

## Summary

When leaders from 34 nations in the Americas (Cuba is not invited) meet in Quebec City in April, it will be more of a photo-op than a serious negotiation. But this *Summit of the Americas* will provide a high level endorsement of the progress so far towards a Free Trade Area of the Americas, and will provide a push towards completing the deal.

The Summit will also be attended by thousands of protesters that oppose this bold new attempt to push the envelope of trade liberalization. Quebec will likely set a new high water mark for irony when, surrounded by protestors, insulated by the fortified walls of the old town and guarded by a massive police presence, leaders will make speeches about the benefits of trade, and will reaffirm their commitment to democracy.

Quebec will actually be the third Summit of the Americas. The Free Trade Area of the Americas (FTAA) was launched at the first Summit in Miami, in December 1994. But the process was delayed due to the "peso crisis" which hit Mexico shortly after, and spilled over onto the rest of Latin America during 1995. It was not until the dust settled that the FTAA negotiations were officially launched at the second Summit of the Americas in Santiago, Chile, in April 1998.

In the three years since Santiago, trade negotiators have been working away in nine negotiating groups, overseen by a trade negotiations committee (with the fitting acronym of TNC). The TNC has compiled a draft text that will be given the green light in Quebec and that will form the basis of the "hardball" negotiations that will attempt to pull together a final deal by the end of 2004.

The FTAA process has been gaining momentum since the collapse of the Seattle WTO Ministerial in December 1999, and the failure to launch a new round of multilateral trade talks. The business community has been well represented through the Hemispheric Business Forum, which meets to develop recommendations for Trade Ministers. Canada, through the ideological zeal of our trade negotiators, has been a lead country in keeping the process moving forward.

### The Strategic Context of the Americas

In Latin America, globalization is nothing new. For the past two decades, many Latin American countries have been saddled with high levels of foreign debt. In order to gain access to the financial and economic system of the North, they have required the seal of approval of the International Monetary Fund. As a condition of receiving this approval, these countries have had to implement numerous economic reforms known as Structural Adjustment Programs (SAPs).

IMF policies have required that countries: