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FTAA

Panel divided over trade pact

A discussion of U.S.-Latin American relations got sidetracked from 'who lost Latin America' to a debate over who lost the Free Trade Areas of the Americas.

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U.S. policy in Latin America -- or the lack of it -- has topped the Miami conference circuit this year.

But a Center for Hemispheric Policy discussion on U.S.-Latin American relations got sidetracked from "who lost Latin America" to a debate over who lost the Free Trade Areas of the Americas.

The panel at the Hyatt Regency on Wednesday evening lined up former U.S. diplomats Donna Hrinak, Luis Lauredo and Manuel Rocha, as well as former CIA analyst Brian Latell to discuss "U.S. Policy for a Changing Latin America."

Before an audience packed with academics, business leaders, diplomats and University of Miami students, Lauredo and Joao Almino, the consul general of Brazil and a member of the audience, began an unscripted give-and-take over why the proposed FTAA has foundered since the 2003 trade ministers' meeting in Miami.

"We are free-trade champions," Almino said, denying that Brazil had spoiled the trade agenda. "We have really fought for free trade."

Countered Lauredo, currently the president of Hunton & Williams International: "We passed the leadership to Brazil, and Brazil did not call a ministerial [meeting]. It is OK to meet and disagree, but not OK to not convene."

"Why didn't we have a ministerial in 2004? Why didn't we have a ministerial in 2005?" Lauredo demanded.

"But we are talking about substantive issues," Almino responded, adding that Brazil saw no point "just to write an agreement that is not meaningful."

Lauredo was part of a local effort to make Miami the permanent headquarters for the proposed 34-nation trade pact, which was supposed to be finalized with a negotiated accord by the beginning of 2005.

But disagreements -- mostly between Washington and Brasilia -- over what should be included in the agreement ended the hemisphere-wide effort and the United States turned its focus to negotiating free-trade agreements on a country by country basis.

U.S. officials have blamed Brazil and questioned why the South American nation failed to set a time and date for a new meeting of trade ministers.

Brazil, leading the Mercosur trade bloc, has said there is no point in continuing discussions unless Washington puts its agricultural supports and tariff policies on the negotiating table.

Hrinak, now a senior director with Kissinger, McLarty Associates, pointed out that from a singular agenda about free trade that formed in 1994, the hemisphere has diverged into different agendas.

"We dropped the ball," Hrinak said about free trade, but added that the other countries failed to use their leadership to bring about change to improve their competitiveness.

Rocha, currently the managing director at The Globis Group, said the region had become two Latin Americas.

One group of countries including Mexico and the Central American nations that signed trade agreements with Washington, he said, were generally more favorable toward free markets.

The other group includes Brazil, Argentina, Venezuela and others that did not sign trade agreements with the United States, received visits from Cuban President Fidel Castro and whose leaders rarely visit the White House.

Latell, now a senior research associate at the Institute for Cuban and Cuban-American Studies at the University of Miami, said that the United States must stop thinking that democracy is only about elections and concentrate on the whole range of institutions and conditions that make societies democratic.

Latell, a Cuba expert, said Castro, perhaps in his waning days, "maybe feels more triumphant than at any time" because of his alliance with Venezuelan President Hugo Chávez.