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Back

CAFTA fixes get approval

Congress keeps its promise to textile manufacturers by plugging loopholes that will help protect some domestic jobs.

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When the Central American Free Trade Agreement was passed last year, Congress promised several holes would be plugged to ensure the United States textile industry was protected. Congress followed through on those promises late Thursday when it passed several patches as part of a bill that focused mostly on pension reform.

The protections include giving duty-free status to clothing with pockets only if those pockets are made with fabric that was manufactured in the United States. That means material from China can't be used and imported into the United States duty-free. Also added to the treaty was a provision that would require Nicaragua to buy an equivalent amount of trouser fabric from United States' manufacturers when it buys similar fabric from non-CAFTA countries.

These changes, championed last year by 4th District Rep. Bob Inglis and 3rd District Rep. Gresham Barrett, were essential in making CAFTA more palatable to many Upstate manufacturers and were a big reason -- aside from some questionable last-minute arm-twisting by House floor leaders -- that the treaty was able to gain narrow passage on a 217-215 House vote. Congress was right to follow through and give the provisions overwhelming support, even if buried in a bill unrelated to CAFTA and free trade.

The United States generally benefits from free trade. U.S. manufacturers need new markets, and Americans benefit from the low prices that often accompany imported goods. Unfortunately, many of those imported goods have been textiles, speeding up the loss of jobs in the textile-rich Southern economy.

Advertisement CAFTA certainly is not a major trade agreement -- the nations involved all are small markets. However, these loophole-closing amendments to the treaty will make it more friendly to American textile manufacturers and will let American companies compete with China, particularly in these emerging markets. Furthermore, the amendments will help ensure that China does not take advantage of what could have been a back door around American limits on Chinese imports of certain textile products.

The only remaining obstacle is approval from the other CAFTA nations -- Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua (which has agreed to the trouser fabric restrictions) and the Dominican Republic.

In order to keep its promise to American textile manufacturers, the Bush administration needs to keep pressure on these nations to approve these add-ons to CAFTA.