MIAMI - President George W. Bush urged Congress on Friday to approve free-trade agreements with Latin American countries "as soon as possible," saying failure to do so would diminish U.S. leadership in the hemisphere.

Approval of the trade deals would help U.S. exports and "counter the false populism promoted by some nations in the hemisphere," Bush said, apparently referring to Venezuelan President Hugo Chavez who has positioned himself as a counterweight to the United States in Latin America.

Bush is seeking ratification for pacts with Peru, Panama and Colombia from Democrats who captured Congress in last year's elections and have shown some uneasiness about the president's free-trade agenda.

"Collectively, these three trade agreements have the potential to boost our economy and strengthen our allies and spread prosperity throughout our region," Bush told a conference on trade in the Americas.

"I urge congressional leaders to pass these three Latin American agreements as soon as possible."

Although the deal with Peru appears likely to be approved soon, the two other agreements face significant obstacles.

Democrats in the U.S. House of Representatives on Friday unveiled draft legislation for an expansion of federal trade adjustment assistance to help retrain workers who lose their job because of foreign competition.

In his speech, Bush said he was a "big believer" in the program. It's unclear whether he'll agree to the billions of dollars of new funding that Democrats want, but that could be the price needed to win approval of the trade agreements.

STRATEGIC, ECONOMIC BENEFITS CITED

U.S. labor groups fiercely oppose the agreement with Colombia, which they call the most dangerous country in the world for union workers.

They accuse the government of Colombian President Alvaro Uribe of failing to aggressively prosecute hundreds of cases of murdered trade unionists.
Bush emphasized the strategic importance of U.S.-Colombian ties in the region and urged Congress not to give into "economic isolationism" by rejecting the pact.

Rep. Sander Levin, a Michigan Democrat who chairs a House trade subcommittee, said Bush's trade policies were responsible for much of "the growing antagonism to trade and globalization in our nation."

Levin did not respond directly to Bush's call for action on the three Latam trade agreements. But in the case of Colombia, "where workers and their leaders were being killed with continued immunity," more progress is needed, he said.

Bush said Uribe had taken "courageous steps" to go after drug traffickers and rein in paramilitary groups and said violence has diminished in recent years.

The Panama agreement would help U.S. growth by increasing access to Central America's fastest growing economy, Bush said.

Prospects for the Panama pact were thrown into doubt after Panama's National Assembly elected as its leader a lawmaker wanted in the United States on charges he killed a U.S. soldier in 1992 as its leader.

U.S. Commerce Secretary Carlos Gutierrez, traveling in Colombia, said Panama needed to solve the problem created by Pedro Miguel Gonzalez's election.

"We are very disturbed by the fact that this has happened. This is something that was not around four or six weeks ago and they need to fix it," Gutierrez told Reuters.

(Additional reporting by Doug Palmer in Washington and Hugh Bronstein in Bogota)