

U.S.-Colombia Free Trade Agreement Essential To Our National Security

President Bush Calls On Congress To Move Forward With U.S.-Colombia Free Trade Agreement, Help Sustain Economic Growth By Expanding Trade

Today, President Bush called on Members of Congress to move forward with the U.S.-Colombia free trade agreement when they return from Easter recess. Congress should demonstrate their support for security in the Western Hemisphere and a level playing field for American products, work with the Administration to bring legislation to implement the Colombia agreement to the floor for approval, and then send it to the President's desk to be signed into law.

- **The U.S.-Colombia free trade agreement will advance our national security by strengthening a key democratic ally and sending a clear message to the region.** A free trade agreement with Colombia would bring increased economic opportunity to the people of Colombia through sustained economic growth, new employment opportunities, and increased investment. This trade agreement will reinforce democracy by fighting corruption, increasing transparency, and fostering accountability and the rule of law. The agreement would bolster one of our closest friends in the hemisphere and rebut the antagonists in Latin America who say the United States cannot be trusted to keep its word.
- **A U.S.-Colombia free trade agreement will bring economic gains for both countries.** Over 90 percent of U.S. imports from Colombia now enter our country duty-free, but U.S. exports to Colombia face tariffs up to 35 percent. Once implemented, the agreement will eliminate tariffs on more than 80 percent of American exports of industrial and consumer goods immediately and 100 percent over time. This agreement will provide U.S. companies and farmers that export to Colombia with duty-free access to this large and growing market. The agreement will also make permanent Colombia's preferential access to the U.S. market.

Colombia Has Made Significant Advances To Combat Violence And Instability

President Uribe has responded decisively to concerns over the situation in Colombia that have been raised by some Members of Congress. He has:

- Demobilized tens of thousands of members of paramilitary fighters;
- Established an independent prosecutors unit and created a special program to protect labor activists, in response to concerns over attacks on trade unionists; and
- Revised the free trade agreement to include some of the most rigorous labor and environmental protections of any agreement in history.

Under the leadership of President Uribe, Colombia has been a strong and capable partner in fighting drugs, crime, and terror. Since 2002, kidnappings have dropped 83 percent, terrorist attacks have dropped 76 percent, and murders have dropped 40 percent. With Colombian support and commitment, our rule of law and counterdrug assistance will continue to make a difference.

Colombia's economy is rebounding, and its citizens' lives are improving. Since 2002, poverty has decreased by almost 20 percent, and unemployment is at its lowest level in a decade. Roads are now open, displaced farmers are returning to their lands, and economic growth topped 6.8 percent in 2007, the highest in eight years.

Colombia has vastly expanded its police presence as part of an effort to bring security and stability to all of its territory. Colombia has established a police presence in each of its 1,099 municipalities, which has secured 187 primary and secondary roads throughout the country, freeing Colombians to use these roads. As a result, traffic along these roads has doubled since 2002, and commerce is flowing between areas that were once virtually cut off due to violence.

The Colombian government is continuing to battle narcotics trafficking, which provides the funding base for illegal armed groups. These efforts took 500 metric tons of cocaine off the market in 2006 alone, depriving terrorist groups of \$850 million in funds to buy arms and mount attacks. In addition, the Colombian government has extradited more than 550 narcotics traffickers and terrorists to the United States over the past five years.

The United States has been a vital partner in Colombia's efforts through Plan Colombia, an effort launched by the Clinton Administration that has enjoyed strong bipartisan support. The more than \$5 billion the United States has provided to the program has helped to defeat narco terrorists and eliminate illegal activity. It is also providing developmental and humanitarian assistance. This partnership can only succeed in the long run, however, if Colombia can create jobs for the tens of thousands of combatants who have demobilized and the hundreds of thousands of citizens that have been displaced by armed groups. The free trade agreement can help Colombia create those jobs and bolster continued success.

Colombia has laid the foundation for bringing government services to areas retaken from illegal armed groups and increased investment in alternative development, human rights protection, and social services. Mayors have returned to their towns, and public school enrollment has increased to 92 percent. The child mortality rate has decreased dramatically thanks to economic growth and increasing wages that enable more people to provide adequate health and nutritional care for their children. The number of tourists visiting Colombia has doubled in the last five years.

Expanding Trade And Investment Enhances Prosperity

Since implementation of the North American Free Trade Agreement (NAFTA) and the multilateral Uruguay Round, more than 25 million new jobs have been created in the United States. Trade between the United States, Mexico, and Canada has more than tripled, and all three countries' economies have grown by more than 50 percent. The U.S. unemployment rate has been much lower than in recent decades, and workers, farmers, and entrepreneurs have seen real improvements in their daily lives.

The Administration will continue working through the WTO Doha Round of multilateral trade negotiations to break down trade barriers at the global level. The U.S. is prepared to lead to ensure the Doha Round reaches a successful conclusion this year but will not make unilateral concessions to advance the negotiations while others refuse to come forward with their own meaningful contributions. A Doha agreement would open up markets for American goods, crops, and services, create new opportunities for developed and developing nations alike, and lift millions from poverty.

Closing off markets to trade would cause a retreat from the opportunities of the global economy and would be a mistake for the United States. Isolationist policies could:

- Drive up prices for American families and deny them choices they have come to expect;
- Cause other nations to retaliate by raising their own barriers to trade, which would contribute to U.S. companies moving jobs overseas; and
- Hurt the millions of Americans employed either by U.S. exporters or by foreign companies operating in the U.S.

When President Bush took office, America had free trade agreements (FTAs) in force with three other countries; today, the U.S. has agreements in force with 14 countries, and Congress recently approved another one with Peru. U.S. exports to all 14 FTA countries have grown nearly 40 percent faster than U.S. exports to the rest of the world. The President calls on Congress to help keep our economy growing by passing important pending free trade agreements with Colombia, Panama, and South Korea.

The Administration Is Helping Workers Affected By Global Trade Adapt To The Changing Economy, Learn New Skills, And Find New Jobs

President Bush calls on Congress to reauthorize and reform Trade Adjustment Assistance (TAA) to help workers obtain the training they need to transition into a new career. The President believes the Federal government has a role to play in helping workers displaced by trade to our dynamic economy. Reforming the TAA program is needed to help workers obtain the skills and assistance they need to transition to good jobs.

- **In addition to providing billions of dollars annually through the workforce investment system, the Administration has provided more than \$1 billion in new initiatives to educate and prepare American workers for jobs of the 21st**

century. Yesterday, Labor Secretary Elaine Chao announced more than \$100 million in new community-based job training grants – which support community college programs that provide training for jobs in high-growth fields – so workers may obtain the skills they need for jobs in their area.

Approving The U.S.-Panama Free Trade Agreement Will Level The Playing Field For U.S. Business And Agriculture

In 2007, Panama and the United States exchanged more than \$4 billion worth of goods – nearly twice as much as just four years ago. Panama has one of the fastest-growing economies in Central America, with a growth rate of more than eight percent last year.

The U.S.-Panama free trade agreement will build on this vibrant trade relationship, eliminating tariffs on 88 percent of U.S. industrial and consumer goods exported to Panama immediately and 100 percent over time. It will also provide significant new duty-free access for American farmers and ranchers and ensure opportunities for American businesses to participate in the Panama Canal expansion project. It will also provide new market access for U.S. service suppliers, including in Panama's key financial services sector.

Approving The U.S.-Korea Free Trade Agreement Will Give America's Workers And Farmers Access To A Large And Growing Market

The President will continue to work closely with Congress to approve a landmark free trade agreement with South Korea. This agreement would support higher-paying jobs in both countries and strengthen our relationship with a key democratic ally in a critical part of the world. The President urges Congress to act quickly to approve this agreement.

- **The U.S.-Korea Free Trade Agreement (KORUS FTA) is the most commercially significant free trade agreement the United States has concluded in over 15 years.** The KORUS FTA will open a growing market of 49 million consumers to the full range of U.S. goods and services, from autos to telecommunications services. This trade agreement has the potential to boost U.S. exports by more than \$10 billion.
- **The KORUS FTA will eliminate tariffs on 94 percent of trade in industrial goods within three years, and more than half of U.S. agriculture exports to Korea will become duty free immediately.** The free trade agreement will also address a range of non-tariff barriers and increase transparency in Korea's regulatory processes. The agreement will strengthen Korea's economic reforms that have helped it become a prosperous economy and vibrant democracy as well as sustain the growth of trade and investment opportunities for the mutual benefit of both countries.

The agreement will strengthen the United States' competitive position in the rapidly transforming Asian market and cement ties with a vital regional ally. The U.S.-Korean alliance was forged in war more than a half century ago. The KORUS FTA will strengthen that alliance with shared prosperity.