

Remarks at the 36th Annual Washington Conference of the Council of the Americas

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US Department of State
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Thank you. Thank you very much, Bill, for that wonderful introduction. You're a good friend and I appreciate the nice words. Thank you. Let me also thank Susan Segal and Eric Farnsworth for their leadership of the Council. This organization's strong commitment to active U.S. leadership in the Americas, of course, began with David Rockefeller and David, you are a force and we appreciate your commitment and the inspiration that you've had for this organization, but also for U.S.-Latin American relations. Thank you.

Lastly, let me extend a warm welcome to a few of our foreign guests, especially to President Vazquez of Uruguay. It was great meeting with you when I was in Chile at President Bachelet's inauguration and I look forward to seeing more of you. You're going to see the President and he looks forward to that. Under your responsible democratic leadership, Mr. President, I know that the people of Uruguay are going to be able to have a more hopeful and a more prosperous future. And I want you to know that the United States of America will be a partner for you in that future.

I also want to welcome Carolina Barco, the Foreign Minister of Colombia, and also I understand that Minister Gil Diaz of Mexico is here, the Finance Minister. Thank you very much for being here.

Well, I'm pleased to welcome back to the Department of State the Council of the Americas. The Council serves as a reminder that we, the men and women of the Americas, are more than just a partnership of governments. We are an alliance of peoples. This year, approximately 89,000 students from our hemisphere will come to study at American universities. People throughout the region will take about 66 million flights to visit one another, both for business and for pleasure. And in just one year, hard-working men and women here in the United States will send more than \$40 billion in remittances to their friends and families across the Americas.

The peoples of the Americas are united by ties of language, of culture, and mostly importantly, by our common aspirations, which are perhaps best expressed in the founding charter of the Organization of American States. "The historic mission of America," the charter says, "is to offer man a land of liberty and a favorable environment for the development of his personality and the

realization of his just aspirations." And of course, it's offered to women, too. (Laughter.)

President Bush and I believe that we in the Americas have reached a decisive moment in our shared history. And in order to truly understand and capitalize on this opportunity, we need to be clear about a few things. We have to be clear about the hopeful transformation of the Americas. In just a matter of decades, the people of the Americas have thrown juntas and caudillos out of power and they have built democratic governments that reflect their own cultures, their own traditions and their own unique experiences.

Next month, when the 34 democratic members of the Organization of American States gather in Santo Domingo, there will be only one empty seat at the table, a seat that will one day be filled by the free people of a democratic Cuba. In this young century, a democratic consensus unites our hemisphere and together, we have enshrined it in a groundbreaking document: The Inter-American Democratic Charter, which declares that the people of our hemisphere have a right to democracy and that their governments have a responsibility to protect and promote that right. The Charter also states that democracy is essential for social, political and economic development of the people of the Americas. This is a revolutionary new consensus for our hemisphere and it will be all the more important as we confront the serious challenges that remain in our path.

We have to be clear, too, about what these challenges are and the people of the Americas are telling us. They say that they, too, believe in democracy, yet too many people still do not feel the benefits of democracy in their own daily lives. The people of our hemisphere do not want their governments to solve all their problems for them, but they do want to know that their governments are on their side, helping them to develop their talents and share in the success of their countries. In essence, our challenge is to better link democracy and human development.

Over the past decade or so, the success of democracy in the Americas has produced what President Bush has called a revolution in expectations. The President has said that free societies -- in free societies, citizens will rightly insist that people should not go hungry, that every child deserves the opportunity for a decent education, and that hard work and initiative should be rewarded. In much of our hemisphere today, free people's expectations for a better life have outgrown the capacity of their democratic institutions to fully meet those expectations.

If democracy is to answer popular demands for development, if it is to help reduce poverty and inequality, then democratic institutions must be effective. Institutions like political parties and a police force and an independent judiciary must be accountable to the people. Institutions must be reformed to fight corruption and to function transparently. And every democracy must have the

strength to create opportunities for improved health and education for all of its citizens.

It is important to be clear that this process has begun, but that it will not happen overnight. The challenge is not unique to Latin America. We, in the United States, have struggled for centuries and we struggle even today to empower our democracy to create opportunities for all Americans, men and women, rich and poor, white and black, for our native populations and for our native born, as well as for our newest citizens. Our democratic development has sometimes been slow and it has often been fraught with tension and anger and it has suffered some terrible setbacks.

But ultimately, we have learned a crucial lesson. A country can only reach its full potential and achieve lasting development once all of its citizens have gained a voice within effective democratic institutions. I know that the peoples of the Americas are impatient with the development in their democracy. This feeling is powerful and it's passionately felt. And our response must be just as powerful and just as passionate. Through our solidarity, through our assistance, and through our institutions that we share in the Inter-American system, we can ensure that the peoples of the Americas are not abandoned to demagogues and authoritarians.

We can help governments that are elected democratically to govern democratically. We can help governments in crisis to meet the challenge of building effective democracies. And we must do so with urgency and yes, impatience because our people cannot and will not live by hope alone.

Finally, we have to be clear about one more thing and it is a powerful cause for optimism. Under President Bush, the United States is more engaged in the Americas. We are more committed to helping people. And our strategy is forward-looking, perhaps more forward-looking than ever before in our history. The President's vision for this hemisphere is rooted in partnership, not in paternalism. The citizens of the Americas are rightfully proud of their democracies and they are ultimately responsible for their own success. The United States has no desire to do things for our democratic partners; we want to do things with our democratic partners.

The United States charges no ideological price for our partnership. And I want to emphasize this: We charge no ideological price for our partnership. We will work with all governments from the left, from the right, as long as they are committed in principle and practice to the core conditions of democracy, to govern justly, to advance economic freedom and to invest in their people. This is not a matter of big government or small government. It is a matter of good government.

The goal of our policy is inclusion; the inclusion of every citizen of the Americas, not just elites, in the opportunities and the benefits of democracy. For men and

women who are committed to freedom, who work hard and play by the rules, democratic governments must create opportunities for people to rise as high as their talents will take them. That is how the United States defines social justice. And we are not alone.

In the Americas today, there's a strong consensus, one that spans the political spectrum and one that we fully support about what actions democracies must take to create lasting development for their people. To reduce poverty and inequality, democracy has to provide security. When people feel they can walk the streets in peace and safety, they gain trust and a sense of inclusion in their democracy.

In just the past years, the United States has led the way in fundamentally transforming the security agenda of Americas. We have expanded our cooperation to confront old threats that have gained new power in our increasingly integrated hemisphere: threats like terrorism and weapons proliferation and natural disaster and disease and drug trafficking and organized crime and gangs. The democracies of the Americas have now forged a consensus on the vital link between security and prosperity. And together, we have brought this agenda firmly under the purview of free peoples.

In Colombia, for instance, we are rightly standing by Preside Uribe's government as it defends its sovereignty from terrorists and extends security to hundreds of thousands of Colombians who formerly lived at the mercy of criminals. In Haiti as well, hemispheric partners have rallied together to support democracy. The International Donors Conference that we organized raised \$1.3 billion in assistance, which helped to train and transform Haiti's police. With our support, the president that Haitians freely elected in February will now lead a country facing its first year of economic growth in a decade. We know too that to reduce poverty and inequality, democracy has to encourage economic growth and job creation and human development. Free trade is the key and our vision remains a free trade area of the Americas; the union of 800 million men and women from Northern Canada to Southern Chile, in the world's largest free trade community.

The United States has recently made progress toward this goal of free trade. We have signed free trade agreements with Central America and the Dominican Republic in 2004, with Peru in 2005, with Colombia just this year. And we hope to conclude negotiations soon with Ecuador and Panama and to reach out to others. To date, our 11 free trade agreements account for nearly nine out of every 10 dollars that the United States trades with our entire hemisphere. Clearly, we in the Americas are only scratching the surface of what we can achieve by trading in freedom.

Increasing trade is vital and it must be complimented by steps that help all citizens to share in its benefits. At the 2004 Summit of the Americas, President Bush won agreement from his fellow leaders to cut in half the amount of time it

takes to start a business in their countries. This will enable more citizens in our hemisphere to take advantage of efforts which the United States has helped to facilitate with the Inter-American Development Bank to triple the amount of available credit to small and medium-sized business owners.

When I visited Mexico last year, I met with a group of entrepreneurs who are benefiting from these micro-finance loans, one of whom is a seamstress named Maria Teresa Rojas. With a small U.S.-backed loan, Maria Teresa plans to invest in new machinery that will transform her business from stitching school uniforms to producing high-value clothing. This will lead to economic growth, more jobs, and a better life for her children and those who work for her.

The United States has also worked tirelessly to win debt relief agreements for the most disadvantaged countries in our hemisphere. We led the G-8 debt reduction initiative that will provide \$4.6 billion in debt relief to the poorest countries in the Americas. This comes on top of the \$9 billion in relief received under the Highly* Indebted Poor Countries Initiative, the HIPC Initiative. And we want to do more.

We are currently seeking \$5 billion in relief from the Inter-American Development Bank. If we are successful, this would bring the total debt relief for the region's poorest countries to \$19 billion. That is about \$620 for every man, woman, and child in those countries. If just a fraction of that money is reinvested, say, in health care, it could transform people's lives forever.

Finally and most importantly, to reduce poverty and inequality, democratic governments have to invest in their people. And on this front too, the United States is an eager partner. Since 2001, President Bush has nearly doubled our annual foreign direct assistance to the countries of the Americas. This has enabled us to expand development efforts that get results like our program in Mexico which has provided electricity to a quarter million rural citizens or our tuberculosis eradication campaign which has so far helped eight countries in our hemisphere extend coverage to every one of its citizens. The President has also boosted funding for our Peace Corps, enabling us to recruit 1,000 new volunteers who are now teaching English and helping people build homes throughout the Americas.

Not only are we giving more development assistance, we are taking steps to make it more effective. Through the Millennium Challenge Account initiative, we are directing new assistance to countries that have proven their commitment to democracy but that need help in building effective institutions. So last year, we signed a compact with Honduras for \$215 million and with Nicaragua for \$175 million, both of which will help revitalize the rural roads and help farmers transport their goods to market. We are now negotiating a compact with El Salvador and we are devoting \$35 million to help Paraguay fight corruption and move closer to a compact of its own.

The United States has forged a comprehensive strategy of partnerships with our peoples -- with the peoples of our hemisphere. This strategy is fueled with new thinking and new resources, but it rests upon a shared aspiration that is as old as the Americas themselves. It is the hope of the new world, a place where all human beings would have the opportunity to live and flourish in freedom, according to their God-given talents and that by the power of their example, they would be like a light that inspires all humankind to rise above injustice and poverty that has defined too much of our past.

Ladies and gentlemen, today the eyes of the entire world often turn to the Americas in places like Burma and Zimbabwe, in Lebanon, in Egypt, and yes, in Afghanistan and Iraq. Citizens are looking for inspiration in their own struggles to overcome a past of violence and tyranny and inequality. They are looking for an example of other people whose freedoms were once denied, but who won their independence and embraced democracy and created new opportunities for prosperity. We must show impatient patriots around the world that the historic mission of the Americas is more than just a dream; it is a reality within reach and growing closer.

I want to thank the Council for your sustained commitment to this vision, to the cause of democracy and the cause of development in our hemisphere. And today I want to leave you with this challenge. All of you, as intellectual and business elites, have a particularly important role to play at this historic time for the Americas. I would ask you to use your influence to make democracy a force for inclusion and empowerment. Work for effective institutions that will better people's lives in real ways and in real time, especially the most disadvantaged, the most marginalized of peoples in our hemisphere. And always, always make the case that political and economic freedoms are not quick fixes, but they are lasting fixes.

Our commitment to effective democracy is the only way to meet people's rightfully high expectations of their governments. Democracy is a long road, but we are in it for the long haul. And it is the only system of governance on the face of the earth that is worth the patience and the sacrifice that it takes to succeed.

Thank you very much.