

Debate begins on U.S.-Peru free trade agreement

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Reuters

WASHINGTON - The U.S. Senate began debate on Monday on a free trade agreement with Peru the Bush administration hopes will be its first legislative trade victory since Democrats took control of Congress in January.

The House voted 285-132 in November to approve the agreement, which locks in Peru's duty-free access to the U.S. market while phasing out the country's tariffs on U.S. farm and manufactured goods.

The Senate vote, expected on Tuesday, is the last step in the congressional approval process.

Sen. Charles Grassley, an Iowa Republican, said during debate on the agreement on Monday he expected Senate approval, which would set the stage for President George W. Bush to sign the agreement into law by the end of the year.

Leading Democratic presidential candidates, Sen. Hillary Clinton of New York and Sen. Barack Obama of Illinois, have said they intend to vote for the pact. However, one of their rivals -- former Senator John Edwards -- opposes the deal.

The strong House vote for Peru came after the Bush administration renegotiated the agreement to include stronger labor and environmental provisions demanded by Democrats.

President George W. Bush wants Congress to vote on a free trade agreement with Colombia after it finishes work on Peru.

However, that deal is much more controversial because many Democrats feel Colombian President Alvaro Uribe has not made strong enough efforts to stop the murder of trade unionists and bring their killers to justice.

The Bush administration argues Uribe has already done much to improve the situation in Colombia and that approving the free trade agreement would help consolidate those gains.

The White House also hopes Congress will approve free trade agreements with Panama and South Korea next year.