

8-6-1999

Talks Advance Free Trade Area of the Americas

LADB Staff

Follow this and additional works at: <https://digitalrepository.unm.edu/notisur>

Recommended Citation

LADB Staff. "Talks Advance Free Trade Area of the Americas." (1999). <https://digitalrepository.unm.edu/notisur/12667>

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in NotiSur by an authorized administrator of UNM Digital Repository. For more information, please contact amywinter@unm.edu.

Talks Advance Free Trade Area of the Americas

by LADB Staff

Category/Department: Region

Published: 1999-08-06

The Committee of Trade Negotiations of the proposed Free Trade Area of the Americas (FTAA) held a two-day meeting on July 28-30 in Cochabamba, Bolivia, to evaluate differences among the FTAA participating economies. Representatives from 34 American countries discussed bilateral laws related to foreign trade, tariff barriers, investment, subsidies, customs, and other issues.

The committee president, Canada's Katherine McCallion, said the meeting was "important and vital" to clear obstacles for the creation of the free-trade area in the Western Hemisphere in 2005. Chaired by Bolivian Foreign Minister Javier Murillo, the meeting was a preparatory step toward the trade ministers' meeting to be held in Toronto, Canada, in October. US says it will move ahead without fast track Richard Fisher, assistant US trade representative, said the US will do everything possible to finalize the FTAA by 2005.

Regarding the failure of US President Bill Clinton to win congressional approval for "fast-track" negotiating authority, Fisher said the president does not need fast track to promote the creation of the FTAA (see NotiSur, 1998-10-02). "We do not need fast track to negotiate integration," said Fisher. "This authorization is only a faster way to reach the FTAA. None of the achievements of this administration in terms of foreign policy have needed fast track." Fisher said the US does, however, have some concerns about the effects that events in Latin American could have on the FTAA process, including the political changes in Brazil, the political and economic crises in Colombia, the recession and electoral climate in Argentina, and the results of next year's election in Mexico. He also said the US is "still waiting for a greater definition of the presidency of Venezuela President Hugo Chavez."

Disparity among countries is biggest obstacle

Other delegates agreed that the commitment to form a continentwide free-trade area in 2005 has been complicated by the impact of the financial crises in the developing economies. The greatest difficulty, however, is the marked asymmetry in the levels of development in the region which has 34 countries, 39 million sq km, 765 million people, and a GDP greater than US\$9 billion. The US, Canada, and Mexico account for 88% of that GDP, the MERCOSUR countries (Argentina, Brazil, Paraguay, and Uruguay) cover 8%, and the other 27 countries combined have the remaining 4%.

Bolivian Vice Minister of International Relations Ana Maria Solares said the delegates examined ways to ensure the "full participation" of the smallest economies, taking into account the different levels of development, in forming policies to promote the free-trade area. The smallest countries will only be strengthened by free trade if their participation includes distinct treatments, equality of rights, and adequate conditions, said Solares. It will be necessary to develop case by case solutions, so that liberalization gives small countries more options than protectionism, she said. Jose Erza, Honduran Commerce Secretary, said that the consolidation of economic blocs is irreversible and

the smaller countries will have to develop products and services for export to overcome their disadvantages. [Sources: Notimex, 07/20/99, 07/27/99, 07/29/99; Xinhua, 07/26/99, 07/28/99]

-- End --