

## 'Isolationists' threaten CAFTA pact - Zoellick

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WASHINGTON (Reuters) - The United States' chief trade negotiator Thursday criticized "economic isolationists," who he said threatened approval of a new free-trade agreement with five Central American countries

Democrats, including likely presidential nominee Sen. John Kerry of Massachusetts, have criticized the U.S.-Central American Free Trade Agreement (CAFTA) for labor and environmental provisions they regard as too weak.

"The reason that CAFTA has trouble is that we have a bunch of economic isolationists using labor as an excuse" to oppose the pact, U.S. Trade Representative Robert Zoellick told Rep. Sander Levin, a Michigan Democrat who also is critical of the pact, during a heated exchange.

They want the agreement to contain enforceable provisions requiring the countries to change their laws to conform with the International Labor Organization's "core labor standards." These include a right to collective bargaining and freedom of association and the elimination of forced labor and discriminatory employment practices.

The AFL-CIO labor federation, which recently endorsed Kerry for president, also strongly opposes CAFTA, which it fears will be a model for a proposed Free Trade Area of Americas agreement covering every country in the Western Hemisphere except Cuba.

At a House of Representatives hearing Thursday, Zoellick insisted the labor standards were already part of the five countries' laws. He cited a report by the international labor body last year which he said backed up that claim.

But Levin said the Central American trade pact's failure to address "deep holes" in the region's labor legislation was "one of the reasons that CAFTA can't pass this Congress."

President Bush plans to sign the agreement, which includes Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua, this spring.

With the issue becoming a political hot potato, the Bush administration has not said whether it would seek a vote on the agreement before this fall's presidential election.

Zoellick voiced more confidence in a new free-trade agreement with Australia, which he said he hoped Congress would take up this year.