Posted on Wed, Aug. 10, 2005

NICARAGUA

CAFTA vote postponed

Congressional president and leftist Sandinista leader René Núñez said lawmakers could not reach an agreement to include CAFTA on the legislative agenda.

BY FILADELFO ALEMAN

Associated Press

MANAGUA, **Nicaragua** - Nicaragua's congress on Tuesday postponed debate on a proposed free-trade agreement between Central America and the United States until next month.

Congressional president and leftist Sandinista leader René Núñez said lawmakers could not reach an agreement to include the so-called Central American Free Trade Agreement, or CAFTA, on the legislative agenda before summer vacations, which begin on Wednesday.

"There are important sectors of the country that still need more information on this," he said of the pact, which would eliminate trade barriers between the U.S. and Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and the Dominican Republic.

But CAFTA supporters said the debate was delayed because of pressure from Sandinista leader Daniel Ortega, whose party, along with dissenting members of Nicaragua's ruling Constitutionalist Liberal Party, oppose the measure. The parties have formed a majority alliance in the national assembly.

Dozens of people who showed up at Congress to show their support for the trade pact booed and whistled at Núñez's announcement, while Sandinista National Liberation Front and Liberal Party supporters applauded.

"Ortega gave the order to not approve CAFTA," said Lindolfo Monjarretz, a spokesman for Nicaraguan President Enrique Bolaños, who supports CAFTA.

Monjarretz said Ortega was pressuring Liberal Party leader and former President Arnoldo Alemán to direct legislators to vote against the measure. Alemán is serving 20 years in prison for fraud and money-laundering charges stemming from his presidential service, and the Sandinistas control the federal appeals court to which Alemán has turned to overturn his conviction.

Ortega did not immediately respond to the accusation.

The Constitutionalist Liberal Party previously had publicly offered its 43 votes in favor of CAFTA. The treaty needs 47 of 91 total votes to pass. Ten independent congressmen also announced they would approve the measure if the Liberal Party did.

"The Liberals did not keep their word because of pressure from the Sandinistas," said Congressman Guillermo Osorno, of the small Christian Path party.

The U.S. Congress approved CAFTA two weeks ago following a bruising political battle, and President George W. Bush signed it into law last week.

Bush and other CAFTA proponents say the deal will benefit both the U.S. and Central America, by opening the region wider to U.S. goods and services and lowering obstacles to investment in the region, as well as strengthening protections for intellectual property.

Critics of the measure say it would cost U.S. jobs, particularly in the sugar and textile industries, while poor Central American nations would not be able to compete with U.S. imports.

In particular, opponents are concerned that an increase of imports from U.S. farms will drive Central American subsistence farmers off their land, leading to overcrowding in cities and an increase in illegal immigration to the United States.

The Congress will return from its break on Sept. 15.

Bolaños' prosecution of Alemán, part of his campaign to eliminate state corruption, prompted many fellow Liberal Party members to join ranks with the Sandinistas and Ortega, who governed Nicaragua under a socialist-style government from 1979 until 1990.

Also Tuesday, a legislative commission voted in favor of stripping six members of Bolaños' cabinet of their immunity from prosecution to face charges of electoral fraud during the 2001 campaign that brought Bolaños to power.

A separate commission is considering a request to strip Bolaños himself of his immunity so that he could face similar charges. Bolaños has dismissed the charges as a politically motivated vendetta.