



For Immediate Release

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## CAFTA Fights Tyranny, Poverty

By Congressman Joe Pitts

When President Bush signed the Central American-Dominican Republic Free Trade Agreement (CAFTA) recently he said, "Right now, Central American goods face almost no tariffs when they enter the United States. By contrast, U.S. exports to Central America still face hefty tariffs there."

Last year, the United States exported \$15 billion in American goods to Central America. Each dollar of that amount was subject to sizable tariffs. However, Central American companies pay no such tariffs on the goods they ship to the United States. CAFTA sets the stage for free and fair trade by ending this unfair tax on American goods.

By opening up a market of 44 million consumers to American products, CAFTA will reduce the trade deficit by more than \$750 million according to the U.S. International Trade Commission. In the long run, trade creates more American jobs and raises the standard of living in the developing world.

The economic benefits of CAFTA generated support from many of the major newspapers in the United States. The *Los Angeles Times*, for instance, touted the benefits of free trade, citing the rapid growth and higher incomes of free trading nations.

But CAFTA is about more than jobs and trade deficits. CAFTA is also about Hugo Chavez of Venezuela and Fidel Castro of Cuba. Together, they are working to undermine democratically-elected governments in Central America.

Nowhere is this macabre pact more evident than in Nicaragua, where Daniel Ortega is making a comeback. Some might recall that in 1979 Daniel Ortega led a cabal of Sandinistas – communist militants named for former ruler General Augusto Sandino – in a rebellion against a democratic revolution in Nicaragua. Mr. Ortega became a celebrity of sorts and a hero among communist sympathizers around the world, particularly here in the United States.

When the Contras – pro-democracy fighters opposing the Sandinistas – began to fight Ortega, Nicaragua became a front in the Cold War pitting the United States supporting democracy against the Soviet Union and Fidel Castro's Cuba in the corner of communism. The debate over "Contra aid" in Congress yielded some

very divisive political struggles over the question of how to support democratic movements against Soviet-backed communist revolutionaries around the world.

A 1989 peace accord ended the war. In democratic elections that followed the Sandinistas were soundly defeated, marginalizing Ortega and, more importantly, Fidel Castro who had long sought to extend his influence over Central America.

Today, Nicaragua is a democracy, but its future is in question. Nicaragua's President Enrique Bolaños, has taken historic measures against corruption, including sending a former President, Arnaldo Alemán, to prison. In response, Mr. Alemán's allies have forged ties with the remnants of the Sandinistas. Together, they are plotting a political comeback, funded in large part by Hugo Chavez with Venezuela's oil wealth and encouraged by his mentor Fidel Castro.

Chavez and Castro are also at work undermining growing democracies in El Salvador, Honduras, and Guatemala as well. They view CAFTA as a threat to their influence because it draws these nations ever closer to the United States.

President Bolaños said of these efforts, "They live best in countries that are impoverished, in countries that have misery, because they can control better the population." Tyranny uses poverty to justify its existence and hide its true nature. Hitler used poverty to cast blame and justify genocide. Terrorists use it to demonize the West and justify murder.

In much the same way, the likes of Chavez and Castro manipulate poverty and injustice to maintain vast personal wealth and unlimited power. Leaders in Central America know that. They support CAFTA because it counteracts the efforts of Chavez and Castro. It offers true hope and prosperity to all people, not just a few tyrants. It invests in people, not ideology. It provides opportunity.

Instability and poverty in our own hemisphere, our own neighborhood, pose a threat to our borders. When poverty and instability grow unchecked, tyranny and terror are not far behind. It is our obligation to help our neighbors address these issues to forge a better future for our hemisphere and safer borders for our nation.

CAFTA will increase exports and create jobs on both sides. But most importantly it will help to strengthen our democratic friends in their struggle against the remnants of corruption and tyranny.

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