

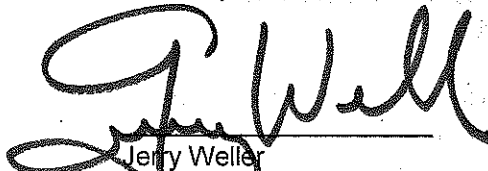
Congress of the United States
House of Representatives
Washington, DC 20515-1311

July 18, 2007

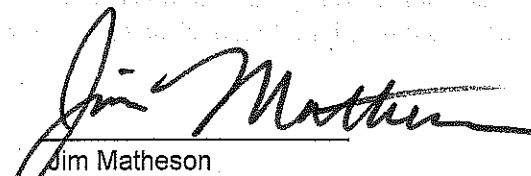
Dear Colleague:

As the co-chairs of the Panama Trade, Security, and Economic Cooperation Caucus, we wanted to make sure you saw this op-ed on the importance of the Panama trade agreement for both the United States and Panama.

Sincerely,



Jerry Weller
Co-Chair
Panama Caucus



Jim Matheson
Co-Chair
Panama Caucus

from the July 05, 2007 edition - <http://www.csmonitor.com/2007/0705/p08s02-coop.html>

Free trade with Panama is win-win

Congress should approve this agreement and the critical economic and foreign policy advantages it promises for America.

By Wesley K. Clark and Joe R. Reeder

The United States and Panama signed a free-trade agreement last week, consummating negotiations that began in April 2004. Many herald this agreement – with its strong protections for labor and the environment on par with commercial considerations – as a bipartisan breakthrough in support of trade. We urge Congress to take the necessary next step, which is to approve this free trade agreement and the critical economic and foreign policy advantages it promises for our country.

For us, it comes as no surprise that such a pioneering agreement could be realized with Panama. During the mid-1990s, one of us served as commander in chief of Forces SOUTHCOM, Latin America, headquartered in Panama, and the other was the undersecretary of the Army and chairman of the Panama Canal Commission's board of directors. That experience with Panama and the Panamanian people leads us to strongly support deeper economic and foreign-policy ties with this extraordinary ally and wonderful country, whose citizens include some of the best friends America has, anywhere in the world.

The century-old geostrategic partnership between the United States and Panama will be strengthened by this agreement. No treaty in this hemisphere has been more historic, or has had greater impact, than the Panama Canal Treaties of 1977 and 1979. And, under Panama's leadership since Dec. 31, 1999, the canal the world's path between the seas – has operated

superbly by every efficiency and environmental benchmark.

Today, 15 percent of US trade with the world passes through this engineering wonder. The Manzanillo International Terminal, the most productive container transshipment terminal in Latin America, is owned by US investors.

The commercial potential of this agreement for the United States is significant. US companies already export nearly \$3 billion annually in merchandise to Panama – and at \$2.3 billion, the US merchandise trade surplus with Panama is our fifth largest in the world.

This agreement will boost that performance even further. In 2006, fully 96 percent of Panama's exports to the United States entered duty-free, while US exports to Panama paid a 7 percent tariff on average. By eliminating tariffs immediately on most goods, the agreement will at last provide a level playing field for US companies. In addition, the agreement gives US firms assured access to bid on lucrative contracts for a \$5.25 billion canal expansion project.

Panama's recent ascendancy to the 15-member National Security Council of the United Nations acknowledges not only its growing economic and political importance in Western Hemisphere and world affairs, but also its demonstrated diplomatic abilities as a team player, problem solver, and reliable ally. Many times in the past Panama has offered critical assistance to the United States when other nations would not help.

As many members of our Congress know firsthand, Panama has earned America's friendship the old-fashioned way. While some nations in the region have chosen to embrace the failed statist policies of the past and are reverting to authoritarian rule and anti-Americanism, Panama, under the leadership of President Martin Torrijos and Vice President Sammy Lewis, is a thriving democracy with an open and rapidly expanding economy. We must continue to support Panama's progress.

A trade agreement with Panama makes good sense for both the United States and Panama. We, and countless others who have had the privilege of serving in Panama, urge the United States Congress to approve this trade deal on an expedited basis. With complementary service-based economies and a large stake in trade, this is a win-win proposition for both countries.

• Gen. Wesley K. Clark served as commander in chief, Southern Command, and later supreme allied commander, Europe. Joe R. Reeder served as Army undersecretary and chairman of the Panama Canal Commission.