

# MESOAMERICA

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## EL SALVADOR

### DR-CAFTA Enacted Amid Protests

After years of negotiation, several modifications and a two-month delay, El Salvador has become the first Central American country to enact the Dominican Republic-Central American Free Trade Agreement (DR-CAFTA) with the US. Violent protests followed the 1 Mar signing of the treaty while President Antonio Saca and his National Republican Alliance party (ARENA) celebrated what they considered to be a major victory.

The idea of DR-CAFTA was first announced by the US in '02 and the first round of negotiations began in Jan '03. After its terms were agreed upon by the US Congress later that year, the trade agreement was drafted and formally proposed to the Central American countries in Aug '05. President George W. Bush declared, "It is more than a trade agreement because it strengthens the democracies in Latin America." Initially intended to begin on 1 Jan '06, last-minute negotiations kept DR-CAFTA from being implemented in El Salvador until this month.

Participation in the trade agreement has been a source of major division within the country. The Farabundo Marti Revolutionary Front (FMLN), the country's leading political opposition party, has led the strongest campaign against the approval of CAFTA. In the months leading up to 1 Mar, the FMLN and other groups led major protests throughout the capital city. During these mostly peaceful demonstrations, opposition parties, student groups and other organizations opposed to DR-CAFTA voiced their concerns about the consequences of approving the bill.

The protests became increasingly violent as 1 Mar approached. Several incidents involving intimidation and acts of vandalism were attributed by Saca to people with links to the FMLN, and for the first time ever, one began to see juvenile gangs, the *maras*, becoming involved in the actions of the political opposition. On 20 Feb, the Salvadoran daily, *El Diario de Hoy*, reported that two city buses had been burned by vandals in the capital city of San Salvador the previous weekend. According to the daily, Saca was quoted as saying, "the *maras* who burned those buses are connected to a political party ... you all know about the clear links between the FMLN and the gangs."

FMLN legislator Hugo Martínez said, “We disassociate ourselves completely from those acts ... these accusations are part of ARENA’s dirty campaign; we regret very much that the president is leading this campaign.”

In anticipation of anti-DR-CAFTA protests, the government began declaring warnings of “disturbances” that were going to be initiated by the FMLN and “groups with links” to the party. It warned of street closings, workers’ strikes and prison riots, among other things. All of these incidents, according to the government, were going to be led by the FMLN and its supporters.

The FMLN rebuffed ARENA accusations with accusations of its own. According to Sigfrido Reyes, Chief of Communications for the FMLN, “ARENA is the organizations that has ties to the gangs because they use them in order to generate fear among the electorate ... They want to find a photo of certain incidents that they can later manipulate in the media.... As far as whatever situation may develop during the protests, we place responsibility on [Vice Minister of Citizen Security] Ástor Escalante and on the government.”

During the protests themselves, several altercations between demonstrators and riot police took place. On 28 Feb, at least four protestors were admitted to a local hospital after being shot with rubber bullets by the police. One officer was also admitted after suffering lesions to his face.

While few deny that DR-CAFTA’s approval is a historic event here, the anticipated effects of the agreement are still being debated. President Saca argues that the country will see economic growth of at least four percent following the entrance of DR-CAFTA as well as the addition of at least 2,000 jobs in the first year.

However, Carlos Acevedo, a Salvadoran economist who helped write the United Nations’ Report on Human Development, says that the anticipated results of the agreement have been overblown. “The government’s discourse has tried to augment [the impact] artificially by exaggerating or magnifying its benefits. The benefits in its discourse are much greater than what the benefits will actually be in reality,” he said. In reference to the hopes of a four percent growth rate, Acevedo said he did not anticipate anything higher than a one percent increase.

As far as the rest of the countries in Central America, each is making its way through the steps necessary to enact the trade agreement. Guatemala expects to wait until Apr or May before it will be ready to put the agreement into action. Honduras is confident that by 1 Apr it will be ready to enter into the agreement; it is still working on a few issues concerning intellectual property rights and phytosanitation. In Nicaragua, the government is hoping to approve all of the laws necessary to finalize its entrance into DR-CAFTA in Apr, at the latest. Costa Rica is the only country involved that has yet to ratify DR-CAFTA; however, President-elect Oscar Arias based a large part of his campaign on the fact that he supports the agreement as it is written and will be ready to approve it when he takes office. And, the Dominican Republic, the only Caribbean country that is included in CAFTA, expects to be ready by July. Panama has had long-standing trade agreements with the US for decades and, therefore, was not part of CAFTA, but is currently negotiating its own free trade agreement with the US.

## **TPS Extended for 250,000 Salvadorans**

On 23 Feb, President Saca announced that the US government had agreed to extend its program of Temporary Protection Status (TPS) for the 250,000 Salvadorans currently living in the US under the program. The extension was granted for another year, as the current program was set to expire in Sep.

After a magnitude 7.6 (Richter Scale) earthquake hit El Salvador on 13 Jan '01 (Vol. 20, No. 1), thousands of Salvadorans headed to the US to live with friends, family, or to simply start anew after the devastation that was left in its wake. As a result, the US government implemented the TPS to enable these people to work and live legally in the US.

Saca made the announcement from Washington, DC, during a trip in which he met with President Bush and several members of Congress to discuss the upcoming implementation of CAFTA. He saw the TPS extension as a major victory and the completion of one of the major goals of his trip.

During his US visit, Saca also committed to sending 380 Salvadoran soldiers to Iraq. However, when asked whether there was a connection between this decision and the TPS extension, he denied it, saying, "I am not exchanging troops for the TPS."

The protection status of the 75,000 Hondurans and 4,000 Nicaraguans currently living under similar programs in the US was also extended.

*—Ian McLoone*