

Op-Ed: The U.S.-Colombia Free Trade Agreement Deserves a Vote

August 11, 2008

By Marcela Prieto and Frances B. Smith, Guest Contributors

Free trade is in trouble, as protectionist politicians in the U.S. and elsewhere demagogue against it. Especially egregious is the U.S. Congress's decision to delay—indefinitely—voting on the U.S.-Colombia Free Trade Agreement (FTA). Congressional leaders claim that President George W. Bush failed to consult Congress over the deal.

During negotiations, lawmakers had ample opportunity to provide their input. In early 2003, then-U.S. Trade Representative Robert Zoellick notified Congress of the administration's intent to negotiate trade deals with several Andean countries, including Colombia. Congress was closely involved in consultations throughout the negotiating process, and the U.S.-Colombia FTA was signed in November 2006.

Only in mid-2007, with the 2008 election on the horizon, did things begin to unravel. In Congress, the Democratic leadership demanded that all trade agreements include stiffer labor and environmental provisions—even though Trade Promotion Authority (TPA) already mandates their inclusion. Nonetheless, the U.S.-Colombia FTA was amended to include numerous new non-trade-related provisions. So what's the holdup now?

Some Hill Democrats seem to want to retaliate against what they consider past mistreatment by the GOP when it was in the majority. Others seek political advantage by blaming free trade for U.S. job losses. Others want to give the Bush administration a black eye. And all want to get on the good side of organized labor, for which trade negotiations present an opportunity to revive its long-eroding political clout.

Not all blame lies on the U.S. side. Colombian government and some business associations failed to expedite negotiations while Republicans were in the majority, while the administration of President Alvaro Uribe shortsightedly failed to develop good relationships with Democratic lawmakers. Yet none of this justifies stalling a vote on the agreement while burdening it with ever more provisions that have nothing to do with trade.

President Bush submitted the treaty to Congress under TPA's 90-day deadline for consideration. (The Colombian Congress approved the treaty in June 2007.) But election-year politics intervened again, as Congressional leaders voted to suspend the deadline to which it had previously agreed. Now there is no timetable for Congress to vote on the legislation.

Colombia, rightly, sees this as a slap in the face. Colombia has consistently negotiated—and renegotiated—in good faith, even as Congress made more demands. Fairness alone should impel Congress to give the agreement a speedy up-or-down vote on its merits.

Economically, there is virtually nothing to object to in the U.S.-Colombia FTA—even for trade protectionists. About 92 percent of Colombian exports to the U.S. enter duty-free under the Andean Trade Preferences Act, renewed in March 2008, while U.S. exports to Colombia face tariffs averaging about 14 percent. The Colombia trade deal would remove immediately more than 80 percent of Colombian duties on U.S. imports and phase out the remaining tariffs over 10 years—making U.S. products more attractive to Colombian consumers and businesses.

For Colombia, the trade agreement will provide continued future access to U.S. markets, which will attract increased foreign investment and lead to greater economic growth. In addition, to meet the standards required of a serious trading partner like the United States, the agreement will help strengthen Colombia's institutions and security. It will also provide a starting point for increasing trade with other rich countries.

The agreement can also promote the national security interests of both Colombia and the U.S. Colombia faces increased tensions with its near neighbors, as Venezuelan President Hugo Chavez stokes anti-American sentiment. Ecuador briefly suspended diplomatic ties with Colombia after Colombian forces raided a narco-terrorist camp located in that country. Approval of the FTA will bolster Colombia's ties with the U.S. and standing in the region, and help counter Chavez's influence.

Colombian President Alvaro Uribe has been a strong U.S. ally and a proponent of democracy and economic growth. During his tenure, that growth has been impressive, with Colombia's GDP growing by about seven percent in 2007, up from 1.7 percent in 2002. He has also made significant progress in fighting crime and in building an independent and reliable judiciary system.

Many in the U.S. criticize Colombia for violence against union leaders—yet crime affects all sectors of society. Violence in general, including against unions, is dramatically down, but Uribe acknowledges that these and other problems are not easily swept away. As he noted in a recent New York Times interview, "Colombia is not in the time of crisis, but in the time of remedies."

Through increased trade and the resulting economic growth, Colombia can provide a different model for the region—one based on the principles of democracy and free markets. Colombia has a long way to go in combating crime, terrorism, and poverty, but it has come a long way already. It should be encouraged to build on those efforts, and the U.S.-Colombia trade agreement can be a critical tool toward that goal.

Marcela Prieto is Executive Director of the Political Science Institute (Instituto de Ciencia Política) in Bogota, Colombia. Frances B. Smith is an Adjunct Fellow in trade and agriculture issues at the Competitive Enterprise Institute in Washington, DC.

[DIPLOMATIC COURIER]