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NEWS RELEASE

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New Study Documents Increase in Corporate PAC Cash for Representatives Who Cast Decisive Votes for CAFTA

Valentine's Day Events Across Country Highlight Continued Backlash by Voters Against Lawmakers Whose Pro-CAFTA Votes Betrayed Public

WASHINGTON, D.C. – The handful of representatives whose votes led to the narrow passage of the controversial Central America Free Trade Agreement (CAFTA) last year have since received a total of $2.8 million in corporate campaign cash, according to a new report released today by Public Citizen's Global Trade Watch division.

Lawmakers are now facing backlash from voters angry about lawmakers' pro-CAFTA votes.

"Forget the Valentine's Day chocolates and roses, the handful of congressional lawmakers whose startling votes for CAFTA pushed this slimy deal through Congress appear to have received campaign cash as a reward for the corporate dangerous liaisons, and many of the voters whose hearts they broke are considering permanent separations from these congressional betrayers of their interests," said Lori Wallach, director of Public Citizen's Global Trade Watch.

To highlight the report's findings, local protests were held today and Monday outside the district offices of pro-CAFTA Reps. Melissa Bean (D-Ill.), Henry Cuellar (D-Texas), Jim Gerlach (R-Pa.) and Charlie Taylor (R-N.C.), who did not vote on CAFTA.

In addition to documenting corporate and Republican Party and leadership contributions to the "CAFTA 30" – the group of representatives from both political parties who Public Citizen deemed the most improbable, unacceptable and inexplicable votes for the agreement – the report tracks the political consequences now being felt by these representatives back home. Many among the "CAFTA 30" now face new political challengers who entered the election fray as a result of these representatives' betrayals, including the announcement Monday of a new primary challenger for 12-term incumbent Edolphus Towns (D-N.Y.). Others have lost the allegiance of past important political supporters. The report is available at http://www.citizen.org/documents/CAFTA_Liaisons_Report.pdf.

The campaign finance data analysis in the report, *Dangerous CAFTA Liaisons:*

Skip the Roses and Chocolates: Members of Congress Providing Decisive Votes on Trade Deal Receive Jump in Corporate Campaign Cash – Public Plans Divorce, reveals that:

- Pro-CAFTA, industry political action committees (PACs) donated nearly $2.8 million to the "CAFTA 30" from January to September 2005 – or nearly what each CAFTA country is slated to receive in labor trade capacity-building money;
- The top two representatives who received pro-CAFTA industry PAC contributions among the group – Republican members Gerlach and Mike Fitzpatrick, both of Pennsylvania, where anti-CAFTA sentiments ran especially high – were also the top two recipients of Republican Party money in the 2005 cycle in the "CAFTA 30." The GOP leadership had made passage of CAFTA a top legislative priority for 2005;
- Three representatives – Bean, Robin Hayes (R-N.C.) and Gregory Meeks (D-N.Y.) – received unusually high increases in pro-CAFTA industry PAC contributions in the two months following the CAFTA vote;
- Four first-term representatives – Bean, Fitzpatrick, and Reps. Henry Cuellar (D-Texas) and Bob Inglis (R-S.C.) – received the same or more money from pro-CAFTA industry PACs in 2005 than they did during their entire first election race. Bean, who received virtually no pro-CAFTA industry PAC money in her entire first election campaign, has grown contributions from these sources by nearly 550 percent in just the first nine months of 2005 alone;
- Three representatives – Gerlach, Meeks and Ike Skelton (D-Mo.) – more than doubled their pro-CAFTA industry PAC receipts relative to the past;
- Many of the CAFTA 30 were among the top recipients of contributions from the PAC headed by former House Majority Leader Tom DeLay over several election cycles, including Reps. Ginny Brown-Waite (R-Fla.) and Charlie Dent (R-Pa.), who each received $20,000; Gerlach, who received $30,000; and Hayes, who received money in every election cycle since 1998, totaling nearly $50,000;
- CAFTA 30 representatives have also received funds from sources connected to the GOP lobbyist Jack Abramoff. Brown-Waite, Chris Cannon (R-Utah), Phil English (R-Pa.), Mark Foley (R-Fla.) and Hayes and/or their PACs all received campaign contributions from Abramoff directly, or from American Indian tribes he was paid to represent. Notably, Democrat Cuellar also received money from an Abramoff-connected tribe. Taylor received $19,750, and is one of the few beneficiaries who has refused to recycle the money to charity, while Rep. Richard Pombo (R-Calif.) – whose vote for CAFTA was particularly surprising – was the eighth-largest recipient of Abramoff-connected largesse among all members of Congress, at a whopping $40,500; and
- Following the CAFTA vote, Bean received an increase in campaign contributions from out-of-state individuals – one commonly cited measure of interest group influence. Bean, Gerlach and Fitzpatrick, among others, saw unusually high increases in individual donations after the CAFTA vote from the Washington, D.C., area – home to many of the country's top lobbyists for the drug industry and other pro-CAFTA interest groups.

"This report not only provides a tawdry, if not unexpected, explanation for some of the most improbable votes that provided the margin to pass CAFTA, but also how desperate pro-CAFTA corporations were able to pass an expansion of NAFTA over the objections of the public," said Wallach.

The report breaks these members of Congress into two categories, including a group of 22 representatives who saw an increase in money from pro-CAFTA industries and a second group of representatives who saw a decrease in contributions from these sources but who voted for the flawed agreement anyway. They now face the same wrath from voters at home who they betrayed by siding with their corporate sweethearts and for CAFTA, which is opposed by a majority of the U.S. population.

"Equally reprehensible are both categories of representatives whose improbable pro-CAFTA votes passed this NAFTA expansion. The only difference between those members of Congress who chose the promise of corporate love offerings over the interest of their constituents and actually ended up receiving windfall campaign dollar gains from pro-CAFTA industries, and those who walked the same political plank and have no new funds to show for it, is that one group proved more skilled at collecting from their new corporate partners. All representatives face the same political accountability from betrayed voters." added Wallach.

Across the country, members of both parties who voted for CAFTA are feeling the voter backlash. From Bean losing a "Person of the Year" award from the Northeastern Illinois Federation of Labor and campaign support from the base that made her narrow election in 2002 possible, to North Carolina representatives Taylor and Hayes facing opponents who cite anger about CAFTA as a reason for entering their races.

"It is no surprise that our research showed that ire about CAFTA betrayals has festered around the country and that local community leaders are using this report to highlight what they already knew: In choosing to support CAFTA, these members of Congress demonstrated that they are more interested in cozying up to corporations than they are in standing up for what's best for their districts," said Todd Tucker, research director for Public Citizen's Global Trade Watch.

CAFTA is an expansion of NAFTA to five Central American nations (Guatemala, El Salvador, Honduras, Costa Rica and Nicaragua) and the Dominican Republic. It was signed May 28, 2004, and was passed by the U.S. House of Representatives by one vote in the middle of the night on July 27, 2005. (A switch of one vote would have yielded a tie and defeat for the pact's implementing legislation.)

Due to strong resistance by several of the CAFTA countries' parliaments who, when confronted by Bush administration demands to gut public health and other domestic laws as the administration claims is required by the agreement, have refused to do so, the Bush administration has delayed the planned Jan. 1, 2006, implementation to maintain leverage to threaten the CAFTA countries to make the domestic policy changes demanded by U.S. pharmaceutical and other corporations. The report arrives as anti-CAFTA fervor has propelled Ottón Solís, a critic of the pact once thought to be a distant challenger in Costa Rica's presidential race, into a statistical dead-heat with CAFTA supporter and former president Oscar Arias. Costa Rica is the sole CAFTA signatory country that has not ratified the agreement, and is commonly cited as the region's oldest and strongest democracy.

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