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**THE FTAA BULLETIN:  
Analysts Comment on Their Country  
and The Free Trade Area of the Americas**

**January 2004**

**Coordinated by**

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## INTRODUCTION

Leaders of 34 democratic countries in the Americas agreed to work towards a Free Trade Area of the Americas (FTAA) at the first Summit of the Americas meeting in 1994. Their aim: to lower a wide array of trade and investment barriers among their countries and stimulate economic growth in the region. As the original January 2005 completion date approaches, FTAA members are re-evaluating their trade policy options in light of recent events. Those developments include the 2003 FTAA ministerial declaration allowing countries to assume different levels of obligations, the stalled WTO Doha Round talks, weak economic growth in Latin America, and U.S. willingness to negotiate bilateral free trade agreements outside of the FTAA process. The January 2004 Special Summit of the Americas Declaration, which accepted the earlier Miami “framework and calendar” for completion of the free trade area -- a less ambitious plan than originally envisioned -- reflected resistance to the project, most notably from Brazil and Venezuela. The vice ministers of trade for the FTAA participants will meet in Puebla, Mexico in early February. That session may be a harbinger of the FTAA’s future in the face of the new challenges.

In this context, the C.D. Howe Institute approached policy research organizations, academic institutions and individuals outside of government, with solid reputations in their countries or regions, and with expertise in trade-policy, to comment on their country or area’s position with respect to the FTAA. We asked each commentator to briefly discuss where the agreement fits into their country or region’s trade priorities, what the key issues are for that country or region and what advice they would give their respective governments. The contributions from across the Americas are reproduced here, and linked to the websites of many of these organizations.<sup>1</sup> This bulletin may be followed by a similar assessment prior to the 2004 Brazil FTAA ministerial meeting.

A successful FTAA would open up opportunities for trade and investment in the region. Studies show that almost all the individual countries and regions in the Americas would experience net economic gains as a result of an FTAA.<sup>2</sup> Expanded trade generally raises incomes and growth rates. A single, comprehensive regional agreement would have the advantage of promoting trade among all countries in the region, rather than just between the U.S. and individual countries. It could avoid or reduce the chaos and overlapping rules likely to be generated from the “spaghetti bowl”<sup>3</sup> of bilateral agreements between countries in the hemisphere.

However, the FTAA’s ambition to create a single regional agreement and the scope of that FTAA now appear to be in question. The U.S. announced that it will pursue

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<sup>1</sup> The views are those of the contributors and do not reflect the opinions of the C.D. Howe Institute or its directors. Every effort was made to include research institutes or individuals with trade-policy expertise from each participating country or region, but this was not possible in a few cases. Pieces have been reviewed by the Institute for clarity. Danielle Goldfarb wishes to thank numerous individuals from academia, research institutes, international and regional organizations, and government who commented on this project and provided her with contact names and information on the FTAA.

<sup>2</sup> See for example, Harrison, Glenn W., Thomas F. Rutherford and David G. Tarr. 2001. *Chile's Regional Arrangements and the Free Trade Agreement of the Americas: The Importance of Market Access*. July 31. World Bank Working Paper 2634.

<sup>3</sup> A term coined by international trade economist Jagdish Bhagwati.

numerous bilateral free trade deals in the hemisphere outside of the FTAA process. At the time of the November 2003 FTAA ministerial meeting, the U.S. announced that it would start to negotiate free trade deals with Colombia, Peru, Panama and, eventually, Ecuador and Bolivia. The United States and five Central American countries recently negotiated a free trade agreement, and the Dominican Republic may soon be added to that arrangement.

Before the 2003 FTAA Miami ministerial meeting, countries in the Americas had agreed to negotiate the FTAA as an ambitious all-or-nothing package. The accord was to involve one set of disciplines applied to all countries and encompass a broad range of areas, including market access; agriculture; services; investment; government procurement; intellectual property; competition policy; subsidies, antidumping and countervailing duties; and dispute settlement.

In Miami, however, members abolished the all-or-nothing approach. The main points of contention in Miami included Brazil's desire to keep services, investment and intellectual property rights -- particular U.S. interests -- out of the agreement and the U.S.'s insistence on negotiating any reduction in agricultural subsidies -- the key Brazilian interest -- at the WTO, rather than in the FTAA. Brazil and the U.S. are co-chairing the remaining FTAA meetings. To avoid a collapse of the talks, ministers reached a compromise: the Ministerial Declaration requires only that countries commit to a minimum set of common obligations covering each of the nine areas referred to. Governments that want to undertake additional obligations can do so at their discretion. The declaration is relatively vague, and does not, for example, set the minimum level of commitment required, an issue that could be resolved at the February meeting of the Trade Negotiations Committee (TNC) in Puebla.

The country and regional analyses that follow are intended to improve understanding by decision makers and media of the various country positions and options regarding the FTAA.

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Danielle Goldfarb, C.D. Howe Institute ([www.cdhowe.org](http://www.cdhowe.org)), Toronto.

## **COUNTRY ANALYSES**

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## ARGENTINA

The Argentine position on the FTAA can be fairly depicted as cautious acquiescence. That is, it is neither opposed to moving the negotiation agenda forward nor will it uncritically endorse whatever is proposed.

By and large, this position reflects the need to reconcile interests and demands that may not appear to be consistent. Indeed, within the country's trade agenda, the FTAA is not a top negotiating priority for the government and has little appeal to many socio-economic actors, including important figures in the business community. Renewed domestic preferences for revitalizing [MERCOSUR](#), coupled with Brazil's reluctance to accept trade integration at the hemispheric level as proposed, significantly contribute to this situation. In this sense, the partnership with Brazil is extremely relevant for Argentina in political terms, reducing the government's maneuvering room in such critical areas as dispute settlement for investments or intellectual property rights. In addition, the Argentine government would like to see more flexibility in making commitments and clearer signs that improvements in market access for agricultural products will be achieved.

On the other hand, moving beyond the boundaries of the trade agenda, Argentina has incentives to favour the FTAA process. The country is just starting to renegotiate its monumental external debt with private investors as a crucial first step in emerging from its default of December 2001. Support from the United States could be crucial, the Argentine government guesses, to facilitate a negotiation process that promises to be lengthy and arduous. Against this backdrop, the room for taking a strong position against the FTAA clearly shrinks.

In sum, the current Argentine position on the FTAA involves a delicate balance between dissimilar and powerful interests. Whether such a balance will persist is difficult to assess since domestic politics will play an increasingly critical role in decisions that the main negotiators take on the FTAA. The presidential elections in the U.S. and congressional elections in Brazil will also affect Argentina's stance.

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Miguel Lengyel, Latin American Faculty of Social Sciences-Argentina (La Facultad Latinoamericana de Ciencias Sociales/FLACSO-Argentina), [www.flacso.org.ar](http://www.flacso.org.ar), Buenos Aires, January 26, 2004.

## **BRAZIL**

For Brazil, the FTAA is one of the key components of a new stage in opening up the economy. In the 1990's Brazil initiated an important process of unilateral liberalization that was fundamental in drastically reducing tariff and non-tariff barriers to trade. At that time, the objective was to reduce the extremely high domestic costs of protection.

This time, however, the nature of the process is different. Further liberalization will depend on complex negotiations both at the multilateral level (WTO) and in regional blocks, such as the FTAA and EU. For Brazil, pursuing these different offensives simultaneously is crucial. It avoids repeating the Mexican experience that has resulted in an extreme dependency on one single market, the U.S.

Both from the economic and geo-political viewpoints, Brazil wants to keep its profile of a *global trader*, with its exports spread among different markets around the world. Brazil is also using the MERCOSUR as a platform to enhance its bargaining power, while strengthening its role as a regional leader.

Access to mega-markets such as the U.S. is key to speeding up export growth and helping to sustain significant trade surpluses over time that can dramatically reduce Brazil's chronic external vulnerability. This is critical to ensuring a steady decline in a key measure of vulnerability – external debt service-to-exports – which could lead to a sharp decline in Brazil's country-risk. Thus, the possible gains from a successful FTAA negotiation should include the positive impact on the flows of foreign direct investment and the broad favorable growth effect of a sharp reduction in the cost of capital.

Brazil should follow a pragmatic, non-ideological approach to the FTAA. As a result, an appropriate response to the U.S. decision to keep agricultural subsidies and anti-dumping issues at the WTO level is to postpone further liberalization in key sensitive areas, such as services and investment, at the multilateral level, as well.

These constraints may limit the scope of liberalization. However, what must be avoided is a total breakdown in the negotiations. Such a standstill would not only leave Brazil isolated in the region, but would solidify the recent pattern of low growth, incompatible with the ambitious social objectives of the current government.

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Carlos Geraldo Langoni, Center of the World Economy, Getulio Vargas Foundation (Fundacao Getulio Vargas), <http://www.fgv.br>, Rio de Janeiro, January 29, 2004.

## CANADA

Canadian business leaders have not made the FTAA a priority, largely because of their fixation on the U.S. market that accounts for 87 percent of exports and is already covered under NAFTA. Still, Canada has an important stake in an FTAA and its government has devoted numerous resources to the process.

As a relatively small, trade dependent nation with limited negotiating resources, Canada is better off with rules-based systems than power-based ones, and with one set of rules rather than a series of bilateral agreements throughout the hemisphere (though Canada has FTAs with Chile and Costa Rica, is negotiating with four Central American countries and [CARICOM](#), and considering arrangements with Andean countries and more recently, Brazil). An FTAA is also better for Canada than the alternative: the country losing its competitive advantage in the U.S. as that country pursues separate bilateral agreements in the hemisphere with Canada absent from the same negotiating table.

Because Canada already has an FTA with the United States, an FTAA will do nothing to improve Canadian access to the U.S. (Canada's trade with the U.S. and Mexico would continue to be governed by NAFTA under an FTAA). As a result, Canada is seeking a comprehensive FTAA that, in addition to lowering tariffs, opens up services markets, establishes clear rules on investment and creates government procurement opportunities. An FTAA in which countries could make a lower level of commitment would be a great disappointment for Canada.

Canada has (along with the U.S.) the lowest average tariff rates in the region. However, certain agricultural industries, notably dairy and poultry, are strongly protected. The government provides domestic support for agriculture, and proposes that, while open to discussion, such support be addressed at the multilateral level. Ottawa is also seeking parallel agreements for the environment and labour and has pushed for greater transparency throughout the process.

While strengthening the Canada-U.S. relationship must be the priority, Canada should continue to hold a comprehensive FTAA as a long-term objective, promote a high level of minimum commitment for FTAA signatories in the short term, prepare to address its *sacred cows*, and be ready for the possibility of an FTAA-less world.

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Danielle Goldfarb, C.D. Howe Institute ([www.cdhowe.org](http://www.cdhowe.org)), Toronto, January 22, 2004.

## CHILE

Chile has a relatively small market of about 15 million people. That is why it needs international trade to achieve sustained growth. Almost 50 percent of the products that trade in the country during the course of a year represent international trade. Since the return of democracy in 1990, the country has opened its markets through a series of unilateral actions, as well as bilateral, regional and multilateral accords.

As a result, Chile places great importance on the region and especially to achieving an FTAA. Exports to those countries that make up the FTAA made up 40 percent of total Chilean exports in 2002. Of total Chilean exports to countries in the region, more than half go to the United States, Canada and Mexico, countries with which Chile has free trade agreements. The countries that make up the FTAA account for about 60 percent of foreign investment in Chile and receive almost all Chilean investment abroad.

During the 1990s, Chile's democratic governments liberalized the economy, reducing the general import tariff from 15 percent in 1991 to 6 percent in 2003, one of the lowest duties in the region. For Chile, solidifying the FTAA will not involve a further opening of the U.S. market. The country recently signed an FTA with the U.S. that was ratified and came into effect on Jan. 1. By signing an FTA, Chile hopes to obtain an agreement consistent with WTO standards, and one that takes account of the distinct realities of the region and the special treatment needed by its smaller economies. The deregulation of service sectors is one of the priorities of Chilean economic policy.

In Chile's case, the Latin American and Caribbean region constitutes one of its foreign policy priorities, and the FTAA will provide an opportunity to reach those countries with which it does not have an FTA. Signing an FTAA constitutes an opportunity for common standards that will allow for deepening the large number of trade agreements that Chile has already signed with most countries in the region.

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David Alvarez and Francisco Rojas, Latin American Faculty of Social Sciences-Chile (La Facultad Latinoamericana de Ciencias Sociales/FLACSO-Chile), <http://www.flacso.cl/flacso>, Santiago de Chile, January 28, 2004.

## COLOMBIA

Colombia's trade policy priority is to strengthen relations with the United States, the country's main trading partner, and a key part of the eventual solution to the country's internal armed conflict. There are two options for advancing this interest: the FTAA or negotiating a free trade agreement with the United States.

The second option gains importance if the FTAA is diluted or weakens. Colombia was looking for an FTAA with full coverage, which would be a good option if its commitments included at a minimum the liberalization of the agricultural sector, as well as disciplines on subsidies and domestic supports. At the moment, this does not appear to be the case.

In this context, moving forward on signing a comprehensive bilateral agreement with the U.S. becomes more relevant for Colombia. This option has the additional benefit of possibly converting Washington's unilateral trade preferences, extended to Andean countries (called [ATPDEA](#)), which expire in 2006, into permanent access. This point is critical because the recent growth in Colombian exports to the U.S. can be largely explained by the recent renewal and expansion of the program. Between January and September 2003, non-traditional exports to the U.S. grew by 31 percent, while exports to Venezuela and Ecuador – neighbouring countries in difficult economic circumstances -- fell by 50 and 7.2 percent, respectively. Goods covered by the preferences multiplied by a factor of 10 in this period.

The need to concretize such an FTA is still greater if one takes into account that various countries – like Chile and the Central American nations -- that compete with Colombia in the United States' market have made progress in getting stable access to that market. Therefore, Colombia should focus its efforts on getting at least as favourable access to the U.S. market as other countries have obtained.

Therefore, negotiating a comprehensive bilateral agreement with the U.S. would give the country equality of conditions and opportunities to those that other countries have obtained in this market. The big challenge is to negotiate an FTA that maximizes the opportunities for competitive sectors and minimizes dislocations for less competitive ones in the largest economy in the world.

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Mauricio Reina and Cristina Gamboa, Foundation for Higher Education and Development (La Fundación para la Educación Superior y el Desarrollo- FEDESARROLLO), [www.fedesarrollo.org](http://www.fedesarrollo.org), Bogotá, January 9, 2004.

## **COSTA RICA**

Costa Rica, a small economy that aspired to an ambitious FTAA, was disappointed after the 2003 Miami ministerial meeting. The absence of some sensitive themes in the discussion, such as the elimination of agricultural subsidies and the recognition of regional asymmetries were setbacks for Costa Rica.

Still, the government remains convinced that it should be active in the process to avoid being a simple spectator of the debate that the United States and Brazil are having. The importance of the hemispheric market for Costa Rica as destination of more than the 75 percent of its exports is evident. Because of it, this country wants to continue participating in an exemplary way in the FTAA's construction.

Costa Rica sees in the FTAA the possibility to seek better access to international markets for its goods at the same time that it demands an understanding of the sensitivities that face some sectors like agriculture. As a result, it favours granting adjustment periods for sensitive areas, and promotes recognition of the differences in size and levels of development among the countries of the hemisphere. Costa Rica insists on recognizing the regional asymmetries, while rejecting any ideological focus that contaminates the debate. As Alberto Trejos, minister of international trade, says, "we dare to object to our most important partner by insisting on agricultural subsidies, but also we question the vision of a supposed North-South conflict that is being defended in Venezuela or Brazil."

In the area of services and investment, Costa Rica structured an offer that includes the existence of state monopolies, and also reserved some sectors, such as energy and phone services. The proposal on government procurement aims for Costa Rican businesses to be able to participate in hemispheric markets, on non-discriminatory and transparent bases.

A less ambitious FTAA requires the region to continue negotiating bilateral agreements, such as [CAFTA](#), that concluded in December for four of the five countries of the isthmus, and in which this country expects to be included toward the end of January. In the meeting of Vice Ministers of Trade in February, Costa Rica aims to develop rights and obligations that will be commonly applied to all of the countries. We hope therefore that the FTAA skeleton that exists develops meat quickly, but also with quality.

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Juan Pablo Ferrari, Latin American Faculty of Social Sciences-Costa Rica (La Facultad Latinoamericana de Ciencias Sociales/FLACSO-Costa Rica), <http://www.flacso.or.cr>, January 12, 2004.

## **DOMINICAN REPUBLIC**

Under the Caribbean Basin Initiative, the Dominican Republic already has tariff-free access to the U.S. market for 99 percent of its exports -- and that is the destination for 88 percent of all of its exports, the FTAA does not represent a high priority. It is, however, a concern because if the United States gives the rest of the hemisphere free access to its market, equivalent to that which the Dominican Republic already has, it erodes the value of this country's tariff preferences.

Dominican sectors with greater comparative advantages are the export of tourist services and miscellaneous manufactures, ranked first in the hemisphere, followed by clothing and leather articles manufacturing, ranked second, and electronic components, ranked fifth. It has comparative disadvantages in most other areas.

The Dominican Republic could be among those countries that will least benefit from the FTAA and that possibly will lose production of fresh and processed food; this consideration motivates the country to seek a bilateral free trade agreement with the United States to compensate its tariff concessions with funds or other mechanisms.

Access for Dominicans to other labour markets, above all to those in the United States, is the theme of major interest for the large majority of Dominicans; however, this objective is not on the agenda for FTAA negotiations. From an economic point of view, it would be incoherent to liberalize commercial and capital flows inside a free trade area, and not do the same with labour flows.

The Dominican Republic's position in the FTAA should be: if the others do not open their labour markets to the Dominican people, Dominicans should not open its goods markets to the others. The greatest Dominican export is its people. Even if it takes more years to negotiate an FTAA, we must introduce free labour mobility to the FTAA.

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Frederic Emam-Zadé Gerardino, The Global Foundation for Democracy and Development (La Fundación Global Democracia y Desarrollo-FUNGLODE), [www.funglode.org](http://www.funglode.org), Santo Domingo, January 15, 2004.

## **ECUADOR**

When discussions about the need to form an FTAA began in December 1994, there was little discussion in Ecuador on the significance of this proposal. Six years passed before the topic was included in the national agenda as a state priority. In 2000, then-president Noboa formally entrusted the negotiation to the Ministry of Foreign Affairs. In 2002, the business associations entered the debate after the seventh FTAA Ministerial Meeting was held in Quito.

In mid-2003 the FTAA negotiation took a back seat to the newly proposed bilateral FTA with the United States. Consolidating this agreement has become the top priority for the administration, which named a different negotiating team to that in charge of dealing with the FTAA.

The country now finds itself negotiating the FTAA and the FTA with the United States in parallel. These agreements open endless possibilities for the country. In 2003, the FTAA markets represented over 70 percent of Ecuador's international trade. In that year, 42 percent of exports went to the United States and 28.5 percent to the rest of the Americas. Likewise, 21.3 percent of imports originated in the U.S. and 48.9 percent from the rest of the continent.

Ecuador has two alternatives to negotiating its entrance to the FTAA: to jointly negotiate with the other countries of the Andean Community (Bolivia, Colombia, Ecuador, Peru and Venezuela), or to negotiate the agreement independently. The first option could be risky for Ecuador because it would require the country to negotiate twice: once within the Andean Community and again in the framework of the regional agreement. The second choice could be the most appropriate path for Ecuador because its interests would be presented in the framework of the negotiation without having to go through a prior set of talks. Besides, this strategy would enable Ecuador to negotiate other bilateral agreements as it is already doing with its FTA with the United States.

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David Molina, Corporation for Development Studies (La Corporación de Estudios para el Desarrollo-CORDES), [www.cordes.org.ec](http://www.cordes.org.ec), Quito, January 20, 2004.

## **MEXICO**

Ever since talks began on the FTAA, Mexico has participated fully in the negotiations, albeit rather unenthusiastically. For Mexico, FTAA represents the risk of losing its privileged access to the world's largest market, before it has created or consolidated the internal conditions for increasing the productivity of its economy and the competitiveness of its companies. In fact, Mexico will strive to preserve this exclusivity for as long as possible, even though it will profess to be unconditionally supportive of integration.

For Mexico, FTAA offers nowhere near the same opportunities as NAFTA. Although opening up markets always creates export opportunities for Mexican products, the fact is that Mexican trade continues to be concentrated in North America. Indeed, although Mexico has already established a broad network of trade agreements with countries in the region, this has not made a significant difference to its international trade as a whole.

Given the proximity of the agreement, Mexico has only one choice: To speed up its internal reforms to raise the productivity of its economy. Paradoxically, after the passage of NAFTA, Mexico actually curbed its reforms, regarding NAFTA as an end in itself, rather than as a springboard for development. FTAA offers a new incentive, lending a sense of urgency to the agenda of pending structural reforms. Obviously, with or without FTAA, Mexico will lose out unless it advances in this direction.

Mexico pioneered the negotiation of a trade agreement on the scale of NAFTA and will vigorously promote FTAA, at least at the level of discourse. However, Mexico's challenge is internal and linked to a process of economic transition that it has so far been unable to consolidate.

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Verónica Baz, Center for Research in Development (Centro de Investigación para el Desarrollo-CIDAC), <http://www.cidac.org>, Mexico City, January 22, 2004.

## PERU

Although different positions and practices co-exist in the carrying out of foreign policy, trade and international negotiations, integration into the FTAA has been a high priority for Peru. After a commercial policy of liberalization and opening in the WTO during the 1990s, the drive to negotiate the FTAA has dominated Andean or South American integration. Also in the 1990s, the relationship with the Asia-Pacific region that brought Peru's entrance into APEC was given importance.

Participation in the FTAA is officially expected to capture markets and attract foreign investment, principally from the U.S. In addition, it can act like a padlock to make the policies of liberalization and openness of the 1990s irreversible.

Peru, like the rest of the Andean countries, has preferential treatment as part of the support for the fight against drug trafficking, in the U.S. (ATPDEA), as well as in Europe (GSP Drugs). Under this mechanism, around 6300 products are free of tariff barriers. Textiles, confections and some agri-business areas have benefited most. Nevertheless, the lack of supply for export, be it because of inadequate infrastructure or deficient finance and tax policies, has impeded the ability to take advantage of these concessions.

Therefore, a central theme of discussion is about the advantages beyond the ATPDEA that the FTAA would represent. Peru has to weigh the costs that it would have to assume, especially in services, intellectual property and government procurement, that could affect diverse productive sectors, particularly agriculture and small- and medium-size producers.

Since the U.S. is negotiating bilateral agreements with countries like those in Central America, the Andeans (except Venezuela), and the Dominican Republic, the new priority of the Peruvian government is the attainment of an FTA with the U.S. At the same time, it rejects the common external tariff of the Andean Community, "chills" the strategic alliance with Brazil, and both its association with Mercosur and the creation of a South American block lose relevance. These observations are critical to an eventual FTAA, and are intensified in the setting of an FTA with the U.S.

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Alan Fairlie, Economics Department, Pontificia Universidad Católica del Perú, Lima, January 20, 2004 (<http://www.pucp.edu.pe/economia>).

## UNITED STATES

Led by U.S. Special Trade Representative Robert Zoellick, the Bush Administration has embraced a multiple-track strategy for trade negotiations -- multilateral (Doha Round), regional (FTAA), and bilateral (FTAs with more than a dozen countries). Intellectual justification is supplied by the doctrine of competitive liberalization -- progress in one negotiation supposedly spurs progress in others.

Within the multiple-track strategy, priorities are a matter of opportunity as much as design. Ambassador Zoellick would love to complete the FTAA negotiations by early 2005, especially since Doha appears stalled. But domestic political sensitivities limit the *concessions* -- measured by the time-honored metric of mercantilism -- which the United States can offer in a presidential election year.

From the start, the United States has insisted that domestic agricultural support can only be negotiated multilaterally, in the Doha Round. The United States has taken the same tack on trade remedies, especially antidumping measures. Several U.S. agricultural lobbies want to keep trade barriers on sensitive crops -- some of great interest to Latin America, such as sugar, orange juice and winter vegetables.

Turning to *demands*, the United States initially insisted on comprehensive coverage of all merchandise sectors and binding liberalization of services. The United States asks that government procurement be opened to competitive bids. Controversially, the United States wants FTAA partners to accept strict limits on compulsory licensing of patented pharmaceuticals. Congress insists that labor and environmental standards be included in all trade agreements.

Key FTAA decisions should be postponed until after the November 2004 presidential election, and until the FTA with Central America has run the Congressional gauntlet. In 2005, the USTR will have far more negotiating flexibility; moreover, using CAFTA as a trial run, the Administration can gauge where political pressures can best yield congressional votes. In 2005, USTR should offer to completely liberalize market access for all products (including agriculture) and fully decouple all agricultural subsidies from planting decisions and production quantities - in exchange for reciprocal concessions from Latin America. USTR should propose that both goals be implemented no later than 2020, allowing all parties room to juggle their phase-out schedules as necessary to round up legislative votes for FTAA ratification.

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Gary Hufbauer, Institute for International Economics, [www.iie.com](http://www.iie.com), Washington, January 8, 2004.

## **GLOSSARY**

ATPDEA -- Andean Trade Program and Drug Eradication Act     [\[back to Colombia\]](#)  
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CAFTA – U.S.-Central American Free Trade Agreement     [\[back to Costa Rica\]](#)

CARICOM – Caribbean Community [\[back to Canada\]](#)

GSP – Generalized System of Preferences     [\[back to Peru\]](#)

MERCOSUR – Southern Cone customs union (Brazil, Argentina, Uruguay, Paraguay)  
[\[back to Argentina\]](#)

## **Spanish/Español [only available for some countries]**

### **CHILE (Español)**

Chile tiene un mercado pequeño de poco más de 15 millones de habitantes, por este motivo, requiere del comercio exterior para alcanzar un crecimiento sostenido. En un porcentaje que se acerca al 50%, los productos que se transan en el país en un año corresponden al comercio exterior. Desde el retorno de la democracia en 1990, el país ha impulsado la apertura de sus mercados a través de una serie de actividades unilaterales, y acuerdos bilaterales, regionales y multilaterales..

En este marco, Chile da una gran importancia a la región y en especial a la concreción del ALCA. Las exportaciones hacia los países que componen el ALCA corresponden a un 40% del total de las exportaciones chilenas durante 2002. Del total de las exportaciones chilenas hacia la región, más de la mitad corresponden a Estados Unidos, Canadá y México, países con los que Chile cuenta con un TLC. Los países que componen el ALCA representan alrededor del 60% de la inversión extranjera en Chile y reciben casi por completo la inversión chilena en el exterior.

Durante la década de los noventa, los gobiernos democráticos han profundizado la apertura económica, reduciendo el arancel general a las importaciones desde un 15% en 1991 a un 6% el 2003, constituyéndose en uno de los aranceles más bajos de la región.

Para Chile la concreción del ALCA no significará una mayor apertura al mercado estadounidense. La firma del TLC con los EE.UU. y su ratificación han permitido que este vigente desde el 1 de enero de 2004. La intención de Chile con la firma del ALCA es conseguir un acuerdo congruente con las normas de la OMC y que a su vez considere las distintas realidades de la región y un tratamiento especial para las economías de menor tamaño. La desregulación del sector servicios es una de las prioridades de la política económica chilena.

Para Chile, la región Latinoamericana y el Caribe constituye una prioridad dentro de su política externa, y el ALCA será la oportunidad de alcanzar a aquellos países con los que no cuenta con un TLC. La firma del ALCA constituye una oportunidad para uniformar normas que permitan profundizar la gran cantidad de acuerdos comerciales ya firmados con casi la mayoría de los países de la región.

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David Alvarez y Francisco Rojas, La Facultad Latinoamericana de Ciencias Sociales-Chile/FLACSO-Chile, <http://www.flacso.cl/flacso>, Santiago de Chile, 28/01/2004.

## **COLOMBIA (Español)**

Para Colombia la prioridad de la política comercial es fortalecer las relaciones con Estados Unidos, su principal socio comercial, y pieza clave en la eventual solución del conflicto armado interno. Existen dos opciones para avanzar en este sentido: el ALCA o negociar un Tratado de Libre Comercio (TLC) con Estados Unidos (EU).

La segunda opción crece en importancia en la medida en que el ALCA se dilata o debilita. Colombia ha buscado que el ALCA tenga una cobertura plena, razón por la cual sería una buena alternativa, siempre y cuando incluya en los compromisos de liberación por lo menos al sector agrícola, así como disciplinas en materia de subsidios y ayudas internas. Por ahora, este no parece ser el caso.

En este contexto, para Colombia cobra relevancia avanzar en suscribir un acuerdo bilateral comprehensivo con EU. Esta opción conlleva el beneficio adicional de que podría convertir en acceso permanente las preferencias unilaterales otorgadas por Washington a los países andinos, denominadas ATPDEA y que vencerán en 2006. Este punto es trascendental ya que gran parte del repunte reciente de las exportaciones colombianas a EU se explica por su reciente renovación y expansión. Entre enero y octubre de 2003, las exportaciones no tradicionales a ese mercado crecieron 31%, mientras que las dirigidas a Venezuela y Ecuador (países vecinos en dificultades económicas) cayeron en 50% y 7,2%, respectivamente. Las cubiertas por las preferencias se multiplicaron por un factor de 10 en dicho lapso.

La necesidad de concretar dicho TLC es aún mayor si se tiene en cuenta que varios países que compiten con Colombia en el mercado de EU, como Chile y los centroamericanos, han avanzado en la obtención de acceso estable a dicho mercado. Así, Colombia debe enfocar sus esfuerzos en conseguir un acceso no menos favorable a ese mercado que el que están obteniendo esos países.

Por lo tanto, la negociación de un acuerdo bilateral comprehensivo con EU brindaría al país igualdad de condiciones y oportunidades que las que están consiguiendo otros países en ese mercado. El gran reto es lograr negociar un TLC, maximizando las oportunidades para los sectores competitivos y restándole traumatismos a sectores menos competitivos en el mercado más grande del mundo.

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Mauricio Reina y Cristina Gamboa, La Fundación para la Educación Superior y el Desarrollo-FEDESARROLLO, [www.fedesarrollo.org](http://www.fedesarrollo.org), Bogotá, 9/01/2004.

## **COSTA RICA (Español)**

Costa Rica, ésta pequeña economía aspiraba a concertar un ALCA más ambiciosa, se desilusionó luego de la cita ministerial de Miami en 2003. La ausencia de algunos temas sensibles en la discusión como la eliminación de los subsidios a la agricultura y la reconocimiento de las asimetrías regionales, decepcionaron a Costa Rica.

El gobierno, sin embargo, sigue convencido de ser protagonista del proceso para de esa forma no quedarse como un simple espectador del debate que se tienen Estados Unidos y Brasil. La importancia del mercado hemisférico para Costa Rica como destino de más del 75% de sus exportaciones es evidente. Por ello, este país quiere seguir participando de manera ejemplar en la construcción del ALCA.

Costa Rica ve en el ALCA la posibilidad de buscar un mejor acceso para sus bienes a los mercados internacionales, a la vez que demanda tomar en cuenta las sensibilidades que enfrentan algunos sectores como la agricultura. Es por ello que favorece en su oferta el otorgamiento de periodos de ajuste para esos rubros, además de la necesidad de reconocer las diferencias de tamaño y desarrollo existentes entre los países del Hemisferio. Costa Rica insiste en reconocer las asimetrías regionales, mientras desestima cualquier enfoque ideológico que contamine el debate. Como dice Alberto Trejos, ministro de comercio exterior, “nos atrevemos a objetar a nuestro socio más importante por insistir en los subsidios agrícolas, pero también cuestionamos la visión de un supuesto conflicto norteamericano que defienden en Venezuela o Brasil”.

En el área de servicios e inversión, Costa Rica estructuró una oferta que contempla la existencia de monopolios estatales, la misma se reserva algunos sectores como energía y servicios de telefonía. La propuesta en compras del sector público quiere lograr la participación de las empresas costarricenses en los mercados del hemisferio, sobre bases transparentes y no discriminatorias.

Un ALCA poco ambiciosa pone sobre la región la carga de seguir negociando los acuerdos bilaterales, como el CAFTA, que terminó en diciembre para cuatro de los cinco países del istmo y al cual Costa Rica espera unirse hacia fines de enero. La presencia de Costa Rica en la reunión de vice ministros del ALCA en febrero aspira a desarrollar derechos y obligaciones que sean de aplicación común a todos los países. Es de esperar entonces que el esqueleto de ALCA que existe se llene de “carnita” con celeridad, pero también con calidad.

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Juan Pablo Ferrari, La Facultad Latinoamericana de Ciencias Sociales-Costa Rica/FLACSO-Costa Rica, <http://www.flacso.or.cr>, 12/01/2004.

## **LA REPÚBLICA DOMINICANA (Español)**

Como bajo el programa CBI (Iniciativa para la Cuenca del Caribe) el 99% de las exportaciones dominicanas entran libre de aranceles al mercado de los EE.UU. y este es el destino del 88% de todas sus exportaciones; el ALCA no le representa un alta prioridad a los dominicanos, aunque si como preocupación; ya que, el hecho de que los EE.UU. le de al resto del hemisferio un acceso libre a su mercado igual al que ya tiene la Rep. Dom., le erosiona el valor de las preferencias arancelarias a la Rep.Dom.

Los sectores dominicanos con mayores ventajas comparativas reveladas son la exportación de servicios turísticos y manufacturas misceláneas, donde ocupa el primer lugar en el hemisferio, seguido por las manufacturas de ropa y de artículos de piel donde ocupa un segundo lugar y componentes electrónicos, donde ocupa el quinto lugar; teniendo desventajas comparativas en los demás sectores.

Se podría esperar que la República Dominicana será de los países que menos se beneficiará del ALCA y que posiblemente perderá producción de comida fresca y procesada; lo que los motiva a buscar un tratado de libre comercio bilateral con los EE.UU. para compensar sus concesiones arancelarias con fondos o otros mecanismos.

El acceso de los dominicanos a otros mercados laborales, sobretodo al norteamericano, es el tema de mayor interés nacional para la gran mayoría de los dominicanos; sin embargo, este tema no esta en la agenda de negociaciones del ALCA. Desde el punto de vista económico, sería incoherente liberalizar los flujos comerciales y de capitales dentro de un área de libre comercio, y no hacer lo mismo con los flujos laborales.

La posición de la República Dominicana en el ALCA debió ser: si los demás no abren sus mercados laborales a los dominicanos, los dominicanos no abren sus mercados de mercancías a los demás. La mayor exportación dominicana es su gente. Aunque tome más años negociar un ALCA, debemos introducir la libre movilidad laboral al ALCA.

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Frederic Emam-Zadé Gerardino, La Fundación Global Democracia y Desarrollo-FUNGLODE, [www.funlode.org](http://www.funlode.org), Santo Domingo, January 15, 2004.

## **ECUADOR (Español)**

Cuando en diciembre de 1994 se comenzó a hablar de la necesidad de formar un ALCA, poco se discutía en el Ecuador sobre la importancia de este proyecto de integración. Tuvieron que transcurrir más de seis años para que el tema se incluyera en la agenda nacional como una política prioritaria del Estado, cuando en el año 2000 el presidente Noboa (anterior al actual) entregó formalmente el poder de las negociaciones al Ministerio de Relaciones Exteriores. En 2002 los gremios empresariales entraron en el debate luego de que en Quito se realizara la VII Reunión Ministerial del ALCA.

A mediados de 2003 la prioridad de la negociación del ALCA pasó a segundo plano a la necesidad de llegar a un acuerdo bilateral con Estados Unidos (TLC). Consolidar este acuerdo se ha convertido en la prioridad para el Gobierno quien ha nombrado un equipo negociador distinto a aquel encargado de las negociaciones del ALCA.

El país entonces se encuentra negociando paralelamente el ALCA y el TLC con los EE.UU. Estos acuerdos abren un sinnúmero de posibilidades para el país. Durante 2003 el ALCA significó más del 70% del comercio exterior ecuatoriano. En ese año el 42% de las exportaciones se dirigieron a los Estados Unidos y el 28.5% al resto de América. Así mismo, el 21.3% de las importaciones provinieron de Estados Unidos y el 48.9% del resto del continente.

El Ecuador tiene dos alternativas para negociar su ingreso a el ALCA: aceptar una negociación conjunta con los demás países de la CAN (Bolivia, Colombia, Ecuador, Perú y Venezuela) o negociar el acuerdo en forma independiente. La primera alternativa puede resultar perjudicial para el Ecuador ya que eso implica la necesidad de someterse a dos instancias de negociación: una al interior de la CAN y otra en el marco del acuerdo regional. La segunda alternativa podría ser el camino adecuado para el Ecuador pues sus prioridades serán planteadas en el marco de la negociación sin tener que pasar por una negociación previa. Además esta estrategia le permitirá al Ecuador poder negociar acuerdos bilaterales como ya lo esta haciendo con el TLC con Estados Unidos.

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David Molina, La Corporación de Estudios para el Desarrollo-CORDES,  
[www.cordes.org.ec](http://www.cordes.org.ec), Quito, 20/01/2004.

## **MÉXICO (Español)**

Desde que comenzaron las pláticas para acordar el Área de Libre Comercio de las Américas (ALCA), México ha participado de lleno en la negociación, aunque no de manera entusiasta. El ALCA representa para México el riesgo de perder su acceso privilegiado al mercado más grande del mundo, sin antes haber creado o consolidado las condiciones internas para elevar la productividad de su economía y la competitividad de sus empresas. De hecho, México buscará preservar esa exclusividad el mayor tiempo posible, aunque su retórica sea la de apoyo irrestricto a la integración.

Para México, el ALCA dista de ofrecer oportunidades similares a las del NAFTA. Aunque siempre la apertura de mercados abre oportunidades de exportación para productos mexicanos, la realidad es que el comercio de México sigue concentrado en Norteamérica. De hecho, México ya cuenta con una red de extensa de tratados comerciales con los países de la región, lo que no ha hecho una diferencia significativa en el agregado de su comercio internacional.

Ante la inminencia del acuerdo, México no tiene más que una opción: acelerar el paso de sus reformas internas para elevar la productividad de su economía. Es paradójico pero, después de NAFTA, México frenó su impulso reformista, concibiendo al Tratado como fin y no como instrumento sobre el cual apalancar el desarrollo. El ALCA brinda un estímulo renovador e imprime un sentido de urgencia a la agenda de reformas estructurales pendientes. Claro que, con o sin ALCA, México pierde si no se avanza en esa dirección.

México fue pionero en la negociación de un acuerdo comercial de la naturaleza del NAFTA e impulsará el ALCA con vigor, por lo menos en la retórica. Sin embargo, el reto de México es interno y está vinculado a un proceso de transición económica que no ha podido consolidar.

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Verónica Baz, Centro de Investigación para el Desarrollo-CIDAC, <http://www.cidac.org>, México, 1/22/2004.

## PERÚ (Español)

Aunque coexisten diferentes posiciones y prácticas en la ejecución de la política exterior, comercial y de negociaciones internacionales, la integración al ALCA ha tenido alta prioridad para Perú. Luego de la política comercial de liberalización y apertura en la OMC durante los noventa, el impulso a las negociaciones del ALCA ha predominado en relación a la integración andina o sudamericana. En los noventa también se dio importancia al relacionamiento con la región Asia- Pacífico lo que llevó a la ingreso en APEC de Perú.

La participación en el ALCA se da con la expectativa oficial de la conquista de los mercados, y captar inversión extranjera principalmente desde EEUU. Además, se plantea como una suerte de “candado” para hacer irreversibles las políticas de liberalización y apertura de los noventa.

El Perú como el resto de países andinos tiene un tratamiento preferencial como parte al apoyo de la lucha contra el narcotráfico, tanto de EEUU (Andean Trade Promotion and Drug Eradication Act), como Europa (Sistema Generalizado de Preferencias-drogas). Por este mecanismo quedan libres de trabas arancelarias alrededor de 6300 partidas, lo que si bien ha llevado a una cierta diversificación. La cadena productiva textil, confecciones y algunos rubros agroindustriales han sido los más beneficiados. Sin embargo, la deficiencia de oferta exportable sea por infraestructura inadecuada o por políticas deficientes (financiamiento, impositiva), ha impedido un aprovechamiento cabal de tales concesiones.

Por tanto, un tema central de discusión es sobre las ventajas adicionales al ATPDEA que representaría un ALCA, considerando los costos que se tendrán que asumir especialmente en servicios, propiedad intelectual, compras del sector público, que pueden afectar a diversos sectores productivos en especial agricultura y pequeños y medianos productores.

Ya que los EEUU estan negociaciondo acuerdos bilaterales con países como los centroamericanos, los andinos (excepto Venezuela), y la República Dominicana, la nueva prioridad del gobierno peruano es la consecución de un TLC con EEUU. Al mismo tiempo, recusa el arancel externo común de la Comunidad Andina, “enfriá” la alianza estratégica con el Brasil, y pierde relevancia su asociación al Mercosur y la creación de un bloque sudamericano. Las observaciones críticas a un eventual ALCA, se agudizan en el escenario de un TLC con EEUU.

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Alan Fairlie, Economics Department, Pontificia Universidad Católica del Perú,  
<http://www.pucp.edu.pe/economia>, Lima, 1/20/2004.