

- Extending the Group of 3 (G-3) free trade agreement between Mexico, Venezuela, and Colombia, signed in June 1994.

Any such negotiations would require President Clinton to seek congressional approval for fast-track authority,¹⁴ which is not considered likely at this time in light of congressional sentiments.

At the same time that the United States is dragging its feet on trade issues, Canada and Mexico are expanding their free trade ties.¹⁵ Additionally, Latin American countries are eager to open their economies to competition from other countries within the region at roughly the same level of development, and eventually with the United States and other developed countries as well.

In order to facilitate this process, the major Latin American economic and political organizations—including the Economic Commission for Latin America and the Caribbean (ECLAC), the Inter-American Development Bank (IDB), and the Organization of American States (OAS)—have mounted a collaborative effort to analyze the complex web of economic integration agreements in the region (IDB 1996). The four main trade blocs in the region are the Central American Common Market, the Caribbean Common Market, the Andean Community, and the Southern Cone Common Market (Mercosur). However, free trade agreements between individual countries and these common market groups are also growing. For example, Mercosur recently signed free trade agreements with Chile and Bolivia and is currently negotiating agreements with other Andean countries. Finally, a variety of relationships (such as nonreciprocal preferential agreements and free trade agreements) are being formed between Latin American groups and the European Union.

¹⁴ Fast-track authority was established in the Free Trade Act of 1974. Under this procedure, Congress can define the objectives for trade negotiations before they begin; periodic updates and consultations about the negotiations are held between the president's negotiators and certain members of Congress; Congress has a maximum of ninety days after an agreement has been signed to analyze and discuss it in congressional committees; and each house of Congress has fifteen days after receiving the committee reports to vote for or against the trade package (Heritage Foundation 1995).

¹⁵ In addition to the G-3 agreement, Mexico has signed trade agreements with Chile and Costa Rica and is negotiating agreements with several other Central American countries. Canada recently began negotiating a free trade agreement with Chile.