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**Colombia and Cat**  
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President Bush sent the U.S.-Colombia Free Trade Agreement to Congress on Tuesday, and Democratic leaders greeted it with a Bronx cheer. No surprise there. AFL-CIO President John Sweeney has been promising that the deal won't pass, and we're guessing his confidence has something to do with Big Labor's contributions to the Democratic Party in an election year.

But if House Speaker Nancy Pelosi's anti-Colombia motivations are easy to divine, Mr. Sweeney's are more puzzling. Union leaders like to say they're looking out for the well-being of the rank and file. But by quashing the Colombia FTA, Mr. Sweeney would weaken the competitiveness of American manufacturing and put some of America's best-paying union jobs at risk. These are jobs that exist today but could well be gone if Congress rejects this market opening in South America.

Exhibit A are 8,600 jobs at two Caterpillar Inc. factories in Illinois. Caterpillar exports more to Peru and Colombia than it does to Germany, Japan or the United Kingdom. So keeping and growing market share in both countries is important to union members in both plants. Not all are union jobs but both facilities are United Auto Worker shops.

Consider exports of the off-highway truck, made in Decatur. Customers in Colombia now pay a 15% tariff – equal to \$200,000 – on the import of these vehicles. If the FTA goes through, that import tariff goes to zero immediately. Conversely, if the deal dies and Colombia, which is trying to expand its world trade, strikes an agreement with another country where similar vehicles are made, U.S. exports will immediately be at a 15% price disadvantage.

Colombia also has a large mining industry, and there are more Cat D-11 bulldozers in Colombian coal mines today than in any other country in the world. Those bulldozers are made in East Peoria. Colombian customers pay a 5% duty to import Cat bulldozers, which compete against Komatsu bulldozers made in Japan. Union members might ask Mr. Sweeney why he wants to spurn an offer that would give U.S. products a 5% price edge against Japanese competition.

Caterpillar – which has a total U.S. work force of 50,545 – faces an even more imminent threat in the case of its motor graders, a piece of heavy equipment used to level the playing field, literally. A company called Champion also makes motor graders in Canada, and Colombia is also negotiating an FTA with Canada. If Canada seals a deal with Colombia while the U.S. walks away from its Colombia pact, graders made in the U.S. will cost more than those made in Canada. Once again, Mr. Sweeney's agenda makes the U.S. work force less competitive.

The AFL-CIO's rejectionism makes even less sense when you consider that 92% of Colombian goods coming to the U.S. now enter the American market duty-free under the Andean Trade Preferences Act, or ATPA. In June 2007, 365 members of Congress voted to renew the ATPA and thereby maintain open U.S. markets for Colombian products. The FTA is a chance to open Colombian markets to U.S. goods and services. Killing it is like saying that we want U.S. products going to Colombia to be heavily taxed. Even for a trade protectionist like Mr. Sweeney, that makes no sense. For American workers, it's crazy.