closed markets, which in turn leads to increased opportunities for America's companies and their workers and increases American competitiveness. For example:

- Exports to our NAFTA partners have doubled since passage of the agreement in 1993.
- The U.S.-Chile agreement has more than tripled U.S. exports to Chile since its passage.
- U.S. exports to Jordan have increased 90 percent since passage of the US-Jordan agreement in 2001.

International trade has never been more important to the U.S. economy. Forty years ago, it was just a drop in the bucket. Over the last decade, exports have accounted for approximately 30 percent of U.S. economic growth. In 1992, one in 10 Americans had a job involving international trade. Today, it is nearly one in five.

Access to overseas markets is critical to our economic vitality, but if we are to continue to reap the benefits of international trade, we need to act quickly. The U.S. is falling behind globally when it comes to opening markets to our goods and services. Today, we are active in only ten of the world's 300 free trade agreements. The European Union now has more than double the number of agreements as the U.S.; Japan, China and India are outpacing us as well. Without strong engagement in the international marketplace, the U.S. is handing critical overseas opportunities to foreign competitors. If we allow these trends to continue, we will undermine the American worker.

While the presidential campaigns traverse the country and dominate the headlines, our elected officials in Washington must remain focused on the matters at hand - and few are more important than the passage of the U.S.-Colombia agreement. Every day it is not passed is another day of lost opportunities for American companies and workers. By passing the Colombia accord now, America has a rare opportunity to show the world that good trade policy and good foreign policy go hand-in-hand.

*Harold McGraw III is chairman of Business Roundtable, chairman of the Emergency Committee for American Trade and chairman, president and CEO of McGraw-Hill Cos.*

# Pelosi plays politics

**She's doing right by her party by blocking the Colombia trade pact. But it's the wrong thing for the country.**

Los Angeles Times Editorial

April 12, 2008

In finagling House rules to block a vote on a free trade agreement with Colombia, Speaker Nancy Pelosi (D-San Francisco) has done well by her party. The pact is opposed by unions and therefore is opposed by both Democratic presidential candidates, who are courting labor votes. But because its economic benefits are plain, a vote would force Sens. Barack Obama of Illinois and Hillary Rodham Clinton of New York to choose between politics and the national interest. Pelosi's solution: stall.

That's not her stated reason, of course. Instead, she and other critics of the Colombia Free Trade Agreement claim, for instance, that it would further damage the U.S. economy. Nonsense. The economy is teetering because of a meltdown in the housing market, a credit squeeze that hampers business growth and a pullback by consumers that weakens retailers. Increasing exports of beef and frozen French fries to Bogota will not drive more sub-prime borrowers into foreclosure in Boise.

To the contrary, the agreement creates balance in a policy that is lopsided. Most of Colombia's exports to the U.S. are not subject to tariffs, while U.S. goods face taxes of up to 35%. Reducing tariffs in both countries is good for Colombia, but it's even better for the U.S. -- and, we might add, especially critical in Pelosi's home state.

Another argument is that Colombia remains a dangerous place for union organizers, and it should not be rewarded until it can ensure their safety. This is a valid concern, but Colombia has made real progress: It has instituted special protections for union organizers, created an office in its department of justice to reduce the backlog of murder cases and stepped up the pace of criminal convictions.

Halting the vote wasn't about the U.S. economy and it wasn't about Colombia. It was politics. That's to be expected from Washington in an election year, but Pelosi's partisan considerations should not override her national duty. She should schedule a vote on the agreement, and Congress should approve it.

# Unions for Free Trade

By MARY ANASTASIA O'GRADY  
Wall Street Journal Op-Ed  
April 14, 2008

In the bid for House Speaker Nancy Pelosi's support for the U.S.-Colombia Free Trade Agreement, Gustavo Palacio was no match for John Sweeney.

Mr. Sweeney, the protectionist president of the AFL-CIO, opposes the FTA. Mr. Palacio, a Colombian labor leader in a region that was a killing field until President Álvaro Uribe took office in 2002, wants the trade deal to go through.

Last week I met with Mr. Palacio, the leader of a miners union, and eight other labor leaders, who had traveled here to speak on Capitol Hill about the importance of the FTA in the struggle against poverty and violence in their country. They represent industrial unions, which, unlike the dominant public-sector unions in Colombia, are not aligned with hard-left politics. On Wednesday, in the middle of their visit, Mrs. Pelosi announced that she would stuff the FTA in the freezer, ensuring it cannot come up for a vote without her approval. Perhaps she put it next to her conscience, which also seems to be in cold storage during this election year.

Poverty warriors in the U.S. and Colombia are stinging from Mrs. Pelosi's dirty trick. But it is not the end of history; there is another chapter to write, and in it, Mr. Palacio and millions of Colombians struggling for a better life will overcome the barriers put in their path by American politicians.

The anti-FTA case in the U.S. has been built on two pillars of propaganda. The first is that under Mr. Uribe's leadership, labor unions have suffered disproportionately as a target of assassins. This is false. Murders of labor activists have been reduced sharply under Mr. Uribe, from 196 the year he took office to 26 last year.

Why were unionists getting murdered at such a high rate prior to Mr. Uribe's presidency? In part it had to do with the historical ties between some of the dominant public-sector unions and Colombia's hard left. These organizations have their roots in an anti-American, antidemocratic, antimarket ideology shared with the country's Castro-backed insurgents. Tragically, this has put the dominant unions on the left side of Colombia's violent politics for decades. Those who took up weapons to fight guerrilla aggression have been on the other side of the conflict.

## THE AMERICAS IN THE NEWS

Get the latest information in Spanish from The Wall Street Journal's Americas page1. Thousands of civilians, not just left-wing labor activists, have been killed in Colombian violence over several decades and it is not over. One of the union leaders I met with last week is new to his job. His predecessor, who was pro-FTA, was murdered in November.

Even so, things are better than they have been in a long time, thanks to Mr. Uribe. He's restored the state's law-enforcement role, and increased the budget in the attorney general's office to prosecute political crimes. He's also created a special security detail for union activists. No Colombian president has done so much to protect organized labor.

The second anti-FTA myth is that Colombia's largest unions, whose leaders are opposed to trade, are representative of the country's work force. It's true that the big unions represent 86% of all organized labor, but total union membership accounts for just 4.5% of the workforce. This is a decline from a decade ago when membership was 6% of the work force.

The cause of this low rate, the visitors to Washington told me, is the radicalized political agenda of the leadership in the large unions. It can be summed up as "down with the government, down with the imperialists, down with the International Monetary Fund." This rhetoric doesn't fly with most Colombians. They believe that, beyond the U.S. appetite for traditional Colombian exports – coffee, bananas, coal and oil – there is an opportunity to discover new U.S. markets that benefit workers. In a letter to the AFL-CIO dated March 28, the group also charged that the leaders of the large traditional unions are "more interested in achieving personal privileges than in working on behalf of the workers."

It is for this reason that Mr. Palacio and the union leaders I talked with last week want to form a new "centralized trade union" that will be "independent, democratic, pluralistic" and search for "harmonized agreements" with employers. They already represent workers in textiles, utilities, the food and beverage industry, banana growing, metal working, flowers, construction, shoes, confections and fruit growing, as well as Mr. Palacio's miners. Their numbers are small but they believe that they can recruit in the private sector – where 90% of Colombian workers are employed – by offering an alternative to the status quo. They are not afraid to support viewpoints that are shared by the government or the companies.

One example is the FTA. Mr. Palacio says his union of 1,500 workers supports the FTA for two reasons: security and investment. The state of Antioquia, where Mr. Palacio works, has been somewhat pacified under Mr. Uribe. But he says that, if the area hopes to keep the peace, it needs jobs for young people. By bringing investment to the region, the FTA will improve employment prospects. The agreement is also expected to boost the overall wealth of the region, which means better social services and infrastructure.

The other union leaders I talked with share this view. They see the FTA as a tool to attract investors, improve working conditions, and provide higher paying jobs. The former leader of a banana-workers union in Antioquia told me that his former union backs the FTA because it will mean that growers can import machinery, making life easier for workers.

Does any of this matter to the cynical Speaker? Not a bit. She has Mr. Sweeney's backing for November and has stuck it to a U.S. ally in the war on terror to boot. Perhaps if Bogotá had emulated say, Syria, in opposing the Bush foreign policy, it would have a better chance with Mrs. Pelosi.



# Democrats for Colombia

Wall Street Journal Editorial  
April 15, 2008

If nothing else, Speaker Nancy Pelosi's ploy last week to change House rules in order to kill the Colombia Free Trade Agreement is exposing how extreme her protectionism is. Yesterday, 35 former senior officials in Democratic Administrations and Democratic Members of Congress signed an open letter urging Congress to pass the Colombia pact.

"We believe this Agreement is in both our vital national security and economic interests," the letter says. "We feel that the treaty should be considered as soon as possible and that any obstacles be quickly and amicably resolved." Good luck with that last point given Ms. Pelosi's eagerness to take orders from the AFL-CIO.

But the men and woman who signed the letter are notable for their prominence in the Clinton and Carter Administrations – which is to say when Democrats were still a free-trading party. The list includes Bernard Aronson, former Assistant Secretary of State for Inter-American Affairs, whose area of expertise included Colombia. There's also Donna Shalala, former Secretary of HHS, plus Robert Pastor, former director for Latin America on the National Security Council and nobody's idea of a right-winger.

Also Former Secretary of Defense William Cohen and former Deputy Defense Secretary John Hamre; former Congresspersons Lee Hamilton, Dan Glickman, Patricia Schroeder, Steve Solarz, Sam Gibbons and Calvin Dooley, and former Senators Robert Kerrey, Bob Graham and John Breaux.

Yes, we know: Former Members of Congress don't have to vote and face the wrath of the Teamsters. But they do know the national interest, and their three-page letter makes clear the damage Congress will do if it defeats the Colombia FTA.

# Sabotaging Colombia

By Helle Dale  
Washington Times Op-Ed  
April 16, 2008

With friends like these, who needs enemies? This thought might well have presented itself to President Alvaro Uribe of Colombia in the last few days, as he watched the recently negotiated free trade agreement with the United States fall victim to American election politics. In a hemisphere where strongman politics and authoritarian rule are tenaciously making a comeback, the leadership of the Democratic Party has just inflicted a severe blow on the reputation of the United States as a reliable international partner and on U.S. trade policy as a whole.

How does the U.S. presidential election figure into the equation of free trade with Colombia? It appears that congressional Democrats are fearful of offending: 1) their two presidential candidates, both of whom are now actively campaigning on anti-free trade platforms and 2) their constituencies among the U.S. trade unions. Once the election is over, some have suggested, House Speaker Nancy Pelosi might overcome her problems with the Colombian accord and allow Congress to vote in the lame-duck session following the election.

This would be an extraordinarily cynical, high-stakes gamble. The danger would be that were it to fail, the consequences could well be that the next U.S. administration would not have time to take up the Colombia trade deal in its first year in office (were the next White House inclined to pursue free trade agreements at all), and Colombia would probably go into its next presidential election in 2010 without an agreement with the United States.

What specifically happened is that the Colombian free trade agreement was negotiated under the terms of Trade Promotion Authority, which provided for an up-or-down vote on trade agreements without the potential for amendments. The TPA has now expired, but one of its provisions was that the House and the Senate must vote on an agreement within 90 days of it signing. On April 10, Mrs. Pelosi, however, introduced a procedural change to House rules that circumvented the 90-day provision, thus leaving open the trade agreement to the slings and arrows of special interests and their friends in Congress who do not favor free trade.

Their ostensible reasons hark back to Colombia's troubled past, but do not stand up to scrutiny today. Opponents of the free trade agreement cite Colombia's violence by right-wing militias and murders of trade union activists. The AFL-CIO cites 2,500 murders of trade unionists since 1986, but fails to recognize that the vast majority happened before 2001 the year before when Mr. Uribe came to power. By 2003, the number of murders had come down to 100 and has been in decline since then. Last year the number was 26.

The security issues that could be affected by the failure of a trade agreement are wide-ranging. Proliferation through Iran is a persistent concern throughout the region, as is arms smuggling and trafficking in people. Narcotrafficking remains a constant battle in Colombia. And poverty makes large populations vulnerable to disasters.

With a failed trade agreement as a festering problem and a public diplomacy disaster, political relations suffer between the United States and Colombia, making cooperation on security more difficult. A successful agreement on the other hand would mean a stronger Colombian economy, fortified by growing revenues from trade, which will better be able to cope with the country's many security challenges, even when money for Plan Colombia has dried up. In other words, trade undergirds defense.

And of course there is always the troublemaker Venezuelan strongman Hugo Chavez, who constantly seeks ways of inserting himself in other countries' business, last fall trying (unsuccessfully) to appear as a "mediator" between the Colombian government and the FARC terrorists. He has been joined by Daniel Ortega in Nicaragua and Rafael Correa in Ecuador and the Kirchners in Argentina in fomenting populism through the region.

President Bush has actually quietly assembled a solid record of trade relations with Latin America with a free trade accord with Chile and Peru, as well as the Central American Free Trade Agreement. The Bush administration has also, through Plan Colombia, supported Mr. Uribe's fight against the FARC and the narcoterrorism that has been a blight on Colombia. A Colombian free trade agreement would be a crowning achievement.

Abroad, however, the rap on the Bush administration has unfairly been that it has been unilateralist and high-handed in its dealings with our friends abroad. But look who is fitting that description today.

# Colombia's Case

## The intellectual poverty of a free-trade deal's opponents

Washington Post Editorial

April 19, 2008

HOUSE SPEAKER Nancy Pelosi (D-Calif.) says the Bush administration's free-trade agreement with Colombia may not be dead, even though she has postponed a vote on it indefinitely. If the White House doesn't "jam it down the throat of Congress," she said, she might negotiate. Ms. Pelosi wants an "economic agenda that gives some sense of security to American workers and businesses . . . that somebody is looking out for them" -- though she was vague as to what that entails. Nor did she specify how anyone could "jam" through a measure on which the administration has already briefed Congress many, many times.

Still, in the hope that Ms. Pelosi might in fact schedule a vote, it may be worth examining once more the arguments against this tariff-slashing deal. Perhaps we should say "argument," because there is really only one left: namely, that Colombia is "the most dangerous place in the world to be a trade unionist" and that the government of President Álvaro Uribe is to blame. As AFL-CIO President John Sweeney put it in an April 14 Post op-ed, union workers in Colombia "face an implicit death sentence."

Colombia is, indeed, violent -- though homicide has dramatically declined under Mr. Uribe. There were 17,198 murders in 2007. Of the dead, only 39 -- or 0.226 percent -- were even members of trade unions, let alone leaders or activists, according to the Colombian labor movement. (Union members make up just under 2 percent of the Colombian population.)

This hardly suggests a campaign of anti-union terrorism in Colombia. Moreover, the number of trade unionists killed has fallen from a rate of about 200 per year before Mr. Uribe took office in 2002, despite a reported uptick in the past few months. (Arrests have already been made in three of this year's cases, according to Bogota.) And evidence is sparse that all, or even most, of the union dead were killed because of their labor organizing. As Mr. Sweeney and other critics note, precious few cases have been solved, which is hardly surprising given that Colombia's judicial system has been under attack from left-wing guerrillas, drug traffickers and right-wing death squads -- a war, we repeat, that Mr. Uribe has greatly contained. But in cases that have been prosecuted, the victims' union activity or presumed support for guerrillas has been the motive in fewer than half of the killings.

An April 10 letter to the editor from Tom Malinowski of Human Rights Watch suggested that we would not make such arguments "if death squads with ties to the U.S. government were targeting Post reporters for assassination." We like to think that our criticism would be energetic but fair, especially if the government was responding aggressively to such a campaign and the number of killings was declining. No fair-minded person can fail to note that Colombian unionists are far safer today than they used to be.

There are two important countries at the north of South America. One, Colombia, has a democratic government that, with strong support from the Clinton and Bush administrations, has

bravely sought to defeat brutal militias of the left and right and to safeguard human rights. The other, Venezuela, has a repressive government that has undermined media freedoms, forcibly nationalized industries, rallied opposition to the United States and, recent evidence suggests, supported terrorist groups inside Colombia. That U.S. unions, human rights groups and now Democrats would focus their criticism and advocacy on the former, to the benefit of the latter, shows how far they have departed from their own declared principles.

# What Nafta Trade Deficit?

By JOHN ENGLER

Wall Street Journal Op-Ed

April 21, 2008

It is amazing how some presidential candidates are blaming the North American Free Trade Agreement for U.S. job losses. They seem to believe that a substantial part of the three million manufacturing jobs lost since 2000 resulted from Nafta, and that outsourcing of manufacturing production to Mexico and Canada resulted in a huge trade deficit.

Too bad they don't know that the growth in the deficit isn't due to manufactured goods, but to oil and gas imports.

There is no question that the imbalance of trade within Nafta has soared since 2000. That deficit has almost doubled to nearly \$140 billion in 2007, from \$77 billion in 2000. But the deficit in manufactured goods did not displace U.S. factory production.

What the antitrade advocates have been hiding from the candidates (or maybe don't know themselves) is that almost all of the increase in our Nafta deficit since 2000 has been in increased U.S. imports of energy from Canada and Mexico. In fact, \$58 billion of the \$62 billion increase in our Nafta deficit has been in energy imports. That's 95% of the total increase.

We need that oil and gas, and we would rather get it from our friendly neighbors. Surely no one seeks to argue that America would be better off saying no to Mexican and Canadian oil and gas, advocating that we instead import that energy from less secure sources farther from our borders.

Except for energy, though, our trade deficit within Nafta has hardly grown at all – only \$3.5 billion from 2000-2007. Our agricultural and manufactured goods sales to Nafta countries have just about kept pace with our imports. That's a lot more than one can say about the rest of our foreign trade.

While the nonenergy deficit within Nafta has grown less than \$4 billion since the job loss started, with the rest of the world it grew over \$150 billion. Put another way, the increase in our nonenergy deficit within Nafta has accounted for only 2% of the increase in our global nonenergy deficit since 2000.

Why are the candidates so focused on 2% of our trade problem rather than on the other 98%? Our nonenergy deficit with the high-wage, high-environmental-standard European Union (with whom we have no free trade agreement) grew 10 times as much as it did with Nafta. And of course, with China the deficit grew even more.

None of this is to say that some U.S. factories haven't closed and their production moved to Canada or Mexico. Certainly that has happened. But in the case of Nafta, that job impact has been almost exactly balanced by increased U.S. production and exports of farm and factory goods.

Suppose our trade with the rest of the world had performed as it did within Nafta. Instead of seeing our nonenergy trade deficit grow over \$155 billion, it would have grown only by \$25 billion. That would have put us ahead by \$130 billion, which sounds pretty good to me.

Nafta has been part of the solution, not the problem. We can do even better if we focus on how to make American manufacturing more competitive than it is.

*Mr. Engler is president of the National Association of Manufacturers and a former three-term governor of Michigan.*