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# Free Trade in the Americas

By Conrad Herold

The effect of increased trade on developing nations is today the subject of a vital public debate. Conrad Herold examines its economic context and looks at free trade, from NAFTA to the FTAA, as a form of class war

In a well known but perhaps little read speech of January 1848 (the same month in which he was putting the finishing touches to the Communist Manifesto), Karl Marx addressed head-on the issue of free trade.[1] He described the positions that were being publicly debated at the time: the anti-free trade protectionism associated with economist Friedrich List of Germany, and the pro-free trade attitude of the English businessmen Cobden and Bright. Mid-19th century Germany was playing economic catch-up with England: the key issue for both sides was to identify which strategy, free trade or protection, would best further German economic development.

For Marx, the protectionists were simply promoting the idea that 'it is better [for the working class] to be exploited by one's fellow-countrymen than by foreigners. I do not think,' he wrote, 'the working class will be for ever satisfied with this solution, which, it must be confessed, is indeed very patriotic, but nonetheless a little too ascetic and spiritual for people whose only occupation consists in the production of riches, of material wealth.' [2] Marx goes on to admit that the protectionists may be able to save jobs by guaranteeing the labourer 'work for his hands'; the problem for the working class, he argues, 'is not to preserve the present state of affairs, but to transform it into its opposite.' That is, to go beyond capitalism.

## NEW PARADIGMS, NEW DEMANDS

Marx's argument is incomplete, because he is referring only to the effects of free trade upon German and European workers. The effects of increased trade upon the peoples of the impoverished Third World, a topic now part of a vital public debate, was then understandably secondary in Marx's research agenda. Marx did not predict the way that free trade today is being used as the justification for, and the means of, dismantling the welfare state. This hard-won achievement of the working class did not exist then, and was not in contention. Nonetheless, Marx's comments on free trade do have a direct bearing on the current situation: as in pre-war Germany, the two possible strategies of capitalist development today, protectionist versus free trade, in no way reflect the concerns of the working class. The protectionists are interested in protecting their industries against foreign competition; the free traders are interested in extending their markets and profits – and both of them would do this at the expense of the working class.

Today, the Bush administration is seeking a Free Trade Area of the Americas agreement (FTAA), a regional free trade accord that calls for the elimination of all trade barriers between all the countries of the Americas, with the sole exception of Cuba. What Marx's comments suggest is that our debate over the FTAA should not merely take place over which fraction of the capitalist class, foreign or domestic, should exploit the peoples and resources of Latin America. While it does make a difference who is exploiting you, and how, it is important to remember that our arguments are with capitalism itself, and not merely with the particular form it takes. This is one of the many lessons learned from the Zapatista uprising: the EZLA argued that the end of protective tariffs indeed meant the end of Mexican lives; but they were not demanding protective tariffs or domestic capitalists: they were demanding an end to capitalism.

In other words, it is still necessary to follow Marx's lead, to understand the effects of the FTAA on the working class. But in order to do that, we first have to understand what the FTAA is.

[IMAGE]

## THE FTAA: ITS ORIGINS

The Free Trade Area of the Americas agreement is a regional trade accord being sought by the Bush administration. First proposed by President Bush senior as part of the Enterprise for the Americas Initiative in June of 1990,[3] it calls for the elimination of all trade barriers between all thirty-four countries of the Western Hemisphere except Cuba. If enacted, it would create the largest single free trade area of the world, with a combined GDP of US\$13 trillion (10 trillion of which is the US economy). This expansion of NAFTA is being negotiated in secret by trade ministers from North, Central and South America and the Caribbean. Its goal is to impose the NAFTA model of new corporate investment and patent protections, trade liberalisation, deregulation, and privatisation hemisphere-wide.

The FTAA chapters that have become public so far have seen significant increases in the power corporations have to constrain governments from setting standards for public health and safety, safeguarding their workers, and ensuring that corporations do not pollute the communities in which they operate. Effectively, these rules would handcuff governments' policymaking, enhancing corporate control at the expense of citizens throughout the Americas.

Nine negotiating groups have been created to produce an outline of each chapter of the agreement – for example, investment or intellectual property rights. A Committee of Government Representatives on Civil Society was established to represent the views of civil society, but this committee is little more than a mail inbox, with no mechanism to incorporate civil society's concerns into the actual negotiations. Former US Commerce Secretary Ron Brown made it very clear about who is actually writing this agreement when he addressed an American Business Federation meeting, saying that they were the leaders of the FTAA process and that the government's role was to take whatever policy steps were needed to best suit the business interests in the Hemisphere.

US advocacy of regional trade accords like the FTAA is a relatively recent phenomenon. Until the 1980s and the presidency of Ronald Reagan, the United States was a firm advocate of multilateral accords and actively discouraged the creation of regional trade accords. Throughout the post-war era, the United States pursued multilateral trade liberalisation. The Great Depression had convinced US policymakers that competitive protectionism – the rounds of retaliatory tariffs imposed against countries that had themselves imposed tariffs in an effort to protect their domestic economies – had exacerbated the fall in economic activity as one country after another excluded imports to try to increase national employment levels. The United States emerged from this experience a strong proponent of multilateral trade negotiations, which it saw as the best way to restore international trade and thus international economic activity.

The opposite of the multilateral approach is regionalism. This is the approach of the FTAA as much as it was the NAFTA's before it. The standard argument against regionalism, the argument that the United States had always put forth, was that regional agreements were a sub-optimal and perhaps counter-productive approach to trade liberalisation. Entering a free trade area means that you are discriminating against the outsiders, and it may be that the outsider is the one who in fact can produce the commodity in question most efficiently (at the lowest opportunity cost). So, say the United States signed a free trade agreement with Mexico, and not with Brazil: now Mexican-made shoes or whatnot can get into the US without paying the tariff, while Brazilian shoes must continue to do so. It could be that Mexico now becomes the source of shoes imported into the US, although Brazil can produce them

at a lower opportunity cost. The free trade area, instead of creating more trade, has merely diverted trade, and diverted it to a less efficient producer. Global welfare is thus lowered by regional trade agreements to the degree that trade is diverted instead of created. Jacob Viner, an economist at Columbia University, was the first to lay out the economists' argument against regional trade accords in 1950.[4] Today, Jagdish Bhagwati, perhaps the leading international trade economist in the world and one of the original 'neoliberal' economists, has spent the latter part of his career railing against the US turn toward regionalism, to no avail.

There is now substantial evidence that NAFTA and Mercosur are in fact diverting trade, instead of creating it. The Caribbean nations, for example, lost their textile exports to the US when the textile plants shifted to Mexico, to take advantage of the tariff-free entry into the United States. Bhagwati has become increasingly strident in his denunciation of regional trade agreements. 'One would think that the Clinton administration,' he writes,

would take heed...and desist from further indulgence of FTAs [Free Trade Agreements], reverting instead to multilateral trade initiatives. But it has not. Part of the reason, of course, is intellectual laziness. Partly it is also the fact that no international economist of repute has ever had access to the White House, where the main concern has been the politics of its trade policies, not their economics.[5]

[IMAGE]

#### FROM AGGRESSIVE UNILATERALISM...

So why did the United States abandon multilateralism? In the 1980s there developed, particularly among Republican businesspeople, the view that the principles of the GATT had become obsolete.[6] In particular, it was argued that while the United States kept its markets open and followed the rules of the GATT, other countries used unfair and GATT-proof tactics to discriminate against US exports. Other countries, in particular Japan, were not playing by the rules of GATT. They were keeping US products out with bogus health or sanitary regulations and unfair subsidies to their export industries. 'Free trade' was in fact deindustrialising the United States. President Reagan responded by becoming the most protectionist president in the post-war era. In a turn to what Bhagwati called 'aggressive unilateralism,' the US started using a wide variety of non-tariff barriers to retaliate against the rogue states. Such were the 'voluntary export restraints' (VERs) used against Japan and the aggressive anti-dumping legislation used against Brazil, India, Japan, and others.

#### ... TO PROTECTIVE BILATERALISM

In the face of this rising protectionism in the US, the conservative premier of Canada, Brian Mulroney, sought to forestall its effects upon Canada. In September of 1985 he proposed opening bilateral negotiations that would lead to a Canada-US free trade agreement. That free trade agreement, signed in January 1991, became the turning point. It became clear that the US could simply bypass the stalled GATT process, which had become mired in seemingly endless and intractable negotiations, and start signing bilateral and regional agreements with countries that it felt it could negotiate with. NAFTA soon followed, going into effect in 1994.

It bears repeating, because it is little recognised, that the proponents of regional trade agreements are not the 'neoliberal' economists that are behind the liberalising policies of the Washington Consensus or the policies of the IMF (the International Monetary Fund). Anne O. Krueger, currently vice-president and chief economist at the IMF is, like Bhagwati, a staunch critic of trade regionalism.[7] The US policymaking establishment has made the decision to pursue regional trade agreements despite the fact that many economists do not see them as the optimal path to trade

liberalisation. Is there some other motive? Yes indeed. The regional agreements with countries like Mexico have some widely acknowledged effects, and if you are a US businessperson, you see them as very salutary effects.

## THE FTAA AS ATTACK ON WORKERS IN THE US

A rather large professional literature has developed among economists debating the effects of regional trade accords like the NAFTA and the FTAA. Most US economists are of the opinion that signing a free trade agreement with a country like Mexico, or countries like those of Latin America, has a measurable effect on the level of wages and the negotiating power of workers in the United States. Standard mainstream trade theory, in what are called the factor-price equalisation theorems, argues that when two otherwise similar countries trade, in the long run and in the absence of other mitigating forces, the prices of their factors of production, meaning the price of labour (the wage) and the price of capital (the interest rate), will converge. Here what is relevant is the price of labour, that is, the wage.

According to standard modern trade theory, called the Heckscher-Ohlin theory, a country will export those goods in the production of which a relatively large amount of its relatively abundant and cheap resource is used. That would increase the demand for its abundant resource, thereby raising the price of the abundant and cheap resource. The expensive resource is not being demanded, on the contrary it is being released as the country specialises, thereby reducing its price. This occurs simultaneously in both countries, with the price of each abundant, cheap resource in each country rising, and the price of the expensive resource falling. So, a capital-abundant country like the US, with expensive labour, trading with a labour-abundant country like Mexico, with relatively cheap labour, will eventually see the price of labour fall. Conversely, the labour-abundant country, Mexico, increasing its demand for the abundant resource, labour, will see the price of labour rise. That is, the wage in the US will fall, while the wage in Mexico will rise.

There is no longer any controversy that the wages of unskilled workers in the United States have fallen dramatically in the last fifteen to twenty years. Arguably, the Clinton boom of the 1990s was built not on deficit reduction, but on wage compression, that is, on lowering wages in order to raise profits. In this sense, the free trade agreements have been an attack on the working class in the US.

What of wages in the labour-abundant country like Mexico? Here too we see the theory corroborated in practice. Wages along the border with the US have been in fact rising.[8] The result has been that a large number of labour-intensive assembly plants along the border (known as maquiladoras) have in fact left Mexico and are relocating to China, where wages are significantly lower than in Mexico and where a totalitarian government promises to repress any labour organising and keep wages low. Mexican wages in maquiladoras on the border now range between \$2.00 to \$2.50 an hour, including benefits. Chinese assembly plant wages range from 35 cents an hour to a dollar an hour.[9] For this reason, China has by far been the largest recipient of direct foreign investment several years in a row.

Another effect of the trade agreements, first noted in the professional economics literature by Dani Rodrik of Harvard, is that the negotiating power of US workers has been undermined by the accords. Now, whenever US workers demand a raise in pay, the bosses can pull out the spectre of moving the whole plant to some labour-abundant country where workers will do the same work using the same technology at pennies on the dollar. The goods can be imported back to the United States tariff-free. The point here is that the bosses don't need to actually move their operations overseas, merely the existence of the credible threat that they can moderates the demands that workers will make. Economists call this an increase in the elasticity of labour demand (meaning that the labour demand curve is now flatter than before the trade accord). This effect, undermining the negotiating power of workers in the North, may in fact be more important than the actual fall in the demand for labour due

to the increased trade.[10]

[IMAGE]

## THE FTAA AS ATTACK ON DEMOCRACY

The new trade agreements, the NAFTA, Mercosur, and the preliminary draft of the FTAA (along with the agreement that created the WTO, the World Trade Organisation, a multilateral trade authority, in 1995), all contain within them a dispute resolution mechanism[11] that effectively undermines democracy. What is new about these mechanisms is that countries are now able to bring their disputes concerning the agreement to an ad-hoc arbitral body that makes binding decisions and allows for retaliation against the offending party if the censured anti-trade practice is not terminated. The fact that retaliation is sanctioned is what is new and what gives real teeth to these accords. Thus, for example, if the United States feels that Peru is not allowing a US product to freely enter the country, and is thereby impeding free trade, the US can appeal to the dispute resolution body. If the arbitral body agrees with the US and Peru does not change its behaviour, the US has the right to retaliate by imposing countervailing trade sanctions that are designed to force the country to comply with the ruling. In general, the members of the ad-hoc panels are drawn from rosters drawn up previously by the parties to the agreement. The panels operate without public scrutiny or input.[12] They are, in effect, non-democratic supra-national bodies that can overturn local or national law, all in the name of free trade.

The NAFTA and the FTAA are therefore mechanisms that recompose the balance of power between workers and capitalists in favour of the capitalists. They lower wages in the North, undermine workers' bargaining power, and undermine local and national democracy. Let's now look again at what has happened in the countries of the South.

## THE FTAA AS AN ATTACK ON WORKERS IN THE SOUTH

Under capitalism, free trade always produces displacements and dislocations. Capitalists, borrowing the phrase from the economist Joseph Schumpeter, call it 'creative destruction', which they see as both natural and virtuous. It is creative because it frees up people and resources and makes them available (if they survive) for new and more productive uses. It is destructive because whole peoples and their communities, whole ways of life, have to be systematically dismembered in order to make the pieces available as inputs to new investment. Clearly, it is going to be the most vulnerable, the least powerful (and decidedly not the least efficient), who are 'creatively destroyed' first. And if they resist much, the army will be called in as an integral part of the process. This is what we have seen throughout Latin America. The least powerful sector of the working class is the one that has to bear the brunt first. Thus, in Mexico today, it is the small peasant farmers, currently about 20 percent of the population, who are now being systematically displaced. In January of this year, thousands of small farmers marched into Mexico City's main plaza to demand a renegotiation of the NAFTA. The Mexican government – Mexican capitalists – see them as anachronisms from the past. Ironically, what is wiping them out are highly subsidised agricultural imports from the US. Last year, as a reflection of the power of the corporate agro-industry lobby in the US, the pro-free trade Bush Administration passed legislation giving US corporate agriculture its highest level of subsidies ever, 40 billion dollars. Mexican farmers cannot compete against the highly subsidised agro-industry megafarms of the US. In Mexico, US corn sells for less than it costs to grow it. The majority of the displaced farmers move to urban areas in Mexico and the US where they join the ranks of the poor and unemployed, available as a new pool of powerless workers.

For Latin American capitalists, joining the FTAA is a way to gain additional leverage against workers. It locks in the liberalising reforms that have been completed by raising the costs of unwinding them. In particular, the FTAA will help destroy the remaining remnants of the import-substitution industrialisation model (ISI) that was applied throughout Latin America from the 1930s (the period of the Great Depression) to the 1980s (the debt crisis). This particular set of ISI policies, while at first successful, eventually resulted in workers that were powerful enough to subvert the capital accumulation process. To understand how this happened, and the role of the FTAA in attacking them, we need a little historical background.

## A BRIEF HISTORY OF LATIN AMERICA

Latin America emerged from its colonial period as an exporter of primary raw materials. In the 19th century, Latin America supplied the world with tin, copper, coffee, bananas, and the like. Landowners and owners of mines controlled the governments. With the Great Depression, that primary commodity export strategy collapsed. A new group gained power, a rising domestic bourgeoisie that was able to displace the landowners. These emerging domestic capitalists formed an alliance of convenience with urban industrial workers in order to create a political power base. In exchange for privileges like job stability and relatively generous wages, the new urban workers supported the new capitalists with their votes. Getulio Vargas of Brazil, L-zaro Cardenas of Mexico, and Juan Perón of Argentina all expelled the landowners from power and strengthened their own power base by applying ISI policies that rapidly industrialised the countries and provided jobs for the new urban workers.

The new capitalists thus consolidated their power by dividing the working class and setting urban industrial workers against peasants. A component of these policies was to create state-owned enterprises that could provide employment. Another was to keep out imports by raising tariffs and thereby creating hot-house conditions inside the countries that fostered rapid industrialisation. These policies produced a relatively small but very powerful group of privileged urban industrial workers. Latin American cities soon became small privileged cores surrounded by seas of displaced unemployed peasants who migrated to the city hoping to be able to get one of those privileged jobs.

While the strategy produced economic growth in the 1950s and '60s, by the 1970s it was becoming clear that the privileged industrial workers had grown too powerful. Payrolls became bloated with workers who produced little or nothing and could not be fired. The government found it was not able to face these workers head on, and chose instead to run up the national debt to pay for the privileges of the lucky few. Deepak Lal, who became chief of research at the World Bank from 1983 to 1987 under Anne O. Krueger and who wrote what most approximates what we might call the 'neoliberal manifesto', openly called for the ruthless elimination of the import-substitution coalitions:

The political difficulties on the path to more efficient domestic policies should not be minimised. They stem largely from the manifold vested interests in the maintenance of the trade control system which it has itself created by providing large windfall profits to those lucky, influential or corrupt enough to obtain various licenses, and by fostering an inefficient structure of industry where the current incomes of so many producers contain an element of rent derived from the existing system of control. A courageous, ruthless and perhaps undemocratic government is required to ride roughshod over these newly-created special interest groups [emphasis added].[13]

Trade liberalisation, including international agreements like the NAFTA and the FTAA, which lock in the trade liberalisation policies (along with privatisation, the selling off of all those government owned enterprises), became the strategy of choice for finally attacking and destroying these powerful workers. Cheaper imports were used as the means to overwhelm and destroy virtually all the national industry that had been created by the ISI policies throughout Latin America. Today, Latin American

cities are full of these now displaced workers, rendered powerless and available as inputs to foreign investment. This is the single most important achievement of the neoliberal economists. The lesson for the working class here is that when one sector gains power but excludes other working class sectors from the fruits of that power, no-one comes to your aid nor mourns your loss when you are finally attacked.

## THE FTAA AS A MOMENT IN STRUGGLE

Showing how the FTAA is a mechanism to attack workers, North and South, does not mean that we thereby endorse protectionism. Recall Marx's comments at the head of this discussion. My aim here has not been to endorse a reliance on domestic capitalists as against foreign capitalists. Our understanding of the FTAA should not remain at the level of debating which fraction of the capitalist class should exploit the peoples and resources of Latin America. Our argument is against capitalism. The issue, for us, is how to use such divisions within the capitalist class to best further the interests and power of the multitudes of Latin America. The first step, and only the first step, in that process is to understand the structures of power that are arrayed against us. That is what this piece has sought to do: to begin to understand the FTAA as a moment in struggle.

Footnotes:

Trade Barriers:

Trade barriers are any kind of administrative impediment to international trade such as tariffs, which are per-unit or ad valorem taxes on imports, and quotas, which are quantitative limits on the amount of imports allowed in a country.

Multilateral Trade Agreements:

A multilateral trade accord is one in which all countries in the world participate and agree to lower tariffs simultaneously. A regional trade accord is a discriminatory trade accord in which the benefits of the accord, liberalised trade, are extended only to the countries that are parties to the agreement. Countries that are not parties to the regional accord are excluded from its benefits.

When all countries agree to lower tariffs simultaneously, the costs of trade liberalisation are not unduly borne by any one country. If one country were to open its markets before others do, it could find itself swamped with imports and be unable to export. That could destroy its economy. Since no one country wants to take the first step alone, some sort of coordinating mechanism is needed to get the process started and keep it going. If all countries could agree to reduce their tariffs together in a coordinated fashion, then all countries could simultaneously benefit from the increased trade. In the United States it was Woodrow Wilson and F.D.R's Secretary of State, Cordell Hull, who were the strong proponents of the multilateral approach. Seven rounds of multilateral trade negotiations were successfully completed in the post-war era. These rounds of negotiations were completed under the aegis of GATT, the General Agreement on Tariffs and Trade, which was the framework for multilateral negotiations signed in Geneva in 1947.

NAFTA:

(the North American Free Trade Agreement, an agreement between Canada, the US, and Mexico in effect since January 1994).

Regional Trade Agreements:

In a regional trade agreement some specified group of two or more countries agree to eliminate trade barriers amongst themselves. If they leave all their trade barriers against countries that are not part of the regional agreement at the same level they were before the agreement, economists call such an agreement a free trade area. NAFTA and the FTAA are such. Likewise, the recently concluded

bilateral agreements between the US and Chile (December 2002), and the US and Singapore (January 2003) are free trade agreements. When, in addition to eliminating trade barriers amongst themselves the countries also modify their barriers against countries outside of the area such that all the partners have a common tariff structure against the rest of the world, economists call such a customs union. Mercosur, the trade agreement between Brazil, Argentina, Uruguay, and Paraguay, signed in 1991, is a customs union.

#### Dispute Resolution Processes:

In 1972 US environmentalists obtained passage of the Marine Mammal Protection Act (MMPA). The law prohibits the importation of tuna caught with methods that kill too many dolphins. Dolphins swim above schools of tuna, and the Mexican (and Venezuelan) tuna fleet would encircle the dolphins with nets to catch the tuna below. Environmentalists claimed the Mexican tuna fleet was drowning some 50,000 dolphins a year. Under pressure from environmentalists, the United States imposed an embargo on Mexican tuna in October of 1990. The Mexican government appealed to a dispute resolution mechanism of the GATT and won. The GATT panel ruled that the United States would have to change its national law because it was an illegal restriction on trade. (Before the ruling became final, and in order to avoid undermining the then on-going NAFTA negotiations, Mexico tabled the issue.) In March of 1999 the Governor of the State of California issued an order to phase out the use of a carcinogenic octane enhancer in gasoline, MTBE, which was found to have contaminated groundwater and drinking water across the state. The producer, the Canadian company Methanex, appealed to the NAFTA dispute resolution process, seeking 970 million dollars in damage which it claimed were the future profits it lost due to the illegal California regulation which it claims is a restriction on trade. The case is still in dispute.

[1] Karl Marx, 'Speech On the Question of Free Trade', Delivered to the Democratic Association of Brussels at its Public Meeting of January 9, 1848, Karl Marx Frederick Engels Collected Works, Volume 6, Marx and Engels: 1845-48 (New York City: International Publishers, 1976), pp. 450-465

[2] Karl Marx, 'The Protectionists, the Free Traders and the Working Class', Karl Marx Frederick Engels Collected Works, Volume 6, Marx and Engels: 1845-48 (New York City: International Publishers, 1976), p. 280

[3] A revealing analysis of the circumstances that led to the original proposal is: Joseph S. Tulchin, 'The Enterprise for the Americas Initiative: Empty Gesture, Shrewd Strategic Gambit, or Remarkable Shift in Hemisphere Relations?' in: Roy E. Green, editor, The Enterprise for the Americas Initiative: Issue and Prospects for a Free Trade Agreement in the Western Hemisphere (Westport, CT: Praeger Publishers, 1993), pp. 143-158

[4] Jacob Viner, The Customs Union Issue (New York City: Carnegie Endowment for International Peace, 1950)

[5] Jagdish Bhagwati, 'The FTAA Is Not Free Trade', in: The Wind of the Hundred Days: How Washington Mismanaged Globalization (Cambridge, MA: MIT Press, 2000), p. 248

[6] See, for example: Clyde V. Prestowitz, Jr., Alan Tonelson, and Robert W. Jerome, 'The Last Gasp of GATTism', Harvard Business Review, vol. 69, no. 2, March-April 1991, pp. 130-138

[7] See, for example: Anne O. Krueger, 'Problems with Overlapping Free Trade Areas', in: Takatoshi Ito and Anne O. Krueger, editors, Regionalism versus Multilateral Trade Arrangements (Chicago: University of Chicago Press, 1997), pp. 9-23.

[8] Jesus Cañas and Roberto Coronado, 'Maquiladora Industry: Past, Present and Future', El Paso Business Frontier, Federal Reserve Bank of Dallas, El Paso Branch, Issue 2, 2002

[9] Elisabeth Malkin, 'Manufacturing Jobs are Exiting Mexico: Business Leaders Try to Stop the Exodus of Factories to China', New York Times, 5 November 2002, pp. W1, W7

[10] Dani Rodrik, Has Globalization Gone Too Far? (Washington, D.C.: Institute for International Economics, 1997), pp. 11-27.

[11] A comparison of the various dispute resolution mechanisms is: Rosine M. Plank-Brumback,

'Dispute Settlement' in: JosÈ M. Salazar-Xirinachs and Maryse Robert, editors, *Toward Free Trade in the Americas* (Washington, D.C.: Brookings Institution Press, 2001), pp. 255-275

[12] I note that the U.S. Trade Representative's website [[www.ustr.gov](http://www.ustr.gov)] claims that the January 2003 free trade agreement with Singapore includes new dispute resolution procedures that include open public hearings, public release of legal submissions by parties, and rights for third parties to submit their views. This would be a welcome development, however partial

[13] Deepak Lal, *The Poverty of 'Development Economics'*, (London: Institute of Economic Affairs, 1983), p. 33. I consider this text my leading candidate for 'neoliberal manifesto'

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