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OFFICE OF CONGRESSMAN ELIOT ENGEL NINETEENTH DISTRICT, NEW YORK

2161 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, D.C. 20515

CONTACT: Eric Jacobstein

TEL: (202) 226-9980

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ENGEL OBJECTS TO SUSPENSION OF BOLIVIA FROM ANDEAN TRADE PREFERENCES

(Washington, D.C.) – Congressman Eliot L. Engel, Chairman of the House Foreign Affairs Subcommittee on the Western Hemisphere, submitted a public comment expressing his concerns about President Bush’s proposed suspension of Bolivia as an Andean Trade Promotion and Drug Eradication Act (ATPDEA) beneficiary country. Engel’s public comment was submitted for a hearing held today by the Office of the United States Trade Representative (USTR).

In his comment, Engel argued that the proposed suspension of Bolivia “would unfortunately do more harm than good. The suspension would empower champions of anti-Americanism, and would make the United States less and less relevant in Bolivia. It would leave thousands of people unemployed, and provide the perfect opportunity for countries like Iran to fill the void.”

In September, U.S. Ambassador Philip Goldberg was expelled from Bolivia and the Drug Enforcement Agency (DEA) was forced to withdraw from the Chapare region of the country. Congress subsequently passed H.R. 7222 – the Andean Trade Preference Act Extension – which allows for an extension of ATPDEA for Bolivia for 6 months, with the possibility of an additional 6 month extension if the US President determines that Bolivia is in compliance with the terms of the program. According to Engel, H.R. 7222 “takes a measured approach by separating Bolivia from the 3 other ATPDEA beneficiary countries rather than cutting off trade preferences.”

Below is the entire public comment submitted by Representative Engel:

“Thank you for the opportunity to submit a public comment expressing my concerns about the President’s proposed suspension of Bolivia as a beneficiary country under the Andean Trade Preference Act (ATPA) and the Andean Trade Promotion and Drug Eradication Act of 2002 (ATPDEA).

“As Chairman of the House Foreign Affairs Subcommittee on the Western Hemisphere, I have consistently been one of Congress’s strongest proponents of ATPDEA. ATPDEA has been enormously successful, having created hundreds of thousands of jobs for impoverished people in the Andean region, while also supporting essential US geopolitical goals. In general, it has been a much-needed

counterpoint to drug production in the Andes. At the same time, every job created through ATPDEA is another illegal immigrant remaining in his or her home country.

“As countries like China, Iran and Russia play an increasing role in the Western Hemisphere, the United States cannot afford to stand back. We need to take advantage of every opportunity to stay engaged in positive and meaningful ways, and we must continue to reach out to the poorest people in the Andes through beneficial aid and trade programs. At times, it seems that our foreign policy toolbox is limited. Yet, ATPDEA serves as an important foreign policy tool that keeps us directly connected to the citizens of the Andean region.

“I continue to believe that a long-term extension of ATPDEA – two years, at the very least – is essential for Peru, Colombia and Ecuador. However, recent events in Bolivia – including the expulsion of US Ambassador Philip Goldberg and the forced withdrawal of US Drug Enforcement Agency (DEA) personnel from the Chapare region of Bolivia – force us to consider whether or not that country should receive the same preferential trade treatment as its Andean neighbors.

“In February of this year, I led a Congressional Delegation to Bolivia. In La Paz, we met with textile workers at the Ametex factory whose jobs depend on ATPDEA. Many of these workers are indigenous women, who are among the most historically marginalized members of society in Bolivia and throughout the Andean region. I also met with Bolivian President Evo Morales. We had a positive meeting where I expressed my strong support for ATPDEA, but where I also urged him to put an end to the ongoing rhetorical attacks against the United States, the US Agency for International Development (USAID) and Ambassador Goldberg. I explained that these actions made Congress’s role in extending ATPDEA for Bolivia increasingly difficult. Mr. Morales obviously did not heed my call. The situation got much worse in September with the aforementioned expulsion of Ambassador Goldberg and the forced withdrawal of the DEA from the Chapare.

“When Ambassador Goldberg was unjustly expelled from Bolivia, I said that it was important to review our aid and trade policies. Congress recently passed and the President signed into law H.R. 7222 – the Andean Trade Preference Act Extension. This legislation allows for an extension of ATPDEA for Bolivia for 6 months, with the possibility of an additional 6 month extension if the US President determines that Bolivia is in compliance with the terms of the program. I would hope that this would include greater cooperation on the drug front, as well as a willingness to accept a new US Ambassador and treat him or her with much greater respect than Ambassador Goldberg received. I believe that H.R. 7222 takes a measured approach by separating Bolivia from the 3 other ATPDEA beneficiary countries rather than cutting off the trade preferences. The new law forces us to closely monitor Bolivia’s performance in several areas over the coming months. At the same time, it ensures that the people of Bolivia – the poorest country in South America – do not suffer.

“The President’s proposed suspension of Bolivia as an ATPDEA beneficiary country would unfortunately do more harm than good. The suspension would empower champions of anti-Americanism, and would make the United States less and less relevant in Bolivia. It would leave thousands of people unemployed and provide the perfect opportunity for countries like Iran to fill the void. Some argue that a suspension of trade benefits is precisely what is needed to get Bolivia back on the right track. I fear that the opposite is true, and a suspension would instead lead to a further corrosion of US-Bolivia relations.

“Some will also argue that a suspension of ATPDEA for Bolivia will only hurt the Bolivian economy for a brief time period – until the suspension is lifted. Anyone who knows anything about international trade knows that this is false. The jobs that would leave Bolivia – particularly in the textile field – will quickly move to China and other Asian markets. Once these jobs are gone, there will be no incentive to bring them back to Bolivia.

“In conclusion, let me be clear that the Bolivian government has brought this debate about ATPDEA upon itself. Congress and the Bush Administration have made every effort to engage the Morales government and to find opportunities to work together. Unfortunately, President Morales has chosen to downgrade his country’s relationship with the United States. This was his choice and his choice, alone. I hope that a brighter day for US-Bolivia relations will soon come. In the meantime, we must continue to reach out to the Bolivian people through ATPDEA. This can best be done, not through a suspension of trade benefits, but rather through a measured approach like that which Congress provided with H.R. 7222.”

Promotion and Drug Eradication Act (ATPDEA) for Peru, Colombia, Ecuador and Bolivia. The bill, which was passed by the Senate yesterday, now moves to the President for his signature. ATPDEA will be extended for one year for Peru and Colombia, for one year for Ecuador (with a review after 6 months), and for 6 months for Bolivia (with preferences terminating, unless the US President finds Bolivia in compliance with ATPDEA regulations and grants the country an additional 6 month extension).

Rep. Eliot L. Engel (D-NY) – Chairman of the House Foreign Affairs Subcommittee on the Western Hemisphere and a major proponent of long-term ATPDEA extension – issued the following statement:

“I am pleased that the House of Representatives has passed legislation extending the Andean trade preferences (ATPDEA) for Peru, Colombia, Ecuador and Bolivia, and I urge President Bush to quickly sign the bill into law. ATPDEA has been enormously successful, having created hundreds of thousands of jobs for impoverished people in the Andean region, while also supporting essential U.S. geopolitical goals. It has been a much-needed counterpoint to drug production in the Andes. At the same time, every job created through ATPDEA is another potential illegal immigrant remaining in his or her home country.

“Throughout the 110th Congress, I have argued that a long-term extension of ATPDEA is preferable to one short-term extension after another. A long-term extension of ATPDEA would help create a more stable and reliable investment climate, which in turn would generate more jobs in the politically and economically fragile Andes. While I would have preferred a longer term extension of ATPDEA, today’s action is a positive step forward for both the United States and the citizens of the Andean region. Regarding Bolivia, after President Evo Morales expelled US Ambassador Philip Goldberg in September, I said that it was important to review our aid and trade policies. This legislation does just that. It ensures that the people of Bolivia – the poorest country in South America – do not suffer, while also taking a measured approach by allowing ATPDEA to continue and forcing reconsideration of Bolivia’s performance in 6 months.

“I am relieved that Congress was able to consider this crucial legislation in our last hours.”