

U.S. COLOMBIA FREE TRADE AGREEMENT

What are the Consequences of Free Trade?

The U.S. Colombia Free Trade Agreement is a result of a failed strategy to create the Free Trade Area of the Americas (FTAA). The FTAA was proposed in 1994 as a hemispheric wide free trade agreement between 34 countries in the Americas (with the exception of Cuba). Opposition was so strong that a new “divide and conquer” strategy was formed by the U.S. This strategy consists of the U.S. negotiating a series of bi-lateral and regional trade agreements. Bi-lateral trade agreements are negotiated between just two countries; in this case between the US Colombia. Negotiations for the U.S. Colombia Free Trade Agreement began in May 2004 and closed on February 28, 2006. The U.S. and Colombia Congresses will vote on the trade agreement in the next year. Opposition to the FTA in Colombia has been strong. Highland farmers also held a referendum. 98% of the more than 20,000 voters voted against the FTA.



Free Trade Harms Colombia's Farmers

“The FTA....will destroy our campesinos’ culture, economy and autonomy.”

- Alvarado Montoya, ANUC Board Member

The Colombia agricultural sector will suffer greatly under the proposed Colombia U.S. Free Trade Agreement. As part of the agreement heavily subsidized agricultural crops from the U.S. (such as cotton, wheat and rice) will be allowed to flood the Colombia market without tariffs. When a crop is subsidized it means it can be sold at below the cost of production. Farmers in Colombia are often small in scale and receive little to no subsidies. This means that they will not be able to price their goods to be competitive with cheap imports from the United States. What is more, many farmers lack the funds and equipment to get their goods to the United States. According to the National Federation of Agricultural Unions in Colombia, over 700,000 people currently employed in the rice industry will lose their jobs as 79,000 tons of subsidized rice from the U.S. floods the Colombian market.

The wheat and corn industries will also be adversely impacted by the U.S. – Colombia Free Trade Agreement. Under the terms of the agreement the U.S. will import 2 million tons of yellow corn into Colombia. On average Colombians eat 2.3 million tons of corn a year. This means that with the lower price of the imported corn many Colombians will buy the imported corn, jeopardizing the jobs of the 300,000 Colombians employed in the Corn industry.

Bean farmers will also be hard hit. In Putumayo, one of the most war-torn states in Colombia, 2,200 acres of beans are grown for internal consumption. Under the free trade agreement 15,000 tons of beans will enter Colombia duty free, thus destroying the local bean market. Dairy and chicken farmers also stand to loose as tons of cheap products are allowed to flow into Colombia as part of the trade agreement.



“The typical Colombian meal is now a foreign dish. Our lentils, beans, rice, vegetables, and cooking oil are imported from Multi-national companies. We need to produce our own food to preserve our culture and indentify, our local economy and autonomy,”
Teresa Alvardado

Free Trade Threatens Indigenous Peoples

The free trade agreement will have negative effects on the 81 indigenous cultures in Colombia, a total of about half a million people. Indigenous communities see the FTA as a major threat to their culture and continued existence, according to the displaced Kankuamo leaders. The U.S. has already patented the sacred Yaje plant, used in indigenous rituals throughout the Amazon region. Local communities fear that the biodiversity of the Amazon and Choco regions will disappear with the prioritization of profit, privatization, and monocropping. The Association of Indigenous Councils of Northern Cauca organized a referendum on the FTA, held in five municipalities. An overwhelming 98% of voters (51,330 people) sent a resounding message of NO to the FTA.



“Mega-projects threaten our cultures, traditional lifestyles and agricultural practices. Petroleum, water and all energy sources will be privatized, decreasing access to basic necessities.”

Free Trade Fuels Armed Conflict

Many Colombian rice farmers live in high conflict zones with the presence of armed groups. During rice farmers’ meetings in 2005 it was concluded that many farmers facing economic ruin, would be forced to turn to coca and poppy production or join illegal armed groups in order to survive. In the southern part of Narino, on the border of Ecuador and in the mountains of Boyaca where wheat is grown, farmers know that the most lucrative substitute crop is poppy from which the sap is extracted to produce heroin. Other suggested substitute crops such as flowers and rubber offer no benefit by way of food for the people of Colombia. They are solely for export. They are also very expensive crops to cultivate requiring thousands of dollars in equipment. Shifting to export crops puts Colombians in the position of relying on importing food and on exporting cheap goods to wealthier countries.



“Families who have grown rice for the past 60 years don’t know any other lifestyle. When imported U.S. rice breaks their backs, they will not migrate to misery belts of the cities to suffer hunger. They will stay in their regions, and be forced to join the insurgency,” Angel Caballero, President of the National Association for the Salvation of Agriculture.

Get Involved!

Travel with Witness for Peace: Travel to Colombia with Witness for Peace to see first-hand the impacts of U.S. military and economic policy and to be inspired by the courage and creativity of Colombians organizing for peace and justice in their communities. Visit our web site for a calendar of upcoming travel opportunities.

Urge your member of congress to support Trade Justice! Contact your member of congress and candidates for office and encourage them to vote against the Colombia FTA. To contact your member of congress, call the congressional switchboard: 202-224-3121.

