U.S. Lawmakers See Movement On FTAs With Colombia, Panama

By Lucien O. Chauvin Daily Report for Executives™ August 24, 2009

LIMA, Peru—U.S. lawmakers visiting South America believe passage of pending free trade agreements in the region is possible this year.

Rep. David Price (D-N.C.), who is leading a bipartisan group that includes seven other members, told BNA Aug. 18 that he believes FTAs with Colombia and Panama could get through the House of Representatives shortly. The delegation, part of the House Democracy Assistance Commission, visited Peru, Paraguay, and Colombia.

Price sees the FTAs within the context of a larger diplomatic effort by President Obama's administration to renew relations in the hemisphere. "Passage of the trade agreements would be a good-faith message to Latin America," he said.

He said headway was being made on the Colombia agreement, but acknowledged that there are still issues to be ironed out before it could be brought to a vote. "The content of the FTA with Colombia is not too far from where it needs to be. The sticking point is one unique to Colombia," he said.

That sticking point is labor relations, specifically concerns that the Colombian government has not done enough to adequately deal with violence against organized labor, even though the number of attacks and murders of union leaders has fallen off dramatically in recent years.

Price praised efforts by the Colombian government to create a documentary record of labor cases and believes that clearing up issues will remove political roadblocks from passage of the FTA.

"We are not going to have a successful vote in the House of Representatives until we know what we are dealing with. This is a political reality, but I am hopeful and I think the administration is hopeful," said Price.

Dreier Sees Colombian Progress

Rep. David Dreier (R-Calif.) said passage of the Colombia FTA would be recognition of the progress the country has already made on a host of issues. "There is no country that has gone through a more positive transformation in a five-year period than Colombia has this decade," he said.

Under President Alvaro Uribe, Colombia has demobilized a large number of left-wing rebels and right-wing paramilitary fighters, as well as dealt serious blows to the Revolutionary Armed Forces of Colombia (FARC), which has been waging war against the state since the 1960s. The efforts have helped bring down once record-setting murder and kidnapping statistics.

Colombia has also made progress over the past year in reducing drug crops, particularly coca, from which cocaine is processed. While still the world's largest coca/cocaine producer, Colombia reduced land used for coca crops by 18 percent in 2008, according to the United Nations Office on Drugs and Crime. The other two coca-producing countries, Bolivia and Peru, saw increases of 6 percent and 4.5 percent, respectively.

Dreier said "agreements like the one negotiated with Colombia go a long way toward guaranteeing improvements in human rights, labor rights, and environmental protection."

The delegation's visit to Colombia comes at yet another tense moment for the country, which is trying to convince neighbors and the larger South American community that a new security agreement with the United States does not mean the advent of U.S. military bases on Colombian soil.

Confidence About Panama

Both lawmakers see approval of a similar agreement with Panama moving ahead quickly as obstacles have fallen away. The U.S.-Panama deal was concluded in June 2007, but got jammed when Panama's Congress picked Pedro Miguel Gonzalez-Pinzon as its speaker. Gonzalez had been indicted in the United States for the 1992 murder of a U.S. soldier. U.S. politicians did not accept his acquittal by a Panamanian court.

Gonzalez stepped down a year ago September, clearing away that problem, and the government of Panama's newly installed president, Ricardo Martinelli, announced in mid-August that it would soon review banking and tax laws that U.S. lawmakers have criticized as too conducive to money laundering and other illegal financial activities.

"I am extremely confident about Panama. Now that Mr. Gonzalez is out there is no reason this agreement should not be passed," Dreier said.