

evident that the authors believe there is a relationship between economic development and the current integrationist agenda, on the one hand, and the capacity of Caribbean and Latin American states to move toward more democratic political regimes. It is widely accepted among both conservative and more liberal analysts of the neo-liberal transformation of Latin American economies that a radical reduction of the state's role in the political economy, increased emphasis and reliance on individual capacity and initiative, combined with the liberalization of trade and foreign investment, contribute to major problems of social and economic equity in society. Where liberals and conservatives differ is over the degree of responsibility the state holds to address those inequities. This paper does not deal with this critical issue, but it should be clear to readers that the authors believe hemispheric leaders possess a major moral and political responsibility to address equity issues while promoting economic liberalization and hemispheric integration. Problems of human rights and democratic participation can never be addressed effectively if a large segment of society remains in abject poverty, frequently outside mainstream economies, and effectively disenfranchised because of their lack of meaningful economic power within society.

### **Historical Background of Integration**

The current thrust toward economic integration - specifically the Free Trade Area of the Americas (FTAA) - is not new, but it has a much higher degree of intensity and a more significant level of political support across the hemisphere, including the support of such major international organizations as the Inter-American Development Bank (IDB), than was the case prior to 1981. The fact that the IDB has a Division of Integration, Trade and Hemispheric Issues underlines the importance it places on that agenda. Of particular significance as well has been the commitment of the executive branch of the United States government to the integrationist agenda since the early 1980s under the Reagan Administration, despite the current absence of U.S. Congressional authorization of the fast-track route to trade agreement approval which has stalled the U.S. agenda