U.S. tack on trade treaties assailed

'A jigsaw puzzle' created, critic says

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When the United States seeks individual free trade treaties with Latin American nations, it hurts chances for the hemisphere-wide deal it is pushing.

So says Sylvia Ostry, research fellow at the University of Toronto's Center for International Studies.

"I cannot understand how you could have a hemispheric agreement with everybody in a bilateral agreement," she said. "It's a jigsaw puzzle of interests."

Ostry had monitored the discussions among the 500 negotiators and staffers who converged on Atlanta last week for the second round of talks toward the Andean Free Trade Agreement with Colombia, Ecuador and Peru.

The agreement is part of Washington's strategy to expand free trade in the face of stalled talks on the Free Trade Area of the Americas, the 34-nation hemisphere-wide deal.

Regina Vargo, the top U.S. negotiator on the Andean treaty, said the United States follows a "framework approach" with these agreements, starting with a basic treaty that changes as negotiations warrant.

The Andean deal is supposed to come together by the beginning of next year, also the ostensible effective date for the troubled FTAA.

But other recently negotiated U.S. trade deals, particularly one with Central American nations and the Dominican Republic known as CAFTA, face stiff opposition in Congress.

In addition, issues that arose here last week with Andean nations have dogged the FTAA talks and the more ambitious World Trade Organization meetings.

In September, 20 developing nations led by Brazil, China and India complained at a WTO meeting that U.S. subsidies to its farmers set up unfair competition against their own farmers. The United States, in turn, pushed to strengthen foreign protection of patents and copyrights for high-value exports.

Ostry said it has become a zero-sum argument, with neither side willing to back down. And the balance of power has shifted somewhat, she said, because of population concerns: The populations in Southern nations are growing, while the rich Northern nations are not.

That gives Brazil and the Latin Americans real leverage, further threatening the likelihood of consensus.