

103<sup>D</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 1788

To authorize negotiation of free trade agreements with the countries of the Americas, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JANUARY 25, 1994

Mr. GRAMM introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To authorize negotiation of free trade agreements with the countries of the Americas, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “American Free Trade  
5       Act”.

6       **SEC. 2. FINDINGS.**

7       The Congress makes the following findings:

8               (1) The countries of the Western Hemisphere  
9       have enjoyed more success in the twentieth century  
10      in the peaceful conduct of their relations among

1 themselves than have the countries in the rest of the  
2 world.

3 (2) The economic prosperity of the United  
4 States and its trading partners in the Western  
5 Hemisphere is increased by the reduction of trade  
6 barriers.

7 (3) Trade protection endangers economic pros-  
8 perity in the United States and throughout the  
9 Western Hemisphere and undermines civil liberty  
10 and constitutionally limited government.

11 (4) The successful establishment of a North  
12 American Free Trade Area sets the pattern for the  
13 reduction of trade barriers throughout the Western  
14 Hemisphere, enhancing prosperity in place of the  
15 cycle of increasing trade barriers and deepening pov-  
16 erty that results from a resort to protectionism and  
17 trade retaliation.

18 (5) The reduction of government interference in  
19 the foreign and domestic sectors of a nation's econ-  
20 omy and the concomitant promotion of economic op-  
21 portunity and freedoms promote civil liberty and  
22 constitutionally limited government.

23 (6) Countries that observe a consistent policy of  
24 free trade, the promotion of free enterprise and  
25 other economic freedoms (including effective protec-

(a) IN GENERAL.—The President shall take action to initiate negotiations to obtain trade agreements with the sovereign countries located in the Western Hemisphere, the terms of which provide for the reduction and ultimate elimination of tariffs and other nontariff barriers to trade, for the purpose of promoting the eventual establishment of a free trade area for the entire Western Hemisphere.

(b) RECIPROCAL BASIS.—An agreement entered into under subsection (a) shall be reciprocal and provide mutual reductions in trade barriers to promote trade, economic growth, and employment.

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1 section or on a multilateral basis with all of such countries  
2 or any group of such countries.

3 **SEC. 4. FREE TRADE WITH FREE CUBA.**

4 (a) RESTRICTIONS PRIOR TO RESTORATION OF  
5 FREEDOM IN CUBA.—The provisions of this Act shall not  
6 apply to Cuba unless the President certifies (1) that free-  
7 dom has been restored in Cuba, and (2) that the claims  
8 of United States citizens for compensation for expropri-  
9 ated property have been appropriately addressed.

10 (b) STANDARDS FOR THE RESTORATION OF FREE-  
11 DOM IN CUBA.—The President shall not make the certifi-  
12 cation that freedom has been restored in Cuba, as de-  
13 scribed in subsection (a), unless he determines that—

14 (1) a constitutionally guaranteed democratic  
15 government has been established in Cuba, with lead-  
16 ers chosen through free and fair elections;

17 (2) the rights of individuals to private property  
18 have been restored and are effectively protected and  
19 broadly exercised in Cuba;

20 (3) Cuba has a currency that is fully convertible  
21 domestically and internationally;

22 (4) all political prisoners have been released in  
23 Cuba; and

24 (5) the rights of free speech and freedom of the  
25 press in Cuba are effectively guaranteed.

1       (c) PRIORITY FOR FREE TRADE WITH FREE  
2 CUBA.—Upon making the certification described in sub-  
3 section (a) the President shall give priority to the negotia-  
4 tion of a free trade agreement with Cuba.

5 **SEC. 5. PERMANENT APPLICATION OF FAST TRACK PROCE-**  
6 **DURES.**

7       The provisions of section 151 of the Trade Act of  
8 1974 (19 U.S.C. 2191) apply to implementing bills sub-  
9 mitted with respect to trade agreements entered into pur-  
10 suant to the provisions of this Act.

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