

# South Florida Sun-Sentinel

June 13, 2005

## DR-CAFTA Treaty good for region

BY JERRY HAAR

LaVaya Thomas of Oakland, Calif., is a frugal shopper. With four young children at home and her husband, an Army mechanic stationed in Iraq, it's not easy making ends meet.

Rummaging through the discount racks at Wal-Mart, however, she happily finds just what she needs for her family. The clothing she purchases happens to be made in the Dominican Republic with yarn from the U.S.

Halfway across the country, in a telecommunications manufacturing plant in suburban Chicago, Troy Jarvis, a communications worker and treasurer of his local union, is testing two-way radio equipment destined for Costa Rica. His division recently received a large order from the Guatemala City Police and Fire Rescue departments.

The tie that binds these stories is trade liberalization. Like the vast majority of Americans, Thomas and Jarvis are clear beneficiaries of two-way commerce.

Those benefits will expand significantly if Congress ratifies DR-CAFTA, a trade agreement between the U.S. and the Dominican Republic plus five Central American countries. More than 80 percent of U.S. exports will become duty-free immediately. U.S. sales to the region are estimated to top \$3 billion the first year of CAFTA, with big gains in information technology products, agricultural and construction equipment, pharmaceuticals and services.

The textile sector will win, as well, since CAFTA apparel plants purchase the vast majority of their fabric and yarn from the U.S., while Asian plants buy less than 1 percent from the U.S.

Agriculture will also score big, with farm exports expanding \$1.5 billion a year, with more than half of current exports becoming duty-free immediately.

Sadly and shamefully, however, congressional ratification will be an uphill battle against an odd cabal of anti-trade Democrats, nativist Republicans, globophobes, organized labor, environmental activists and Big Sugar.

Let's look at their specious claims.

*Labor provisions are very weak.* Every CAFTA nation embodies International Labor Organization core labor standards in their constitutions and laws. The agreement has strong enforcement provisions, with fines up to \$15 million per violation — no small sum for small, poor countries.

*Environmental standards are inadequate.* CAFTA's comprehensive approach ensures that all parties carry out their obligations and make steady progress in environmental monitoring and enforcement. The agreement has a robust submissions process, significant public participation obligations, benchmarks and stiff monetary assessments for enforcement shortcomings. Vigilance of public interest groups and the fact that most of today's manufacturing equipment contains built-in pollution control devices, will further ensure compliance with standards.

Only Latin American workers can define acceptable labor and environmental working conditions; and to a man and a woman, they'll settle for less than First World standards if it means being able to put bread on their table.

*The U.S. sugar industry will be seriously harmed.* Big Sugar (where 1 percent of the producers grab 42 percent of \$2 billion in government support) is the only farm commodity group that does not support CAFTA. But the CAFTA quota increase is infinitesimal — equal to one day's worth of sugar production, or 1.2 percent of current U.S. consumption.

CAFTA deserves swift ratification by Congress. Besides the economic benefits to the U.S., the accord would send a message to the entire hemisphere that Washington is serious about market integration and helping its neighbors develop.

If CAFTA goes down in flames, the biggest losers will not be the region's exporters but American exporters along with consumers in both the U.S. and the region.

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