

University of Miami Inter-American Law Review

Volume 7
Number 2 *Lawyer of the Americas*, Volume 7
Number 2 (June 1975)

Article 9

6-1-1975

Latin American Economic Integration

F. V. Garcia Amador
University of Miami School of Law

A O.C. Tolosa

Follow this and additional works at: <https://repository.law.miami.edu/umialr>



Part of the [Comparative and Foreign Law Commons](#), and the [International Law Commons](#)

Recommended Citation

F. V. Garcia Amador and A O.C. Tolosa, *Latin American Economic Integration*, 7 U. Miami Inter-Am. L. Rev. 410 (1975)

Available at: <https://repository.law.miami.edu/umialr/vol7/iss2/9>

This Report is brought to you for free and open access by University of Miami School of Law Institutional Repository. It has been accepted for inclusion in University of Miami Inter-American Law Review by an authorized editor of University of Miami School of Law Institutional Repository. For more information, please contact library@law.miami.edu.

LATIN AMERICAN ECONOMIC INTEGRATION

F. V. GARCIA AMADOR
*Director, Department of Legal Affairs
General Secretariat of the
Organization of American States*
and

ALBERTO O. C. TOLOSA
*Senior Legal Officer
Department of Legal Affairs
General Secretariat of the
Organization of American States*

LATIN AMERICAN FREE TRADE ASSOCIATION

The restructuring of the Latin American Free Trade Association is still pending; no concrete action has been forthcoming as yet. Since the last note was prepared on this subject, some progress has been made toward collective negotiations, but the main problem—formalizing progress toward more profound forms of integration—will still require patient negotiation on the part of the states that ratified the Treaty of Montevideo.

As a result of the need to provide for the post of Executive Secretary of the Association, the establishment of a triumvirate of a technical nature, similar in some aspects to the *Junta* of the Cartagena Agreement, has been considered as one of the ideas that could take shape in the future. But this idea still requires further discussion at LAFTA headquarters.

AGREEMENT OF CARTAGENA

Among the countries that form part of the Cartagena Agreement negotiations were in process during the months of February and March on industrial programming, which is one of the pillars of the Andean economic integration process. It may be recalled that an agreement had

been reached on the metal-mechanic industry, but up to that point this aspect of integration has not advanced further. Present efforts are being focused on the automotive, petrochemical and fertilizer industries.

Apart from discussion of the proposals of the Junta of the Agreement on the industrial sectors mentioned, there has been considerable discussion on the Andean level of the foreign trade law of the United States and its possible effects on the subregion. The topic, apart from its own importance, was given greater emphasis in the context of the energy crisis caused by the rise in the price of petroleum and its derivatives.

It is hoped that by December of this year an agreement will be reached on industrial programming as one of the most important steps toward economic integration of the subregion, which, as has been observed, becomes more necessary with the passage of time in view of current international economic and financial circumstances.

CENTRAL AMERICAN COMMON MARKET

The Secretariat of the General Treaty for Central American Economic Integration (SIECA) presented to the governments of the region in December 1974 a proposal of a draft treaty creating a Central American Economic and Social Community, which was entrusted to SIECA by those governments. The proposal contains 295 articles arranged according to three major sections, as follows: I, Creation, Objectives and Organs of the Community; II, Central American Common Market; III, Policies of the Community. In turn, each section is divided into chapters in which the purposes, aims and means of the community are specified, and these, as stated in the proposal, will require gradual establishment within a period of not longer than twenty-five years.

The proposal clearly sets forth that the process of economic integration is part of an even greater process of reconstitution, either total or partial, of the political unification of the Central American region in accordance with the provisions of the Constitutions of the affected countries toward this end. The proposal signifies an organic methodization of the juridical advances reached up to this point and provides for the establishment of a court of justice to resolve disputes and legal problems pertaining to the integration process.

It should be noted that, as an example of the advances contemplated by the SIECA proposal, Art. 217 thereof provides for the following:

In case of opposition between a rule of internal law of any of the contracting states and an obligatory action emanating from the Council or the Commission (of the Community), the action of the latter shall apply. To this effect, the states shall adopt whatever measures may be necessary.

Both the proposed Council and the Commission may issue recommendations and acts of obligatory compliance throughout the Common Market region without the need for transforming them into acts of internal law. In other words, certain acts emanating from these organs would require immediate application.

The treaty proposal is under study by the governments and it is felt that by mid-1975 they will be in a position to make a judgment regarding it.

THE CARIBBEAN

LOME DRAFT CONVENTION

A Special Meeting of the CARICOM Council of Ministers was convened at the Barbados Hilton Hotel on February 24, 1975, on the subject of the Lome Draft Convention. After detailed examination, the Council endorsed the provisions of the Draft Convention thus clearing the way for its signature by Member States of the Caribbean Community. The Council also noted that there was need for continuing machinery to ensure the implementation of the Convention after signature and agreed on certain steps in relation to the harmonization of the Part IV Agreement with the Convention of Lome.

The Council discussed the recently enacted U.S. Trade Bill, and its implications for Member States in the Caribbean Community.

EXPORT PROMOTION

Proposals for the development of an effective program in Export Promotion and Marketing of tropical fruit and exotic products from the Region will be taken a step further over the next five weeks with the visit of a team from the Caribbean Community Secretariat to all CARICOM Member States commencing from 16th February, 1975. The Secretariat

has for the past eighteen months been examining prospects of certain extra-regional markets for non-traditional regional agricultural products.

The team of Secretariat officials will now have discussions with relevant Government Officials in Member States on proposals for a seminar involving existing and prospective Trade Commissions, Commercial Attachés and Trade Officials of Member States, as well as "Desk Officers" located in local Ministries, with a view to improving the overall effectiveness of trade representatives stationed in foreign countries.

During its field trip, the Team will also make preparation for a proposed three-week Study Tour by CARICOM Marketing Officials to Canadian and United States of America markets. This tour will provide an opportunity for these officials to introduce into these potential markets product samples of essential oils, spices and a few selected processed exotic fruits and vegetables of which exportable supplies are available.

EDUCATION AND CULTURE

A significant development in the area of functional cooperation in the Commonwealth Caribbean will be the initiation in 1975 of a program of regional cooperation in cultural activities. This development is in accordance with a decision of the Inaugural Meeting of the Heads of Government of the Expanded Caribbean Community held in July, 1974. It is anticipated that the post of Cultural Officer in the Community Secretariat will shortly be filled, and that the Cultural Program will operate in close collaboration with the Education Program.

Subject to any modification that may be made by the Standing Committee of Ministers Responsible for Education, the Education Program will be based on certain priorities identified by a Meeting of Educational Planning Officers, which took place in Grenada in November, 1974. The main objectives of the program will be to promote maximum utilization of existing resources, expansion of such resources where possible, and the establishment of new resources and facilities for education development.

With a view to facilitating the achievement of these objectives, the Education and Cultural Section will collaborate with the Governments and universities of the region, in order to increase the effectiveness of the Caribbean Technical Assistance Program in the fields of education and culture. The strategy will be to make use as far as possible of intra-regional resources, and to have recourse to extra-regional sources only where necessary.

The Community Secretariat has already had discussions with U.N.D.P. on the feasibility of establishing a regional publishing operation designed to promote and enhance local and regional production and distribution. The discussions are to continue during the year, and are likely to lead to specific action in this field.

The Secretariat, through its Education and Cultural Section, is also coordinating discussions with respect to an offer of assistance in the continuous professional development of senior school administrators. The proposal is to develop a program involving the University of the West Indies, the University of Guyana, the Ministries or Departments of Education in the Region, and the Ontario Institute for Studies in Education. The program is to be designed by Caribbean personnel to meet the needs of the Caribbean.

A major concern of the Education Program will be to initiate and coordinate studies and research activities in connection with certain problems of educational development in the region. In this connection, it is proposed to set up a team of experts drawn from the region, to examine on-going projects in the field of the development of reading skills in the context of language development, and to advise on the coordination of such projects in the interest of educational development in the region as a whole.