



GENDER IMPACTS OF CAFTA

The potentially devastating and far-reaching gender implications of CAFTA have, to date, remained largely untouched by trade negotiators on both sides. This is not to say, however, that CAFTA's potential impacts on the region's women are unknown or insignificant.

Agriculture and Gender

- Under CAFTA, heavily subsidized U.S. agricultural products would flood the region's markets, forcing subsistence farmers and small businesses out of their livelihoods and increasing the price of basic commodities.
- This would increase the burden on those households living in poverty, the majority of which are female-headed households. A World Resources Institute (WRI) study reports that a growing number of Central American households are headed by women and poorer than male-headed households. WRI notes that "in Panama, Honduras, and El Salvador, households headed by women represent an estimated 22% of total rural households."¹
- CAFTA's agriculture liberalization would have far-reaching impacts on the region's women who are the primary care-givers responsible for ensuring proper nutrition and health for their families and those responsible for household food security. The 2002 World Food Program Report stated that 1 in 4 Central Americans continue to suffer from hunger or food insecurity.
- As people are forced to move from rural to urban areas in order to find employment, many women in Central America will be left with no option but to seek work in export oriented factories notorious for exploitative working environments.

Investment and Gender

- The CAFTA investment chapter prevents governments from enforcing performance requirements on foreign investors. This prevents governments from requiring foreign companies to hire a certain percentage of local people or utilize a percentage of domestically produced inputs and therefore weakens governments' ability to regulate foreign investment to address national development needs.
- This would also challenge governments' ability to provide protection and benefits to the countless women workers who are employed by foreign companies and who are often paid less than the legal minimum wage, and who face physical, verbal, and sexual abuse, age discrimination, and have little job security. Over the past 25 years, 22,000 Nicaraguan women and children working in export-oriented banana factories have become seriously ill following regular contact with a banana-preserving pesticide.²

¹ "Women in Forestry," WRI- <http://www.wri.org/biodiv/women-02.html>

² Central America Women's Network (CAWN), December 2002- www.cawn.org

- CAFTA would lead to the expansion of the region's *maquiladoras* which employ mostly women aged 15-25 at low wages and under poor working conditions. EPICA reports that there are approximately 200 textile and apparel factories in Honduras that employ 106, 000 people, 67% of who are women.³

Services and Gender

- The services standards established in CAFTA require governments to “grant foreign companies non-discriminatory treatment, ensure access to service markets, and to be transparent in the development and application of regulations.”⁴
- Public services as well as other essential low-cost services may no longer be accessible or affordable to those who need them the most. Some Guatemalan women maquila workers reported that they spend at least 85% of their weekly salary to purchase water.⁵
- Privatization will also threaten the job security of service workers, many of whom are women. For many women, public service jobs are among the most secure and offer the most benefits, including healthcare. These government jobs could be subject to privatization and foreign competition, and therefore made less secure.

Intellectual Property Rights and Gender

- CAFTA's intellectual property (IP) rules limit compulsory licensing of CAFTA countries and prevent the marketing of a cheaper generic drug if a patented version already exists. This would have severe repercussions for the more than 200,000 Central Americans currently suffering from HIV/AIDS and lack the resources to pay for treatment.⁶
- As the primary providers of healthcare within families and communities, women would bear increased burdens under CAFTA's IP laws as access to cheap drugs and medicines becomes less available. One analysis conducted in Costa Rica revealed that IP measures outlined in CAFTA would increase the cost of some medicines by as much as 800%.⁷
- CAFTA would prohibit farmers from using their traditional farming practices because it would “allow for patents on plants that trump farmers' traditional rights to save their own seeds.”⁸
- Under CAFTA's IP provisions, it will be difficult for poor people and indigenous communities to continue to use and protect traditional medicines and agroforestry and biodiversity systems. As the keepers of traditional knowledge, women often benefit from the sale of traditional handicrafts and use traditional medicines to

³ EPICA, “Surviving Free Trade: Women's Voices from Nicaragua and Honduras.” May/June, 2002

⁴ Bloque Popular Centroamericano, Alliance for Responsible Trade, and Hemispheric Social Alliance, “Why We Say No to CAFTA: Analysis of the Official Text,” March 2004, p. 2

⁵ Fosse, F. “Voices from Central America: Behind the Trade Agreements,” *Center Focus*, February/March 2003

⁶ Weissman, R. “*Dying for Drugs: How CAFTA Will Undermine Access to Essential Medicines.*” Essential Action, March 2004

⁷ Moreno, R. The Free Trade Agreement between the United States and Central America: Economic and Social Impacts, p. 118.

⁸ AFSC, “CAFTA Does Not Measure Up,” April, 2004. <http://www.afsc.org/trade/news/cafta-measure-up.htm>

safeguard the health of their families and communities. In Central America, women plant, transplant, and maintain trees, collect fruits, oils, and medicines from trees to use in the home or sell in local markets, and maintain subsistence farms and traditional agroforestry systems.⁹

Towards a More Gender sensitive Central America Free Trade Agreement

- Any trade agreement with the countries of Central America must respect and ensure their sovereign right to determine their own national development and economic growth paths and responsibility to protect the social welfare and sustainability of their peoples and communities.
- Gender impact assessments of how the proposed CAFTA agreement will impact the lives and livelihoods of the women throughout the region's communities must be undertaken before any trade agreement is signed.
- Women from across the region must be able to participate in a transparent negotiation processes, be educated about what is at stake for them, and contribute to the creation of pro-development and gender equality strategies that take their knowledge and needs into consideration.
- Trade in agriculture should protect small farmers, primary food crops, and ensure food security and food sovereignty.
- Foreign investment in the region should be socially responsible, pro-poverty eradication, and gender sensitive.
- Privatization of public services that are essential for both social production and reproduction should be excluded from CAFTA in order to ensure their affordability and accessibility to women and men in the region.
- Countries must be able to maintain the freedom and flexibility to adopt appropriate systems to protect the indigenous knowledge and rights of their local communities, especially women who are the primary users and protectors of this knowledge.

⁹ "Women in Forestry", WRI-<http://www.wri.org/biodiv/women-02.html>