

Bush, Garcia, sign US-Peru trade pact

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WASHINGTON — US President George W. Bush and Peruvian President Alan Garcia on Friday signed a US-Peru free trade agreement, each hinting that the pact was a poke in the eye to Venezuela's Hugo Chavez.

Bush seized on the signing ceremony to push US lawmakers to pass similar accords with Panama, Colombia, saying that all of Latin America was watching "to see what this Congress will do when it comes to how we treat our friends."

"The champions of false populism will use any failure to approve these trade agreements as evidence that America will never treat other democracies in the region as full partners," the US president said.

"It's a great day for democracy and social justice and freedom. On the contrary, it's a bad day for authoritarianism and those who against the democracy and free trade," said Garcia, who spoke in English.

Bush's remarks were aimed at nemesis Chavez and his staunch ally, Cuban President Fidel Castro, according to a White House official.

Garcia noted that the free trade agreement (FTA) was modified under pressure from the Democratic-controlled Congress in May to take into account environmental and human rights concerns.

"It has been enhanced in the dialogue with the US Congress, which leads to an extension for the environment and labor chapters, which will favor the poor, the population in the Andes and the small enterprises," he said.

Bilateral trade between the United States and Peru amounted to 8.8 billion dollars in 2006, according to US government data.

Nearly all products from Peru already have duty-free access to the United States. The new deal will allow Americans reciprocal access to the growing Peruvian market.

Bush also pressed lawmakers to approve the US-South Korea FTA.

"This agreement will create jobs and opportunity on both sides of the Pacific. It will strengthen a democratic ally. And I urge Congress to act quickly and send this good bill to my desk," he said.