

Nations' leaders try to repair trade bloc

Leaders of the Andean Community of Nations said they are focusing on extending trade preferences offered by Washington.

MIAMI HERALD
JUN. 14, 2006

QUITO - Presidents of the four-nation Andean trade alliance sought on Tuesday to relaunch the bloc without Venezuela and to persuade Washington to extend trade preferences created to help counter the cocaine trade.

Alan Wagner, the Peruvian secretary general of the Andean Community of Nations, said a major focus of the summit was the extension of the preferences that Washington granted in 1991 to help Andean countries diversify their economies away from production of coca leaf, from which cocaine derives.

The preferences, covering thousands of products, are scheduled to end later this year. U.S. lawmakers and diplomats have said that an extension, in lieu of formal trade deals, is not in the cards.

President Hugo Chávez of Venezuela, a fierce critic of U.S.-backed trade liberalization, announced in April that he was abandoning the Andean bloc, saying it had been "fatally wounded" when Colombia and Peru signed individual free-trade pacts with Washington. Those deals must be ratified by those nations' legislatures.

President Evo Morales of Bolivia has sided with Chávez, contending that country-by-country free-trade deals with the United States would flood the region with heavily subsidized U.S. food products and undercut the *raison d'être* for the Andean Community, which was founded in 1969 to better integrate regional trade.

The two men have joined with communist Cuba in a "people's trade pact."

But Morales, who initially said he was considering pulling Bolivia from the Andean Community, later relented and urged Chávez to reconsider.

Morales, who was scheduled to take the reins of the Andean Presidential Council from Chávez for the upcoming year, called the summit to try to repair relations within the bloc.

His government appeared Tuesday to present a less strident anti-U.S. tone.

Foreign Minister David Choquehuanca was quoted in the daily newspaper *Expreso* as saying Bolivia has no intention of leaving the bloc and tried to distance his impoverished nation from Venezuela's oil-empowered leader.