

# **AMERICAS - Leaders Agree to Disagree on FTAA at the fourth Summit of the Americas (Marcela Valente, IPS)**

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*After a debate that stretched hours past the scheduled closing time, the fourth Summit of the Americas ended Saturday in the Argentine resort of Mar del Plata with a final declaration that clearly reflects the divergent views among governments in the region with respect to the future of the FTAA.*

MAR DEL PLATA, Argentina, Nov 5 ([IPS](#)) - The heads of state and government who continued to take part in the summit on Saturday, after a number of leaders had left, failed to reach a consensus on hemisphere-wide integration - an issue that took centre-stage even though it was not even formally on the agenda.

In the summit's final declaration, the points referring to the FTAA (Free Trade Area of the Americas), which is promoted by Washington and questioned by the members of the Mercosur (Southern Common Market) trade bloc and Venezuela, outline the different views regarding the proposed Americas-wide free trade zone.

Argentine Foreign Minister Rafael Bielsa explained in a news briefing that the first section on the FTAA, consisting of four paragraphs set forward by Panama, expressed the position of the countries that would like the regional free trade talks to move ahead under the conditions that have governed them up to now.

In the second section on the FTAA, consisting of one paragraph, the five dissenting countries, Venezuela and the four full members of Mercosur - Argentina, Brazil, Paraguay and Uruguay - state that "The conditions do not exist to attain a hemispheric free trade accord that is balanced and fair with access to markets that is free of subsidies and distorting practices."

They also say an agreement would have to take into account the needs of all of the partners, as well as the different levels of development and size of the economies.

The third section on the proposed hemispheric free trade zone consists of a Colombian initiative: a call for a meeting of trade negotiators - not at the ministerial level - who would assess the situation and issue recommendations.

That meeting, to be organised by Colombia, would be held after the December World Trade Organisation (WTO) ministerial conference in Hong Kong.

Although the central theme of the Mar del Plata summit was "Creating jobs to reduce poverty and strengthen democratic governance", the discussions were held up when a group of countries led by Mexico demanded that the final document contain an explicit commitment to reviving the FTAA negotiations.

That position is backed by the United States, Canada and 27 nations of Latin America and the Caribbean.

Fox said free trade was the best way to reduce poverty and argued that the agreement should go ahead even if some of the countries in the hemisphere refused to join in.

Opposition to the FTAA was bluntly expressed by Venezuelan President Hugo Chávez, who told the "counter-summit" organised Tuesday through Friday by civil society groups and leftist political parties

that the free trade project should be buried once and for all in Mar del Plata.

The third Peoples' Summit drew up a declaration calling for an immediate and definitive end to the FTAA negotiations.

The participants in the civil society gathering, who maintained that a hemispheric free trade zone would cause serious harm to their countries, organised a peaceful march on Friday to protest U.S. President George W. Bush's visit to Argentina.

Unlike Chávez, who declared the FTAA "dead", the Mercosur presidents did not reject the initiative flat out, but said it made no sense to discuss regional trade liberalisation with just one month to go to the WTO ministerial conference.

Brazilian President Luiz Inácio Lula da Silva said Saturday that the debate on hemispheric integration would be clearer once the Doha Round of multilateral trade talks moved ahead in Hong Kong.

Advances in the Doha Round, said Lula, must include the elimination of the industrialised North's barriers to farm products from the developing South.

"I did not come here to discuss the FTAA, but to talk about employment," said Lula at the two-day summit.

For his part, Paraguayan President Nicanor Duarte maintained that the free trade debate is not an ideological one, and that pursuing trade liberalisation does not imply being more or less progressive than anyone else.

He added, however, that "the FTAA is not fair or equitable for the least developed countries."

The controversy over the FTAA, and the consequent threat that the summit would end without a final declaration, shifted the spotlight from what was supposed to be the central focus of the meeting: job creation and poverty reduction.

The emphasis on this subject was considered a landmark in the history of these meetings, the first of which was held in 1994 in Miami, as a U.S. initiative.

For Argentine Deputy Foreign Minister Jorge Taiana, the coordinator of the summit, the most important outcome of the meeting was that the 34 participating nations - all of the countries of the hemisphere except Cuba - agreed to adopt a declaration that addressed the creation of decent work.

"This changes the focus of political discussion in the hemisphere," Taiana declared at the end of the meeting.

The same view was expressed by the director of the International Labour Organisation (ILO), Juan Somavía, who was the moderator at one of the summit sessions.

"Putting the theme of work at the heart of discussion on public policies was undreamed of in the hemisphere four years ago, when the summit was held in Quebec," Somavía told IPS.

Somavía believes that the priority placed on decent work on the agenda of the leaders of the Americas represents "the embryo of a paradigm shift with regard to development."

Even when free trade agreements are signed, if employment is a main focus, there will be policies to protect those who could be adversely affected, he remarked.

The final declaration emphasised that economic growth is not sufficient to guarantee job creation, and stressed the need to generate quality employment, as opposed to subsistence level employment.

A plan of action outlining measures to reach these goals was also signed.

The hemisphere's leaders additionally adopted declarations on the situation in Haiti, Bolivia, Nicaragua and Colombia, and on the Doha Round.

The Rio Group countries issued a declaration to compensate for the fact that the summit they had planned to hold in Argentina in September did not take place.

The Rio Group - made up of 18 Latin American and Caribbean nations - pledged to continue its cooperation in a long-term strategy for the development of Haiti after elections are held in the Caribbean nation.

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