

The Shifting Debate on
International Trade:
The Perspective from the
Western Hemisphere

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Free Trade

“The hopes of all our peoples, everybody who lives in this hemisphere, no matter where they live – lie in greater freedom. Free markets and open trade are the best weapons against poverty, disease and tyranny. And democracy is the non-negotiable demand of human dignity.”

President George W. Bush

January 26, 2002

FTA Negotiations Completed in Western Hemisphere

- NAFTA – Implemented January 1994
- Chile FTA – Implemented January 2004
- CAFTA-DR – Signed August 2004
(Costa Rica, Dominican Republic, El Salvador,
Guatemala, Honduras, Nicaragua)

FTA Negotiations Underway

- Panama
- Andeans (Colombia, Ecuador, Peru, with Bolivia as observer)
- Free Trade Area of the Americas (34 countries)

U.S. Two-Way Trade In 2004

NAFTA partners	\$710 billion
Chile	\$8 billion
CAFTA (6 countries)	\$33 billion
FTA Candidates (5 countries)	\$24 billion
Total	\$775 billion
Total Western Hemisphere	\$870 billion
Total World	\$2,286 billion

Economic Flows Between U.S. And Latin America/Caribbean

Two-way Trade	\$427 billion (2004)
Stock of U.S. Invest.	\$304 billion (2003)
Private Remittances	\$ 30 billion (2003)
Bilateral Assist.	\$ 1.6 billion (FY 04)

Growth in the 1990s

Annual Average Per Capita Growth Rates

Globalizing developing countries + 5.0%

Non-globalizing developing countries - 1.4%

World Bank study by David Dollar and Art Kraay, Jan 2001

Special Summit

January 2004, Monterrey, Mexico

- Promoting Democracy
 - Denying safe haven to corrupt officials
- Economic Growth With Poverty Reduction
 - Remittances
 - Property Rights
 - Credit for SMEs
 - Reduced Barriers to Starting a Business
- Investing In People
 - Education
 - Health

File: Unclass: Power Point:
WHA Data WHA NetApp Filer
EPSC/
Urs to Columbia on
Globalization April 2005