

Washington, DC – Congressman Earl Blumenauer (D-Ore.) announced today that he will oppose the Central American Free Trade Agreement (CAFTA) when it comes up for a vote in Congress. This trade agreement, if approved by Congress, would create a “free trade” zone between the United States and other Central American countries similar to that of the North American Free Trade Agreement (NAFTA). The agreement could be considered and voted on by Congress as early as the coming weeks. Blumenauer issued the following statement to describe his opposition to the proposal:

“Oregon is a key part of the global economy. I, along with most Oregonians, support trade. Done right, trade has the potential to create jobs, lower consumer prices, and help developing countries. We all want stronger economies and better consumer choices.

“I have supported all four bilateral trade agreements that have come before Congress since TPA, since they dealt with developed economies such as Australia and Singapore or countries that have made great strides and are leaders in their regions – Morocco and Chile.

“CAFTA, however, is the failed product of the partisan and poorly constructed trade negotiating framework of Fast Track. It is not Honest Trade.

“Last week, I held a trade forum that considered our general trade policies and CAFTA in particular. I heard a number of points of view, and it's very clear that CAFTA will be good for some Oregon businesses but for me, the negatives outweigh the positives.

“For me, it is clear that CAFTA:

- Does not include meaningful environmental and labor standards.
- Would seriously underfund promises to help those negatively affected by trade.
- Seriously harms countries that rely heavily on an agricultural economy. This is unfathomable.

“Our egregious Farm Bill has locked us into subsidies that do not promote free trade and have already caused much harm to other countries' farmers. We need to pay attention to the hard lessons NAFTA imposed on struggling Mexican farmers.

“We can negotiate better and fairer trade agreements by focusing on Honest Trade. Honest trade includes regulations and enforcement mechanisms that can improve labor conditions and environmental quality. It can improve the financial markets by making processes more

transparent and accountable. Honest trade can foster democratic processes.

“Done right, honest trade will open up markets for companies in my hometown such as Nike, Intel and Freightliner that export around the world and create jobs for my constituents. Agricultural specialty crops in Oregon can thrive when U.S. policy finally helps family farmers protect the land and water rather than putting our money into outrageous subsidies for agricultural commodities.

“CAFTA is not honest trade, since it protects certain industries, such as sugar and rice, and minimizes the regulations that can improve standards for the countries involved. Indeed, there is ambivalence in Central America. Most recently, Costa Rica is possibly postponing deliberations until after the presidential election in February 2006.

“It is clear that the United States trade policy needs to be more sensitive to the needs of the most vulnerable. Our trade policies should support our own labor and environmental laws. The U.S. is too timid in using the WTO to protect American business and workers from unfair practices.

Continued Republican partisanship and lack of communication means that we are not forging bipartisan trade policies. CAFTA’s approval at this point will not be a step forward and I fear would be a step back. I won’t vote for it in its current form.”