

Originally Processed With FOIA(s):

S

FOIA Number:

2011-2184-F

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the George Bush Presidential Library Staff.

Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Speechwriting, White House Office of
Series: Speech File Draft Files
Subseries: Chron File, 1989-1993

OA/ID Number: 13485
Folder ID Number: 13485-013

Folder Title:
Council of the Americas, 5/2/89 [2]

Stack:	Row:	Section:	Shelf:	Position:
G	26	15	7	1

THE WHITE HOUSE

WASHINGTON

May 1, 1989

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: DANIEL MCGROARTY
THROUGH: DAVID DEMAREST
SUBJECT: COUNCIL OF THE AMERICAS

Your changes have been incorporated.

Please note one additional change in the draft: a short bridge on page 7, for the transition from the political to economic theme.

THE WHITE HOUSE
WASHINGTON

April 28, 1989

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: DANIEL MCGROARTY

SUBJECT: COUNCIL OF THE AMERICAS SPEECH

I. SUMMARY

The attached draft has been prepared for your address to the Council of the Americas association, Tuesday morning, May 2, 1989, at the Department of State. The audience will be approximately 380 business executives with business interests in Latin America. Council of the Americas is chaired by David Rockefeller.

II. DISCUSSION

This speech provides an opportunity to speak about democratic developments in Latin America, with special emphasis on the changes we seek in Nicaragua. The speech also focuses on debt relief and economic reform, issues that should be of particular interest to this audience.

McGroarty/Dooley
April 28, 1989
9:35 p.m.
Draft 3

PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS
WASHINGTON, D.C.
MAY 2, 1989

[Introductory remarks, acknowledgements....]

Looking around the world today, in the developing world and even in the communist bloc, we see the triumph of two great ideas: the idea of free government, and the idea of free enterprise.

Certainly, Latin America and the Caribbean are proving fertile ground for these ideas. Democracy -- a decade ago the exception -- is today the rule. The symbol of this new breeze is the ballot box. By year's end, 14 national elections will have been held across the Americas.

And let's remember what it means to vote when democracy itself is at stake. We're not talking about people who may stay home from the polls because it's raining, or rush hour traffic is heavy. We're talking about people risking their lives to exercise their democratic right.

Listen to the words of a Salvadoran man, on the eve of last month's presidential elections in that country -- elections guerilla forces vowed to disrupt:

"Of course I'm going to vote, although I have to admit it's very scary.... Here, going to the grocery store can be dangerous

-- but you have to do it. And you have to vote, too. We just can't roll over and play dead each time we're threatened."

That's the voice of democracy speaking -- and it's the voice of courage and hope.

Economically, although there is concern about international debt, there are encouraging signs as well. Mexico has joined GATT, and is moving toward a more open and internationally-oriented economy. In Costa Rica, Brazil and Venezuela new ventures are creating export opportunities that promise a broader economic base. You in the business community are among the pioneers and partners in these changes. You are contributing to Latin America's increased productivity -- you are helping the region to fulfill its potential for progress.

The historic shift in political and economic thinking now underway in Latin America is good news for us all. Our task is clear: to make the most of the new opportunities open to us, we must improve our working partnerships in this hemisphere -- between countries north and south, between government, business and labor, and, in the U.S., between the different branches of the federal government. We share common interests -- we must work towards a common aim.

My Administration will work to build a new partnership for the Americas -- a partnership built on mutual respect, and mutual responsibilities.

We seek a partnership rooted in a common commitment to democratic rule.

The battle for democracy is far from over. The institutions of free government are still fragile, and in need of support. Our battlefield is the broad middle ground of democracy and popular government -- our fight against the enemies of freedom on the extreme right and the extreme left.

As a result of the recent Bipartisan Accord on Central America, the United States is speaking with one voice on a matter of crucial importance to peace in Central America: bringing democracy to Nicaragua, and peace to the region.

Let me take this opportunity to make several observations on steps that are vital to peace, security and democracy in Central America:

First, Nicaragua's effort to export violent revolution must stop. We cannot tolerate Sandinista support -- which continues today -- for insurgencies in El Salvador and Guatemala, and terrorism in Honduras. Peace in the region cannot co-exist with attempts to undermine democracy.

Second, we call upon the Soviet Union to end Soviet bloc support for the Nicaraguan assault on regional democracy. The United States ended military aid to the Nicaraguan Resistance two years ago, yet since that time, the Soviets continue to funnel about half a billion dollars worth of military assistance a year to the Sandinista regime. Furthermore, Cuba and Nicaragua, supplied by \$7 billion in Soviet bloc aid, have stepped up arms flow to the Salvadoran guerillas. That aid must stop.

The Soviet Union must understand that we hold it accountable for the consequences of its intervention in this hemisphere -- and for progress towards peace in the region and democracy in Nicaragua. As the Bipartisan Accord makes clear, continued Soviet support of violence and subversion in Central America is in direct violation of the Esquipulas Agreement concluded by the nations of Central America a year and a half ago.

Finally, within Nicaragua, we want to see a promise kept -- the promise of democracy, withheld by the Sandinista regime for nearly a decade. To this end, the U.S. will continue to supply humanitarian aid to the Nicaraguan resistance through the elections scheduled in Nicaragua for February 1990. The conduct and the outcome of those elections will demonstrate to Nicaragua's neighbors and the international community whether it means to deliver on democracy.

But the Sandinistas' recent actions are ominous. April 25th was the benchmark date for Nicaragua to have in place electoral laws consistent with free and fair elections. Instead, restrictive new election and press laws have been pushed through the Sandinista-controlled legislature. These laws have been unilaterally imposed and the proposals of Nicaragua's opposition parties have been ignored. The result is a stacked deck against the opposition and stacked rules of the game.

The election law mandates unilaterally that half of all foreign political contributions go to the Supreme Electoral Council, which remains under Sandinista control -- and ignores

proposals put forward by the opposition. In effect that's a stacked deck against freedom. The new law governing press conduct gives excessive controls to the Interior Ministry to police violations against "national integrity," and continues the prohibition of private-sector ownership of television stations.

If there is to be peace in Nicaragua, the Sandinista regime must work with the opposition -- including the Nicaraguan Resistance -- to put in place election and press laws that are truly free and fair.

That means to have free and fair elections. It means a secret ballot on election day, the freedom to campaign, to organize, hold rallies -- to use the media and poll public opinion, to operate independent radio and television stations. It means the absence of intimidation either from a politicized Sandinista military or police, or from the neighborhood block committees that control people's ration cards. It means an end to the arrests and bullying of opposition leaders. It means freeing all political prisoners jailed under Sandinista rule, not just former Somoza soldiers.

If the Sandinistas fail this test, it will be a tragic setback -- and a dangerous one. The consolation of tyranny will not be peace; it will be a crisis waiting to happen.

I want to mention several other Latin nations where elections can signal positive change:

In El Salvador, last month's elections proved another ringing affirmation of that nation's commitment to democracy. We

expect ARENA to exercise its political power responsibly. I have conveyed to President-Elect Cristiani our commitment to human rights in El Salvador. He shares my concerns, and he's deserves a chance.

In Paraguay, the only country whose dictator had held power longer than Fidel Castro, elections have just taken place -- the first hopeful sign that Paraguay is on its way to joining the democratic mainstream. That Democratic opening must continue.

In Panama, however, the forecast for freedom is less clear. A free and fair vote in the elections scheduled for this Sunday would enable Panama to take a significant step towards ending the international isolation and internal economic crisis brought on by the Noriega regime. And in spite of intimidation from the authorities, Panama's opposition parties have -- with great courage -- taken their campaign to the Panamanian people. The Noriega regime's candidates are trailing in polls by a margin of 2 to 1.

Unfortunately, it is evident that the regime is ready to resort to massive election fraud in order to remain in power. The Noriega regime continues to threaten and intimidate Panamanians who believe in democracy. It is also attempting to limit the presence and freedom of action of international observers, and to prevent journalists from reporting on the election process in Panama.

Let me be clear: the United States will not recognize the results of a fraudulent election engineered to keep Noriega in power.

It's time for the plain truth: The day of the dictator is over. The people's right to democracy must not be denied. [pause]

Our new partnership must also aim at ensuring that the market economies survive, prosper and prevail.

The principals of economic freedom have not been applied as fully as the principal of democracy. While the poverty of statism and protectionism is more evident than ever, statist economies remain in place, stifling growth, in many Latin nations.

That is why the U.S. has made a new initiative to reduce the weight of debt, as Latin governments and leaders take the difficult steps to restructure their economies.

Economic growth requires policies that create a climate for investment -- one that will attract new capital, and reverse the flight of capital out of the region.

We welcome the broad international support expressed for our ideas to strengthen the debt strategy. We urge the parties involved -- the international financial institutions, debtor countries, and commercial banks -- to make a sustained effort to move this process forward. We recognize the competing claims debtor governments must try to satisfy as they work to advance economic reform, service their debt, and respond to the needs of their citizens. However, we also understand that progress can be

an incremental process -- case-by-case, step-by-step -- provided there is a clear commitment to economic reform.

Finally, our common partnership must confront a common enemy: international drug traffickers.

Drugs threaten citizens and civil society throughout our hemisphere. Joining forces in the war on drugs is crucial. There is nothing gained by trying to lay blame and make recriminations. Drug abuse is a problem of both supply and demand -- and attacking both is the only way we can defeat the drug menace. [pause]

There is a place in this new partnership for you in the Council of the Americas. Thomas Paine said that "the prosperity of any commercial nation is regulated by the prosperity of the rest." Your efforts contribute directly to the greater prosperity of all the nations of the Americas.

The challenges I've spoken of today won't be easy. But all of us -- North and South, in government and in the private sector -- can work together to meet the challenges, and master them.

We've got work to do -- work that won't wait -- to ensure that all the Americas enjoy the peace, freedom and prosperity that we cherish.

Thank you.



WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/28/89

ACTION/CONCURRENCE/COMMENT DUE BY: 4/28/89 4:00 PM

SUBJECT: PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input type="checkbox"/>	<input type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 4:00 PM, TODAY, Friday, April 28, 1989, with an info copy to my office. Thank you.

RESPONSE:

*See comment
AHC
4/28/89*

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

1989 APR 28 11:45 AM
McGroarty/Dooley
April 28, 1989
11:45 am
Draft 2

PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS
WASHINGTON, D.C.
MAY 2, 1989

[Introductory remarks, acknowledgements....]

Looking around the world today, in the developing ^{countries} world and even in the communist bloc, we see the triumph of two great ideas: the idea of free government, and the idea of free enterprise.

Certainly, Latin America is proving fertile ground for these ideas. Democracy -- a decade ago the exception -- is today the rule. The ^{great} symbol of this ^{change} new breeze is the ballot box. By year's end, 14 national elections will have been held across Latin America and the Caribbean.

And let's remember what it means to vote when democracy itself is at stake. We're not talking about people who may stay home from the polls because it's raining, or rush hour traffic is heavy. We're talking about people risking their lives to exercise their democratic right.

Listen to the words of a Salvadoran man, on the eve of the last month's presidential elections in that country -- elections guerilla forces vowed to disrupt:

"Of course I'm going to vote, although I have to admit it's very scary.... Here, going to the grocery store can be dangerous

-- but you have to do it. And you have to vote, too. We just can't roll over and play dead each time we're threatened."

That's the voice of democracy speaking -- and it's the voice of courage and hope.

Economically, there are encouraging signs as well. Mexico has joined GATT, and is moving toward a more open and internationally-oriented economy. In Costa Rica, Brazil and Venezuela new ventures are creating export opportunities that promise a broader economic base. You in the business community are among the pioneers and partners in these changes. You are contributing to Latin America's increased productivity -- you are helping the region to fulfill its potential for progress.

The historic shift in political and economic thinking now underway in Latin America is good news for us all. Our task is clear: to make the most of the new opportunities open to us, we must improve our working partnerships in this hemisphere -- between countries north and south, between government and business, and, in the U.S., between the different branches of the federal government. We share common interests -- we must work towards a common aim.

The U.S. can lead the way. My Administration will work to build a new partnership for the Americas -- a partnership built on mutual respect, and mutual responsibilities.

We seek a partnership rooted in a common commitment to democratic rule.

The battle for democracy is far from over. The institutions of free government are still fragile, and in need of support. Our battlefield is the broad middle ground of democracy and popular government -- our fight against the enemies of freedom on the extreme right and the extreme left.

As a result of the recent Bipartisan Accord on Central America, the United States is speaking with one voice on a matter of crucial importance to peace in Central America: bringing democracy to Nicaragua, and peace to the region.

Let me take this opportunity to make several observations on steps that are vital to peace, security and democracy in Central America:

First, Nicaragua's effort to export violent revolution must stop. We cannot tolerate Sandinista support -- which continues today -- for insurgencies in El Salvador and Guatemala, and terrorism in Honduras. *? When there are attempts to undermine democracy, peace has no reality.* Peace in the region cannot co-exist with attempts to undermine democracy. *?*

Second, we call upon the Soviet Union to end Soviet bloc support for the anti-democratic activities of Cuba and Nicaragua. While the U.S. has not provided military aid to the Nicaraguan Resistance for the past 18 months, the Soviets continue to funnel \$500 million dollars worth of military assistance a year -- well over a million dollars in military aid each day -- to the Sandinista regime. *That Soviet military aid must stop.* That aid must stop.

The Soviet Union must understand that we hold it accountable for the consequences of its intervention in this hemisphere --

and for progress towards peace in the region and democracy in Nicaragua. As the Bipartisan Accord makes clear, continued Soviet support of violence and subversion in Central America is in direct violation of the Esquipulas Agreement concluded by the nations of Central America a year and a half ago.

Finally, within Nicaragua, we want to see a promise kept -- the promise of democracy, withheld by the Sandinista regime for nearly a decade. To this end, the U.S. will continue to supply humanitarian aid to the Nicaraguan resistance through the elections scheduled in Nicaragua for February 1990. The conduct and the outcome of those elections will demonstrate to Nicaragua's neighbors and the international community whether it means to deliver on democracy. *The promise of democracy must be fulfilled.*

But the Sandinistas' recent actions cause us concern. April 25th was the benchmark date for Nicaragua to have in place electoral laws consistent with free and fair elections. Instead, restrictive new election and press laws have been pushed through the Sandinista-controlled legislature -- over the objections of Nicaragua's opposition parties.

The election law mandates that one-half of all foreign political contributions go to the Sandinista-controlled Supreme Electoral Council -- and ignores proposals put forward by the Nicaraguan opposition to provide for unlimited freedom of access for international election observers. The new law governing press conduct authorizes the Interior Ministry to police

violations against "national integrity," and to close down news operations found to cross this arbitrary line ~~for four days~~. *for four days*

The Sandinista regime must work with the Nicaraguan opposition -- including the Nicaraguan Resistance -- to put in place election and press laws that are truly free and fair.

We know what it means to have free and fair elections. It means freedom for every citizen to cast a secret ballot on election day -- but it also means much more than that. It means the freedom to campaign, to organize, hold rallies -- to ~~use the~~ *have* ~~media~~ *use* and poll public opinion, to ~~operate~~ *have access to* independent radio and television stations. It means the absence of intimidation -- an end to the arrests and bullying of opposition leaders by Sandinista security forces. It means freeing all political prisoners jailed under Sandinista rule.

The people of Nicaragua have waited long enough. It's time for the Sandinistas to deliver the democracy they promised.

I want to mention several other Latin nations where elections can signal positive change:

In El Salvador, last month's elections proved another ringing affirmation of that nation's commitment to democracy. We expect ARENA to exercise its political power responsibly. I have conveyed to President Christiani our concerns about human rights in El Salvador. He shares my concerns, and he's off to a good start.

In Paraguay, the only country whose dictator had held power longer than Fidel Castro, elections have just taken place -- the

first hopeful sign that Paraguay is on its way to joining the democratic mainstream.

In Panama, however, the forecast for freedom is less clear. A free and fair vote in the elections scheduled for this Sunday would enable Panama to take a significant step towards ending the international isolation and internal economic crisis brought on by the Noriega regime. And in spite of intimidation from the authorities, Panama's opposition parties have -- with great courage -- taken their campaign to the Panamanian people. The Noriega regime's candidates are trailing in polls by a margin of 2 to 1.

Unfortunately, it is evident that the regime is ready to resort to massive election fraud in order to remain in power. The Noriega regime continues to threaten and intimidate Panamanians who believe in democracy. It is also attempting to limit the presence and freedom of ~~access~~^{access} of international observers, and to prevent journalists from reporting on the election process in Panama.

Let me be clear: the United States will not recognize the results of a fraudulent election engineered to keep Noriega in power.

It's time for the plain truth: The day of the dictator is over. The people's right to democracy must not be denied. [pause]

Our new partnership must also aim at ensuring that the market economies survive, prosper and prevail.

What?

So far, economic freedom has not kept pace with its political counterpart. While the poverty of statism and protectionism is more evident than ever, statist economies remain in place, stifling growth, in many Latin nations.

change word

That is why the U.S. has made a new commitment to reduce the weight of debt, as Latin governments and leaders take the difficult steps to restructure their economies.

The key point should be clear: debt reduction is a necessary step, but not sufficient in itself to generate growth. Growth requires creation of a climate for investment -- one that will attract new capital, and stem and reverse the flight of capital out of the region.

We recognize that individual debtor economies are different -- and that election schedules do not always match the ideal pace for economic reform. We recognize the competing claims governments must try to satisfy as they work to advance economic reform, service their debt, and respond to the needs of their citizens. But our plan isn't a "now or never" approach. Progress can be an incremental process -- case-by-case, step-by-step -- provided there is a clear commitment to economic reform.

Finally, our common partnership must confront a common enemy: international drug traffickers.

Drugs threaten citizens and civil society throughout our hemisphere. Joining forces in the war on drugs is crucial. There is nothing gained by trying to lay blame and make recriminations. Drug abuse is a problem of both supply and

demand -- and attacking both is the only way we can defeat the drug menace. [pause]

There is a place in this new partnership for you in the Council of the Americas. Thomas Jefferson said that "it is a kind of law of nature that every nation prospers by the prosperity of others." Your efforts contribute directly to the greater prosperity of all nations of the Americas.

The challenges I've spoken of today won't be easy. But all of us -- North and South, in government and in the private sector -- can work together to meet the challenges, and master them.

We've got work to do -- work that won't wait -- to ensure that all the Americas enjoy the peace, freedom and prosperity that we cherish.

Thank you.


WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/28/89

ACTION/CONCURRENCE/COMMENT DUE BY:

4/28/89 4:00 PM

SUBJECT: PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE <i>N/C</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT <i>-A coming</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN <i>N/C</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input type="checkbox"/>	<input type="checkbox"/>
BATES <i>- working</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input type="checkbox"/>	<input type="checkbox"/>	WINSTON 	<input type="checkbox"/>	<input checked="" type="checkbox"/>
*CARD <i>Andy's changes were not made before bond, because they did not come in until Saturday morning.</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 4:00 PM, TODAY, Friday, April 28, 1989, with an info copy to my office. Thank you.

RESPONSE:

D² checked 9:30 pm. Friday 4-28-89

James W. Cicconi
 Assistant to the President
 and Deputy to the Chief of Staff
 Ext. 2702

1989 APR 28 11:45

McGroarty/Dooley
April 28, 1989
11:45 am
Draft 2

PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS
WASHINGTON, D.C.
MAY 2, 1989

[Introductory remarks, acknowledgements....]

Looking around the world today, in the developing world and even in the communist bloc, we see the triumph of two great ideas: the idea of free government, and the idea of free enterprise.

Certainly, Latin America[^] ~~is~~ *and the Caribbean are* proving fertile ground for these ideas. Democracy -- a decade ago the exception -- is today the rule. The symbol of this new breeze is the ballot box. By year's end, 14 national elections will have been held across ~~Latin America and the Caribbean.~~ *the Americas.*

And let's remember what it means to vote when democracy itself is at stake. We're not talking about people who may stay home from the polls because it's raining, or rush hour traffic is heavy. We're talking about people risking their lives to exercise their democratic right.

Listen to the words of a Salvadoran man, on the eve of the last month's presidential elections in that country -- elections guerilla forces vowed to disrupt:

"Of course I'm going to vote, although I have to admit it's very scary.... Here, going to the grocery store can be dangerous

3860

-- but you have to do it. And you have to vote, too. We just can't roll over and play dead each time we're threatened."

That's the voice of democracy speaking -- and it's the voice of courage and hope.

Economically, ^{although there is ~~worry~~ ^{concern} about international debt, Scowcroft} there are encouraging signs as well. Mexico has joined GATT, and is moving toward a more open and internationally-oriented economy. In Costa Rica, Brazil and Venezuela new ventures are creating export opportunities that promise a broader economic base. You in the business community are among the pioneers and partners in these changes. You are contributing to Latin America's increased productivity -- you are helping the region to fulfill its potential for progress.

The historic shift in political and economic thinking now underway in Latin America is good news for us all. Our task is clear: to make the most of the new opportunities open to us, we must improve our working partnerships in this hemisphere -- between countries north and south, between government, ^{and labor} ^{Bates} and business, and, in the U.S., between the different branches of the federal government. We share common interests -- we must work towards a common aim.

~~The U.S. can lead the way.~~ ^{Bates} My Administration will work to build a new partnership for the Americas -- a partnership built on mutual respect, and mutual responsibilities.

We seek a partnership rooted in a common commitment to democratic rule.

The battle for democracy is far from over. The institutions of free government are still fragile, and in need of support. Our battlefield is the broad middle ground of democracy and popular government -- our fight against the enemies of freedom on the extreme right and the extreme left.

As a result of the recent Bipartisan Accord on Central America, the United States is speaking with one voice on a matter of crucial importance to peace in Central America: bringing democracy to Nicaragua, and peace to the region.

Let me take this opportunity to make several observations on steps that are vital to peace, security and democracy in Central America:

First, Nicaragua's effort to export violent revolution must stop. We cannot tolerate Sandinista support -- which continues today -- for insurgencies in El Salvador and Guatemala, and terrorism in Honduras. Peace in the region cannot co-exist with attempts to undermine democracy.

Second, we call upon the Soviet Union to end Soviet-bloc support for the ^{Nicaraguan assault on regional democracy} ~~anti-democratic activities of Cuba and Nicaragua.~~

^{The United States} ~~While the U.S. has not provided military aid to the Nicaraguan~~ ^{ended} ~~Resistance for the past 18 months,~~ ⁱⁿ ~~the Soviets continue to funnel~~ ^{two years yet, since that time} ~~about~~ ^{half a billion} ~~\$500 million~~ ^{Bates would like deleted} ~~dollars worth of military assistance a year~~ ~~well~~ ~~over a million dollars in military aid each day~~ ~~to the~~ ~~Sandinista regime.~~ ~~That aid must stop.~~ ~~aid to the Contras.~~

The Soviet Union must understand that we hold it accountable

for the consequences of its intervention in this hemisphere --

^{Furthermore,} ¹⁷ Cuba + Nicaragua, supplied by 17 Billion in Soviet bloc aide, have stepped up arms flow to the Salvadoran guerrillas.

(Emphasize more)

(Key pt)

△

and for progress towards peace in the region and democracy in Nicaragua. As the Bipartisan Accord makes clear, continued Soviet support of violence and subversion in Central America is in direct violation of the Esquipulas Agreement concluded by the nations of Central America a year and a half ago.

PRN?

Finally, within Nicaragua, we want to see a promise kept -- the promise of democracy, withheld by the Sandinista regime for nearly a decade. To this end, the U.S. will continue to supply humanitarian aid to the Nicaraguan resistance through the elections scheduled in Nicaragua for February 1990. The conduct and the outcome of those elections will demonstrate to Nicaragua's neighbors and the international community whether it means to deliver on democracy.

But the Sandinistas' recent actions ^{are ominous} ~~cause us concern~~. April 25th was the benchmark date for Nicaragua to have in place electoral laws consistent with free and fair elections. Instead, restrictive new election and press laws have been pushed through the Sandinista-controlled legislature, ~~over the objections of~~ ^{These laws have been unilaterally} ~~and the proposals of~~ ^{imposed} Nicaragua's opposition parties. ~~stacked deck against the opposition and stacked rules of the game.~~ ^{stacked}

The election law mandates that ~~one-half~~ ^{unilaterally} of all foreign political contributions go to the ~~Sandinista-controlled~~ ^{which remains under Sandinista control (or is)} Supreme Electoral Council, ~~and ignores~~ ^{it} proposals put forward by the Nicaraguan opposition ~~to provide for unlimited freedom of access~~ ^{The Sandinistas refused to discuss} for international election observers. The new law governing ~~stacked rules of the game.~~ ^{stacked} press conduct ~~authorizes~~ ^{Bates} the Interior Ministry to police

^{gives excessive controls to} ~~authorizes~~ ^{Bates} the Interior Ministry to police ^{OK}

^{stacked}
^{3x}
[↓]
^B
^{In effect}
^{that's}
^{a stacked}
^{deck}
^{against}
^{freedom}

violations against "national integrity," ~~and to close down news of private-sector ownership of television stations. operations found to cross this arbitrary line for four days.~~

and continues the prohibition

If there is to be peace in Nicaragua

The Sandinista regime must work with the Nicaraguan opposition -- including the Nicaraguan Resistance -- to put in place election and press laws that are truly free and fair.

That Bates

We know ~~what it~~ means to have free and fair elections. It means ~~freedom for every citizen to cast a secret ballot on election day, — but it also means much more than that.~~ It means ^{Bates}

the freedom to campaign, to organize, hold rallies -- to use the media and poll public opinion, to operate independent radio and television stations. It means the absence of intimidation^① — an end to the arrests and bullying of opposition leaders, by

~~Sandinista security forces.~~ It means freeing all political prisoners jailed under Sandinista rule, *not just former Somoza soldiers.*

If the Sandinistas fail this test, it will be a tragic setback —

~~The people of Nicaragua have waited long enough. It's time for the Sandinistas to deliver the democracy they promised.~~

— and a dangerous one. The consolation of tyranny will not be peace; it will be a crisis waiting to happen.

I want to mention several other Latin nations where elections can signal positive change:

In El Salvador, last month's elections proved another ringing affirmation of that nation's commitment to democracy. We expect ARENA to exercise its political power responsibly. I have conveyed to President ^{—elect} Christiani our ^{commitment to} ~~concerns about~~ ^{Bates} human rights in El Salvador. He shares my concerns, and he's ^{deserves a chance.} off to a good ~~start.~~ ^{Bates}

In Paraguay, the only country whose dictator had held power longer than Fidel Castro, elections have just taken place -- the

2

first hopeful sign that Paraguay is on its way to joining the democratic mainstream. *That Democratic opening must continue.* ^{Bates}

In Panama, however, the forecast for freedom is less clear. A free and fair vote in the elections scheduled for this Sunday would enable Panama to take a significant step towards ending the international isolation and internal economic crisis brought on by the Noriega regime. And in spite of intimidation from the authorities, Panama's opposition parties have -- with great courage -- taken their campaign to the Panamanian people. The Noriega regime's candidates are trailing in polls by a margin of 2 to 1.

Unfortunately, it is evident that the regime is ready to resort to massive election fraud in order to remain in power. The Noriega regime continues to threaten and intimidate Panamanians who believe in democracy. It is also attempting to limit the presence and freedom of action of international observers, and to prevent journalists from reporting on the election process in Panama.

Let me be clear: the United States will not recognize the results of a fraudulent election engineered to keep Noriega in power.

It's time for the plain truth: The day of the dictator is over. The people's right to democracy must not be denied. [pause]

Our new partnership must also aim at ensuring that the market economies survive, prosper and prevail.

The principles of ⁷ have been applied as fully as the principle of ~~So far, economic freedom has not kept pace with its~~ *democracy*
political counterpart. While the poverty of statism and *Bates*
protectionism is more evident than ever, statist economies remain
in place, stifling growth, in many Latin nations.

That is why the U.S. has made a new *initiative* ~~commitment~~ *Bates* to reduce the
weight of debt, as Latin governments and leaders take the
difficult steps to restructure their economies.

(A) *Bates*
The key point should be clear: debt reduction is a
necessary step, but not sufficient in itself to generate growth.
Growth requires creation of a climate for investment -- one that
will attract new capital, and stem and reverse the flight of
capital out of the region.

(B) *Bates*
We recognize that individual debtor economies are different
-- and that election schedules do not always match the ideal pace
for economic reform. We recognize the competing claims
governments must try to satisfy as they work to advance economic
reform, service their debt, and respond to the needs of their
citizens. But our *approach isn't* ~~plan isn't~~ *Bates* a "now or never" *plan* ~~approach~~ *Bates*.

However, we also understand that
Progress can be an incremental process -- case-by-case, step-by-
step -- provided there is a clear commitment to economic reform.

Finally, our common partnership must confront a common
enemy: international drug traffickers.

Drugs threaten citizens and civil society throughout our
hemisphere. Joining forces in the war on drugs is crucial.
There is nothing gained by trying to lay blame and make
recriminations. Drug abuse is a problem of both supply and

demand -- and attacking both is the only way we can defeat the drug menace. [pause]

There is a place in this new partnership for you in the Council of the Americas. Thomas ^{Paine} ~~Jefferson~~ said that "~~it is a kind of law of nature that every nation prospers by the prosperity of others.~~" Your efforts contribute directly to the greater prosperity of all ^{the} nations of the Americas.

The challenges I've spoken of today won't be easy. But all of us -- North and South, in government and in the private sector -- can work together to meet the challenges, and master them.

We've got work to do -- work that won't wait -- to ensure that all the Americas enjoy the peace, freedom and prosperity that we cherish.

Thank you.

"the prosperity of any commercial nation is regulated by the prosperity of the rest."

THE WHITE HOUSE

WASHINGTON

April 28, 1989

MEMORANDUM FOR CHRISS WINSTON

FROM: ROGER B. PORTER *RBP*

SUBJECT: Presidential Remarks: Council of the Americas

I have quickly reviewed the draft presidential remarks for his address to the Council of the Americas and have no problems with it from a policy standpoint, nor do I have any editorial suggestions.

cc: James W. Cicconi

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/28/89

ACTION/CONCURRENCE/COMMENT DUE BY:

4/28/89 4:00 PMSUBJECT: PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input type="checkbox"/>	<input type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 4:00 PM, TODAY, Friday, April 28, 1989, with an info copy to my office. Thank you.

RESPONSE:

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

1503 APR 20 11 12 a
McGroarty/Dooley
April 28, 1989
11:45 am
Draft 2

PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS
WASHINGTON, D.C.
MAY 2, 1989

[Introductory remarks, acknowledgements....]

Looking around the world today, in the developing world and even in the communist bloc, we see the triumph of two great ideas: the idea of free government, and the idea of free enterprise.

Certainly, Latin America is proving fertile ground for these ideas. Democracy -- a decade ago the exception -- is today the rule. The symbol of this new breeze is the ballot box. By year's end, 14 national elections will have been held across Latin America and the Caribbean.

And let's remember what it means to vote when democracy itself is at stake. We're not talking about people who may stay home from the polls because it's raining, or rush hour traffic is heavy. We're talking about people risking their lives to exercise their democratic right.

Listen to the words of a Salvadoran man, on the eve of the last month's presidential elections in that country -- elections guerilla forces vowed to disrupt:

"Of course I'm going to vote, although I have to admit it's very scary.... Here, going to the grocery store can be dangerous

-- but you have to do it. And you have to vote, too. We just can't roll over and play dead each time we're threatened."

That's the voice of democracy speaking -- and it's the voice of courage and hope.

Economically, there are encouraging signs as well. Mexico has joined GATT, and is moving toward a more open and internationally-oriented economy. In Costa Rica, Brazil and Venezuela new ventures are creating export opportunities that promise a broader economic base. You in the business community are among the pioneers and partners in these changes. You are contributing to Latin America's increased productivity -- you are helping the region to fulfill its potential for progress.

The historic shift in political and economic thinking now underway in Latin America is good news for us all. Our task is clear: to make the most of the new opportunities open to us, we must improve our working partnerships in this hemisphere -- between countries north and south, between government and business, and, in the U.S., between the different branches of the federal government. We share common interests -- we must work towards a common aim.

The U.S. can lead the way. My Administration will work to build a new partnership for the Americas -- a partnership built on mutual respect, and mutual responsibilities.

We seek a partnership rooted in a common commitment to democratic rule.

The battle for democracy is far from over. The institutions of free government are still fragile, and in need of support. Our battlefield is the broad middle ground of democracy and popular government -- our fight against the enemies of freedom on the extreme right and the extreme left.

As a result of the recent Bipartisan Accord on Central America, the United States is speaking with one voice on a matter of crucial importance to peace in Central America: bringing democracy to Nicaragua, and peace to the region.

Let me take this opportunity to make several observations on steps that are vital to peace, security and democracy in Central America:

First, Nicaragua's effort to export violent revolution must stop. We cannot tolerate Sandinista support -- which continues today -- for insurgencies in El Salvador and Guatemala, and terrorism in Honduras. Peace in the region cannot co-exist with attempts to undermine democracy.

Second, we call upon the Soviet Union to end Soviet bloc support for the anti-democratic activities of Cuba and Nicaragua. While the U.S. has not provided military aid to the Nicaraguan Resistance for the past 18 months, the Soviets continue to funnel \$500 million dollars worth of military assistance a year -- well over a million dollars in military aid each day -- to the Sandinista regime. That aid must stop.

The Soviet Union must understand that we hold it accountable for the consequences of its intervention in this hemisphere --

and for progress towards peace in the region and democracy in Nicaragua. As the Bipartisan Accord makes clear, continued Soviet support of violence and subversion in Central America is in direct violation of the Esquipulas Agreement concluded by the nations of Central America a year and a half ago.

Finally, within Nicaragua, we want to see a promise kept -- the promise of democracy, withheld by the Sandinista regime for nearly a decade. To this end, the U.S. will continue to supply humanitarian aid to the Nicaraguan resistance through the elections scheduled in Nicaragua for February 1990. The conduct and the outcome of those elections will demonstrate to Nicaragua's neighbors and the international community whether it means to deliver on democracy.

But the Sandinistas' recent actions cause us concern. April 25th was the benchmark date for Nicaragua to have in place electoral laws consistent with free and fair elections. Instead, restrictive new election and press laws have been pushed through the Sandinista-controlled legislature -- over the objections of Nicaragua's opposition parties.

The election law mandates that one-half of all foreign political contributions go to the Sandinista-controlled Supreme Electoral Council -- and ignores proposals put forward by the Nicaraguan opposition to provide for unlimited freedom of access for international election observers. The new law governing press conduct authorizes the Interior Ministry to police

violations against "national integrity," and to close down news operations found to cross this arbitrary line for four days.

The Sandinista regime must work with the Nicaraguan opposition -- including the Nicaraguan Resistance -- to put in place election and press laws that are truly free and fair.

We know what it means to have free and fair elections. It means freedom for every citizen to cast a secret ballot on election day -- but it also means much more than that. It means the freedom to campaign, to organize, hold rallies -- to use the media and poll public opinion, to operate independent radio and television stations. It means the absence of intimidation -- an end to the arrests and bullying of opposition leaders by Sandinista security forces. It means freeing all political prisoners jailed under Sandinista rule.

The people of Nicaragua have waited long enough. It's time for the Sandinistas to deliver the democracy they promised.

I want to mention several other Latin nations where elections can signal positive change:

In El Salvador, last month's elections proved another ringing affirmation of that nation's commitment to democracy. We expect ARENA to exercise its political power responsibly. I have conveyed to President Christiani our concerns about human rights in El Salvador. He shares my concerns, and he's off to a good start.

In Paraguay, the only country whose dictator had held power longer than Fidel Castro, elections have just taken place -- the

first hopeful sign that Paraguay is on its way to joining the democratic mainstream.

In Panama, however, the forecast for freedom is less clear. A free and fair vote in the elections scheduled for this Sunday would enable Panama to take a significant step towards ending the international isolation and internal economic crisis brought on by the Noriega regime. And in spite of intimidation from the authorities, Panama's opposition parties have -- with great courage -- taken their campaign to the Panamanian people. The Noriega regime's candidates are trailing in polls by a margin of 2 to 1.

Unfortunately, it is evident that the regime is ready to resort to massive election fraud in order to remain in power. The Noriega regime continues to threaten and intimidate Panamanians who believe in democracy. It is also attempting to limit the presence and freedom of action of international observers, and to prevent journalists from reporting on the election process in Panama.

Let me be clear: the United States will not recognize the results of a fraudulent election engineered to keep Noriega in power.

It's time for the plain truth: The day of the dictator is over. The people's right to democracy must not be denied. [pause]

Our new partnership must also aim at ensuring that the market economies survive, prosper and prevail.

So far, economic freedom has not kept pace with its political counterpart. While the poverty of statism and protectionism is more evident than ever, statist economies remain in place, stifling growth, in many Latin nations.

That is why the U.S. has made a new commitment to reduce the weight of debt, as Latin governments and leaders take the difficult steps to restructure their economies.

The key point should be clear: debt reduction is a necessary step, but not sufficient in itself to generate growth. Growth requires creation of a climate for investment -- one that will attract new capital, and stem and reverse the flight of capital out of the region.

We recognize that individual debtor economies are different -- and that election schedules do not always match the ideal pace for economic reform. We recognize the competing claims governments must try to satisfy as they work to advance economic reform, service their debt, and respond to the needs of their citizens. But our plan isn't a "now or never" approach. Progress can be an incremental process -- case-by-case, step-by-step -- provided there is a clear commitment to economic reform.

Finally, our common partnership must confront a common enemy: international drug traffickers.

Drugs threaten citizens and civil society throughout our hemisphere. Joining forces in the war on drugs is crucial. There is nothing gained by trying to lay blame and make recriminations. Drug abuse is a problem of both supply and

demand -- and attacking both is the only way we can defeat the drug menace. [pause]

There is a place in this new partnership for you in the Council of the Americas. Thomas Jefferson said that "it is a kind of law of nature that every nation prospers by the prosperity of others." Your efforts contribute directly to the greater prosperity of all nations of the Americas.

The challenges I've spoken of today won't be easy. But all of us -- North and South, in government and in the private sector -- can work together to meet the challenges, and master them.

We've got work to do -- work that won't wait -- to ensure that all the Americas enjoy the peace, freedom and prosperity that we cherish.

Thank you.

Denise Schwarz 456-2397

Council of
Americas

(Replace)

Insert One

pg 7

¶ 3

Economic

Growth requires economic policies that create a climate for investment -- one that will attract new capital, and reverse the flight of capital out of the region.

(A)

Insert Two

pg 7

¶ 4 (Replace)

We welcome the broad international support expressed for our ideas to strengthen the debt strategy. We urge the parties involved -- the international financial institutions, debtor countries, and commercial banks -- to make a sustained effort to move this process forward. We recognize the competing claims debtor governments must try to satisfy as they work to advance economic reform, service their debt, and respond to the needs of their citizens. ~~§~~ But we believe that real progress can be made if debtor countries establish sound, market-oriented economic policies and if all parties work together to provide financial support and reduce the burden of debt on these economies.

(B)

From Treasury

April 28, 1989

MEMORANDUM FOR CHRISS WINSTON

FROM; DENISE SCHWARZ
OFFICE OF CABINET AFFAIRS

SUBJECT; PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS
LOG # 031514SS

We have reviewed the attached remarks and have incorporated our comments.

Attachment

cc: Jim Cicconi

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/28/89 ACTION/CONCURRENCE/COMMENT DUE BY: 4/28/89 4:00 PM

SUBJECT: PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input type="checkbox"/>	<input type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 4:00 PM, TODAY, Friday, April 28, 1989, with an info copy to my office. Thank you.

RESPONSE:

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

— State: ^{Mr.} Einaudi - 677-9492.
— Treasury: Phyllis Cayson - 566-8191

McGroarty/Dooley
April 28, 1989
11:45 am
Draft 2

PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS
WASHINGTON, D.C.
MAY 2, 1989

[Introductory remarks, acknowledgements....]

Looking around the world today, in the developing world and even in the communist bloc, we see the triumph of two great ideas: the idea of free government, and the idea of free enterprise.

Certainly, Latin America ^{and the Caribbean are} ~~is~~ proving fertile ground for these ideas. Democracy -- a decade ago the exception -- is today the rule. The symbol of this new breeze is the ballot box. By year's end, 14 national elections will have been held across ~~Latin America and the Caribbean.~~ ^{the Americas.}

And let's remember what it means to vote when democracy itself is at stake. We're not talking about people who may stay home from the polls because it's raining, or rush hour traffic is heavy. We're talking about people risking their lives to exercise their democratic right.

Listen to the words of a Salvadoran man, on the eve of the last month's presidential elections in that country -- elections in which guerilla forces vowed to disrupt:

"Of course I'm going to vote, although I have to admit it's very scary.... Here, going to the grocery store can be dangerous

-- but you have to do it. And you have to vote, too. We just can't roll over and play dead each time we're threatened."

That's the voice of democracy speaking -- and it's the voice of courage and hope.

Economically, there are encouraging signs as well. Mexico has joined GATT, and is moving toward a more open and internationally-oriented economy. In Costa Rica, Brazil and Venezuela new ventures are creating export opportunities that promise a broader economic base. You in the business community are among the pioneers and partners in these changes. You are contributing to Latin America's increased productivity -- you are helping the region to fulfill its potential for progress.

The historic shift in political and economic thinking now underway in Latin America is good news for us all. Our task is clear: to make the most of the new opportunities open to us, we must improve our working partnerships in this hemisphere -- between countries north and south, between government, ~~and~~ business, ^{and labor} and, in the U.S., between the different branches of the federal government. We share common interests -- we must work towards a common aim.

~~The U.S. can lead the way.~~ My Administration will work to build a new partnership for the Americas -- a partnership built on mutual respect, and mutual responsibilities.

We seek a partnership rooted in a common commitment to democratic rule.

The battle for democracy is far from over. The institutions of free government are still fragile, and in need of support. Our battlefield is the broad middle ground of democracy and popular government -- our fight against the enemies of freedom on the extreme right and the extreme left.

As a result of the recent Bipartisan Accord on Central America, the United States is speaking with one voice on a matter of crucial importance to peace in Central America: bringing democracy to Nicaragua, and peace to the region.

Let me take this opportunity to make several observations on steps that are vital to peace, security and democracy in Central America:

First, Nicaragua's effort to export violent revolution must stop. We cannot tolerate Sandinista support -- which continues today -- for insurgencies in El Salvador and Guatemala, and terrorism in Honduras. Peace in the region cannot co-exist with attempts to undermine democracy.

Second, we call upon the Soviet Union to end Soviet bloc support for the anti-democratic activities of Cuba and Nicaragua. While the U.S. has not provided military aid to the Nicaraguan Resistance for the past 18 months, the Soviets continue to funnel ~~\$500 million dollars worth of military assistance a year~~ well over a million dollars in military aid each day ~~to~~ to the Sandinista regime. That aid must stop. *Cuba + Nicaragua, supplied by \$7 Billion in Soviet aid, have stepped up arms flow to the FMLA*

The Soviet Union must understand that we hold it accountable for the consequences of its intervention in this hemisphere --

Salvadoran guerrillas.

and for progress towards peace in the region and democracy in Nicaragua. As the Bipartisan Accord makes clear, continued Soviet support of violence and subversion in Central America is in direct violation of the Esquipulas Agreement concluded by the nations of Central America a year and a half ago.

Finally, within Nicaragua, we want to see a promise kept -- the promise of democracy, withheld by the Sandinista regime for nearly a decade. To this end, the U.S. will continue to supply humanitarian aid to the Nicaraguan resistance through the elections scheduled in Nicaragua for February 1990. The conduct and the outcome of those elections will demonstrate to Nicaragua's neighbors and the international community whether it means to deliver on democracy.

But the Sandinistas' recent actions cause us concern. April 25th was the benchmark date for Nicaragua to have in place electoral laws consistent with free and fair elections. Instead restrictive new election and press laws have been pushed through the Sandinista-controlled legislature -- over the objections of Nicaragua's opposition parties.

The election law mandates ~~that~~ ^{unilaterally} one-half of all foreign political contributions go to the Sandinista-controlled Supreme Electoral Council, ~~and ignores~~ ^{The Sandinistas refused to discuss} proposals put forward by the Nicaraguan opposition, ~~to provide for unlimited freedom of access~~ ^{The result is a stacked electoral con-} ~~for international election observers.~~ ^{stacked rules of the game.} The new law governing press conduct ^{gives excessive controls to} authorizes the Interior Ministry to police

violations against "national integrity," ~~and to close down news operations found to cross this arbitrary line for four days.~~

The Sandinista regime must work with the Nicaraguan opposition -- including the Nicaraguan Resistance -- to put in place election and press laws that are truly free and fair.

We ~~knew~~ ^{that} ~~what it~~ means to have free and fair elections. It means freedom for every citizen to cast a secret ballot on election day, ~~but it also means much more than that. It means~~ the freedom to campaign, to organize, hold rallies -- to use the media and poll public opinion, to operate independent radio and television stations. It means the absence of intimidation -- an end to the arrests and bullying of opposition leaders by Sandinista security forces. It means freeing all political prisoners jailed under Sandinista rule.

The people of Nicaragua have waited long enough. It's time for the Sandinistas to deliver the democracy they promised.

I want to mention several other Latin nations where elections can signal positive change:

In El Salvador, last month's elections proved another ringing affirmation of that nation's commitment to democracy. I expect ARENA to exercise its political power responsibly. I have conveyed to President ^{elect} Christiani our ~~concerns about~~ ^{commitment to} human rights in El Salvador. He shares my concerns, and he ~~is off to a good~~ ^{deserves a chance} ~~start.~~

In Paraguay, the only country whose dictator had held power longer than Fidel Castro, elections have just taken place -- th

first hopeful sign that Paraguay is on its way to joining the democratic mainstream. *That Democratic opening must continue.*

In Panama, however, the forecast for freedom is less clear. A free and fair vote in the elections scheduled for this Sunday would enable Panama to take a significant step towards ending the international isolation and internal economic crisis brought on by the Noriega regime. And in spite of intimidation from the authorities, Panama's opposition parties have -- with great courage -- taken their campaign to the Panamanian people. The Noriega regime's candidates are trailing in polls by a margin of 2 to 1.

Unfortunately, it is evident that the regime is ready to resort to massive election fraud in order to remain in power. The Noriega regime continues to threaten and intimidate Panamanians who believe in democracy. It is also attempting to limit the presence and freedom of action of international observers, and to prevent journalists from reporting on the election process in Panama.

Let me be clear: the United States will not recognize the results of a fraudulent election engineered to keep Noriega in power.

It's time for the plain truth: The day of the dictator is over. The people's right to democracy must not be denied. [pause]

Our new partnership must also aim at ensuring that the market economies survive, prosper and prevail.

The principals of ⁷ ~~so far~~ economic freedom ^{has} ~~not kept pace with its~~ ^{been applied as fully as the} ~~principles~~ of ^{of d}

~~political counterpart.~~ While the poverty of statism and protectionism is more evident than ever, statist economies remain in place, stifling growth, in many Latin nations.

That is why the U.S. has made a new ^{initiative} ~~commitment~~ to reduce the weight of debt, as Latin governments and leaders take the difficult steps to restructure their economies.

The key point should be clear: debt reduction is a necessary step, but not sufficient in itself to generate growth. Growth requires creation of a climate for investment -- one that will attract new capital, and stem and reverse the flight of capital out of the region.

We recognize that individual debtor economies are different -- and that election schedules do not always match the ideal pace for economic reform. We recognize the competing claims governments must try to satisfy as they work to advance economic reform, service their debt, and respond to the needs of their citizens. But our ^{approach isn't} ~~plan isn't~~ a "now or never" ^{plan.} ~~approach.~~ Progress can be an incremental process -- case-by-case, step-by-step -- provided there is a clear commitment to economic reform.

Finally, our common partnership must confront a common enemy: international drug traffickers.

Drugs threaten citizens and civil society throughout our hemisphere. Joining forces in the war on drugs is crucial. There is nothing gained by trying to lay blame and make recriminations. Drug abuse is a problem of both supply and

demand -- and attacking both is the only way we can defeat the drug menace. [pause]

There is a place in this new partnership for you in the Council of the Americas. Thomas Jefferson said that "it is a kind of law of nature that every nation prospers by the prosperity of others." Your efforts contribute directly to the greater prosperity of all nations of the Americas.

The challenges I've spoken of today won't be easy. But all of us -- North and South, in government and in the private sector -- can work together to meet the challenges, and master them.

We've got work to do -- work that won't wait -- to ensure that all the Americas enjoy the peace, freedom and prosperity that we cherish.

Thank you.

April 28, 1989

MEMORANDUM FOR CHRISS WINSTON

FROM; DENISE SCHWARZ
OFFICE OF CABINET AFFAIRS

SUBJECT; PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS
LOG # 031514SS

We have reviewed the attached remarks and have incorporated our comments.

Attachment

cc: Jim Cicconi

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/28/89

ACTION/CONCURRENCE/COMMENT DUE BY:

4/28/89 4:00 PMSUBJECT: PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input type="checkbox"/>	<input type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 4:00 PM, TODAY, Friday, April 28, 1989, with an info copy to my office. Thank you.

RESPONSE:

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

— State: ^{Mr.} Einaudi - 647-9492.

— Treasury: Phyllis Cayson - 566-8191

McGroarty/Dooley
April 28, 1989
11:45 am
Draft 2

1989 APR 28 11:42

PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS
WASHINGTON, D.C.
MAY 2, 1989

[Introductory remarks, acknowledgements....]

Looking around the world today, in the developing world and even in the communist bloc, we see the triumph of two great ideas: the idea of free government, and the idea of free enterprise.

Certainly, Latin America ^{and the Caribbean are} ~~is~~ proving fertile ground for these ideas. Democracy -- a decade ago the exception -- is today the rule. The symbol of this new breeze is the ballot box. By year's end, 14 national elections will have been held across ~~Latin America and the Caribbean.~~ ^{the Americas.}

And let's remember what it means to vote when democracy itself is at stake. We're not talking about people who may stay home from the polls because it's raining, or rush hour traffic is heavy. We're talking about people risking their lives to exercise their democratic right.

Listen to the words of a Salvadoran man, on the eve of the last month's presidential elections in that country -- elections guerilla forces vowed to disrupt:

"Of course I'm going to vote, although I have to admit it's very scary.... Here, going to the grocery store can be dangerous

-- but you have to do it. And you have to vote, too. We just can't roll over and play dead each time we're threatened."

That's the voice of democracy speaking -- and it's the voice of courage and hope.

Economically, there are encouraging signs as well. Mexico has joined GATT, and is moving toward a more open and internationally-oriented economy. In Costa Rica, Brazil and Venezuela new ventures are creating export opportunities that promise a broader economic base. You in the business community are among the pioneers and partners in these changes. You are contributing to Latin America's increased productivity -- you are helping the region to fulfill its potential for progress.

The historic shift in political and economic thinking now underway in Latin America is good news for us all. Our task is clear: to make the most of the new opportunities open to us, we must improve our working partnerships in this hemisphere -- between countries north and south, between government and business, ^{and labor} and, in the U.S., between the different branches of the federal government. We share common interests -- we must work towards a common aim.

~~The U.S. can lead the way.~~ My Administration will work to build a new partnership for the Americas -- a partnership built on mutual respect, and mutual responsibilities.

We seek a partnership rooted in a common commitment to democratic rule.

The battle for democracy is far from over. The institutions of free government are still fragile, and in need of support. Our battlefield is the broad middle ground of democracy and popular government -- our fight against the enemies of freedom on the extreme right and the extreme left.

As a result of the recent Bipartisan Accord on Central America, the United States is speaking with one voice on a matter of crucial importance to peace in Central America: bringing democracy to Nicaragua, and peace to the region.

Let me take this opportunity to make several observations on steps that are vital to peace, security and democracy in Central America:

First, Nicaragua's effort to export violent revolution must stop. We cannot tolerate Sandinista support -- which continues today -- for insurgencies in El Salvador and Guatemala, and terrorism in Honduras. Peace in the region cannot co-exist with attempts to undermine democracy.

Second, we call upon the Soviet Union to end Soviet bloc support for the anti-democratic activities of Cuba and Nicaragua. While the U.S. has not provided military aid to the Nicaraguan Resistance for the past 18 months, the Soviets continue to funnel ~~\$500 million dollars worth of military assistance a year~~ well over a million dollars in military aid each day ~~to~~ to the Sandinista regime. That aid must stop.

The Soviet Union must understand that we hold it accountable for the consequences of its intervention in this hemisphere --

Cuba + Nicaragua, supplied by \$7 Billion in Soviet bloc aid, have stepped up their arms flow to the FMLN Guerrillas in El Salvador.

and for progress towards peace in the region and democracy in Nicaragua. As the Bipartisan Accord makes clear, continued Soviet support of violence and subversion in Central America is in direct violation of the Esquipulas Agreement concluded by the nations of Central America a year and a half ago.

Finally, within Nicaragua, we want to see a promise kept -- the promise of democracy, withheld by the Sandinista régime for nearly a decade. To this end, the U.S. will continue to supply humanitarian aid to the Nicaraguan resistance through the elections scheduled in Nicaragua for February 1990. The conduct and the outcome of those elections will demonstrate to Nicaragua's neighbors and the international community whether it means to deliver on democracy.

But the Sandinistas' recent actions cause us concern. April 25th was the benchmark date for Nicaragua to have in place electoral laws consistent with free and fair elections. Instead, restrictive new election and press laws have been pushed through the Sandinista-controlled legislature -- over the objections of Nicaragua's opposition parties.

The election law mandates ~~that~~ unilaterally that one-half of all foreign political contributions go to the Sandinista-controlled Supreme Electoral Council. ~~and ignores~~ The Sandinistas refused to discuss proposals put forward by the Nicaraguan opposition, ~~to provide for unlimited freedom of access~~ The result is a stacked electoral council and stacked rules of the game. ~~for international election observers.~~ The new law governing press conduct ~~authorizes~~ gives excessive controls to the Interior Ministry to police

violations against "national integrity," ~~and to close down news operations found to cross this arbitrary line for four days.~~

The Sandinista regime must work with the Nicaraguan opposition -- including the Nicaraguan Resistance -- to put in place election and press laws that are truly free and fair.

We know ~~what it~~ ^{that} means to have free and fair elections. It means freedom for every citizen to cast a secret ballot on election day, ~~but it also means much more than that. It means~~ the freedom to campaign, to organize, hold rallies -- to use the media and poll public opinion, to operate independent radio and television stations. It means the absence of intimidation -- an end to the arrests and bullying of opposition leaders by Sandinista security forces. It means freeing all political prisoners jailed under Sandinista rule.

The people of Nicaragua have waited long enough. It's time for the Sandinistas to deliver the democracy they promised.

I want to mention several other Latin nations where elections can signal positive change:

In El Salvador, last month's elections proved another ringing affirmation of that nation's commitment to democracy. We expect ARENA to exercise its political power responsibly. I have conveyed to President ^{elect} Christiani our ^{commitment to} ~~concerns about~~ human rights in El Salvador. He shares my concerns, and he ^{deserves a chance} ~~is off to a good~~ ~~start.~~

In Paraguay, the only country whose dictator had held power longer than Fidel Castro, elections have just taken place -- the

first hopeful sign that Paraguay is on its way to joining the democratic mainstream. *That Democratic opening must continue.*

In Panama, however, the forecast for freedom is less clear. A free and fair vote in the elections scheduled for this Sunday would enable Panama to take a significant step towards ending the international isolation and internal economic crisis brought on by the Noriega regime. And in spite of intimidation from the authorities, Panama's opposition parties have -- with great courage -- taken their campaign to the Panamanian people. The Noriega regime's candidates are trailing in polls by a margin of 2 to 1.

Unfortunately, it is evident that the regime is ready to resort to massive election fraud in order to remain in power. The Noriega regime continues to threaten and intimidate Panamanians who believe in democracy. It is also attempting to limit the presence and freedom of action of international observers, and to prevent journalists from reporting on the election process in Panama.

Let me be clear: the United States will not recognize the results of a fraudulent election engineered to keep Noriega in power.

It's time for the plain truth: The day of the dictator is over. The people's right to democracy must not be denied. [pause]

Our new partnership must also aim at ensuring that the market economies survive, prosper and prevail.

7

The principals of ~~so far,~~ economic freedom ^{have} ~~not kept pace with its~~ ^{been applied as fully as the} ~~principals~~ ^{of democracy.}
~~political counterpart.~~ While the poverty of statism and protectionism is more evident than ever, statist economies remain in place, stifling growth, in many Latin nations.

That is why the U.S. has made a new ~~commitment~~ ^{initiative} to reduce the weight of debt, as Latin governments and leaders take the difficult steps to restructure their economies.

The key point should be clear: debt reduction is a necessary step, but not sufficient in itself to generate growth. Growth requires creation of a climate for investment -- one that will attract new capital, and stem and reverse the flight of capital out of the region.

We recognize that individual debtor economies are different -- and that election schedules do not always match the ideal pace for economic reform. We recognize the competing claims governments must try to satisfy as they work to advance economic reform, service their debt, and respond to the needs of their citizens. But our ~~plan isn't~~ ^{approach isn't} a "now or never" ~~approach.~~ ^{plan.} Progress can be an incremental process -- case-by-case, step-by-step -- provided there is a clear commitment to economic reform.

Finally, our common partnership must confront a common enemy: international drug traffickers.

Drugs threaten citizens and civil society throughout our hemisphere. Joining forces in the war on drugs is crucial. There is nothing gained by trying to lay blame and make recriminations. Drug abuse is a problem of both supply and

demand -- and attacking both is the only way we can defeat the drug menace. [pause]

There is a place in this new partnership for you in the Council of the Americas. Thomas Jefferson said that "it is a kind of law of nature that every nation prospers by the prosperity of others." Your efforts contribute directly to the greater prosperity of all nations of the Americas.

The challenges I've spoken of today won't be easy. But all of us -- North and South, in government and in the private sector -- can work together to meet the challenges, and master them.

We've got work to do -- work that won't wait -- to ensure that all the Americas enjoy the peace, freedom and prosperity that we cherish.

Thank you.

McGroarty/Dooley
April 28, 1989
11:45 am
Draft 2

PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS
WASHINGTON, D.C.
MAY 2, 1989

[Introductory remarks, acknowledgements....]

Looking around the world today, in the developing world and even in the communist bloc, we see the triumph of two great ideas: the idea of free government, and the idea of free enterprise.

Certainly, Latin America is proving fertile ground for these ideas. Democracy -- a decade ago the exception -- is today the rule. The symbol of this new breeze is the ballot box. By year's end, 14 national elections will have been held across Latin America and the Caribbean.

And let's remember what it means to vote when democracy itself is at stake. We're not talking about people who may stay home from the polls because it's raining, or rush hour traffic is heavy. We're talking about people risking their lives to exercise their democratic right.

Listen to the words of a Salvadoran man, on the eve of the last month's presidential elections in that country -- elections guerilla forces vowed to disrupt:

"Of course I'm going to vote, although I have to admit it's very scary.... Here, going to the grocery store can be dangerous

-- but you have to do it. And you have to vote, too. We just can't roll over and play dead each time we're threatened."

That's the voice of democracy speaking -- and it's the voice of courage and hope.

a / though there is worry about international debt,)
 Economically, there are encouraging signs as well. Mexico has joined GATT, and is moving toward a more open and internationally-oriented economy. In Costa Rica, Brazil and Venezuela new ventures are creating export opportunities that promise a broader economic base. You in the business community are among the pioneers and partners in these changes. You are contributing to Latin America's increased productivity -- you are helping the region to fulfill its potential for progress.

The historic shift in political and economic thinking now underway in Latin America is good news for us all. Our task is clear: to make the most of the new opportunities open to us, we must improve our working partnerships in this hemisphere -- between countries north and south, between government and business, and, in the U.S., between the different branches of the federal government. We share common interests -- we must work towards a common aim.

The U.S. can lead the way. My Administration will work to build a new partnership for the Americas -- a partnership built on mutual respect, and mutual responsibilities.

We seek a partnership rooted in a common commitment to democratic rule.

The battle for democracy is far from over. The institutions of free government are still fragile, and in need of support. Our battlefield is the broad middle ground of democracy and popular government -- our fight against the enemies of freedom on the extreme right and the extreme left.

As a result of the recent Bipartisan Accord on Central America, the United States is speaking with one voice on a matter of crucial importance to peace in Central America: bringing democracy to Nicaragua, and peace to the region.

Let me take this opportunity to make several observations on steps that are vital to peace, security and democracy in Central America:

First, Nicaragua's effort to export violent revolution must stop. We cannot tolerate Sandinista support -- which continues today -- for insurgencies in El Salvador and Guatemala, and terrorism in Honduras. Peace in the region cannot co-exist with attempts to undermine democracy.

Second, we call upon the Soviet Union to end Soviet bloc support for the ^{Nicaraguan assault on regional democracy.} ~~anti-democratic activities of Cuba and Nicaragua.~~

^{The United States} ~~While the U.S.~~ has not provided military aid to the Nicaraguan Resistance for the past ^{two years.} ~~18 months.~~ Yet, the Soviets continue to funnel ^{about} \$500 million dollars worth of military assistance a year ~~over a million dollars in military aid each day~~ ^{half a billion} to the Sandinista regime. That aid must stop.

The Soviet Union must understand that we hold it accountable for the consequences of its intervention in this hemisphere --

(Emphasize more)

(Key point ->)

(Good) and for progress towards peace in the region and democracy in Nicaragua. As the Bipartisan Accord makes clear, continued Soviet support of violence and subversion in Central America is in direct violation of the Esquipulas Agreement concluded by the nations of Central America a year and a half ago.

Finally, within Nicaragua, we want to see a promise kept -- the promise of democracy, withheld by the Sandinista regime for nearly a decade. To this end, the U.S. will continue to supply humanitarian aid to the Nicaraguan resistance through the elections scheduled in Nicaragua for February 1990. The conduct and the outcome of those elections will demonstrate to Nicaragua's neighbors and the international community whether it means to deliver on democracy.

(Strengthen) But the Sandinistas' recent actions ^{are ominous.} ~~cause us concern~~. April 25th was the benchmark date for Nicaragua to have in place electoral laws consistent with free and fair elections. Instead, restrictive new election and press laws have been pushed through the Sandinista-controlled legislature ^{These laws have been unilaterally} ~~over the objections of~~

imposed and the proposals of Nicaragua's opposition parties. have been ignored. The result is a stacked deck against the opposition and stacked rules of the game.

The election law mandates that ~~(one)~~ half of all foreign political contributions go to the ~~Sandinista-controlled~~ Supreme Electoral Council, ^{which remains under Sandinista control} ~~and~~ ^{it} ignores proposals put forward by the ~~(Nicaraguan)~~ opposition ~~to provide~~ for unlimited freedom of access ← for international election observers. The new law governing press conduct authorizes the Interior Ministry to police



either from a politicized Sandinista military or police or from the neighborhood block committees that control people's ration cards. It means

and continues the prohibition of private-sector ownership of television stations. ~~and to close down news operations found to cross this arbitrary line for four days.~~

If there is to be peace in Nicaragua,

The Sandinista regime must work with the Nicaraguan

opposition -- including the Nicaraguan Resistance -- to put in place election and press laws that are truly free and fair.

We know what it means to have free and fair elections. It means ~~(freedom for every citizen to cast)~~ a secret ballot on election day -- but it also means much more than that. It means the freedom to campaign, to organize, hold rallies -- to use the media and poll public opinion, to operate independent radio and television stations. It means the absence of intimidation, an end to the arrests and bullying of opposition leaders by

~~Sandinista security forces.~~ It means freeing all political prisoners jailed under Sandinista rule, not just former Somoza soldiers.

~~If the Sandinistas fail this test, it will be a tragic setback -- and a dangerous one. The people of Nicaragua have waited long enough. It's time for the Sandinistas to deliver the democracy they promised.~~ ~~The consolidation of tyranny will not be peace; it will be a crisis waiting to happen.~~

I want to mention several other Latin nations where elections can signal positive change:

In El Salvador, last month's elections proved another ringing affirmation of that nation's commitment to democracy. We expect ARENA to exercise its political power responsibly. I have conveyed to President ^{-elect} Christiani our concerns about human rights in El Salvador. He shares my concerns, and he's off to a good start.

In Paraguay, the only country whose dictator had held power longer than Fidel Castro, elections have just taken place -- the

2
Add in points about politicized military, and ration cards
Better summary line ->

first hopeful sign that Paraguay is on its way to joining the democratic mainstream.

In Panama, however, the forecast for freedom is less clear. A free and fair vote in the elections scheduled for this Sunday would enable Panama to take a significant step towards ending the international isolation and internal economic crisis brought on by the Noriega regime. And in spite of intimidation from the authorities, Panama's opposition parties have -- with great courage -- taken their campaign to the Panamanian people. The Noriega regime's candidates are trailing in polls by a margin of 2 to 1.

Unfortunately, it is evident that the regime is ready to resort to massive election fraud in order to remain in power. The Noriega regime continues to threaten and intimidate Panamanians who believe in democracy. It is also attempting to limit the presence and freedom of action of international observers, and to prevent journalists from reporting on the election process in Panama.

Let me be clear: the United States will not recognize the results of a fraudulent election engineered to keep Noriega in power.

It's time for the plain truth: The day of the dictator is over. The people's right to democracy must not be denied. [pause]

Our new partnership must also aim at ensuring that the market economies survive, prosper and prevail.

So far, economic freedom has not kept pace with its political counterpart. While the poverty of statism and protectionism is more evident than ever, statist economies remain in place, stifling growth, in many Latin nations.

That is why the U.S. has made a new commitment to reduce the weight of debt, as Latin governments and leaders take the difficult steps to restructure their economies.

The key point should be clear: debt reduction is a necessary step, but not sufficient in itself to generate growth. Growth requires creation of a climate for investment -- one that will attract new capital, and stem and reverse the flight of capital out of the region.

We recognize that individual debtor economies are different -- and that election schedules do not always match the ideal pace for economic reform. We recognize the competing claims governments must try to satisfy as they work to advance economic reform, service their debt, and respond to the needs of their citizens. But our plan isn't a "now or never" approach. Progress can be an incremental process -- case-by-case, step-by-step -- provided there is a clear commitment to economic reform.

Finally, our common partnership must confront a common enemy: international drug traffickers.

Drugs threaten citizens and civil society throughout our hemisphere. Joining forces in the war on drugs is crucial. There is nothing gained by trying to lay blame and make recriminations. Drug abuse is a problem of both supply and

demand -- and attacking both is the only way we can defeat the drug menace. [pause]

There is a place in this new partnership for you in the Council of the Americas. Thomas Jefferson said that "it is a kind of law of nature that every nation prospers by the prosperity of others." Your efforts contribute directly to the greater prosperity of all nations of the Americas.

The challenges I've spoken of today won't be easy. But all of us -- North and South, in government and in the private sector -- can work together to meet the challenges, and master them.

We've got work to do -- work that won't wait -- to ensure that all the Americas enjoy the peace, freedom and prosperity that we cherish.

Thank you.

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/28/89

ACTION/CONCURRENCE/COMMENT DUE BY:

4/28/89 4:00 PMSUBJECT: PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input type="checkbox"/>	<input type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 4:00 PM, TODAY, Friday, April 28, 1989, with an info copy to my office. Thank you.

RESPONSE:

No Comment

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

1503 APR 23 11:45
McGroarty/Dooley
April 28, 1989
11:45 am
Draft 2

PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS
WASHINGTON, D.C.
MAY 2, 1989

[Introductory remarks, acknowledgements....]

Looking around the world today, in the developing world and even in the communist bloc, we see the triumph of two great ideas: the idea of free government, and the idea of free enterprise.

Certainly, Latin America is proving fertile ground for these ideas. Democracy -- a decade ago the exception -- is today the rule. The symbol of this new breeze is the ballot box. By year's end, 14 national elections will have been held across Latin America and the Caribbean.

And let's remember what it means to vote when democracy itself is at stake. We're not talking about people who may stay home from the polls because it's raining, or rush hour traffic is heavy. We're talking about people risking their lives to exercise their democratic right.

Listen to the words of a Salvadoran man, on the eve of the last month's presidential elections in that country -- elections guerilla forces vowed to disrupt:

"Of course I'm going to vote, although I have to admit it's very scary.... Here, going to the grocery store can be dangerous

-- but you have to do it. And you have to vote, too. We just can't roll over and play dead each time we're threatened."

That's the voice of democracy speaking -- and it's the voice of courage and hope.

Economically, there are encouraging signs as well. Mexico has joined GATT, and is moving toward a more open and internationally-oriented economy. In Costa Rica, Brazil and Venezuela new ventures are creating export opportunities that promise a broader economic base. You in the business community are among the pioneers and partners in these changes. You are contributing to Latin America's increased productivity -- you are helping the region to fulfill its potential for progress.

The historic shift in political and economic thinking now underway in Latin America is good news for us all. Our task is clear: to make the most of the new opportunities open to us, we must improve our working partnerships in this hemisphere -- between countries north and south, between government and business, and, in the U.S., between the different branches of the federal government. We share common interests -- we must work towards a common aim.

The U.S. can lead the way. My Administration will work to build a new partnership for the Americas -- a partnership built on mutual respect, and mutual responsibilities.

We seek a partnership rooted in a common commitment to democratic rule.

The battle for democracy is far from over. The institutions of free government are still fragile, and in need of support. Our battlefield is the broad middle ground of democracy and popular government -- our fight against the enemies of freedom on the extreme right and the extreme left.

As a result of the recent Bipartisan Accord on Central America, the United States is speaking with one voice on a matter of crucial importance to peace in Central America: bringing democracy to Nicaragua, and peace to the region.

Let me take this opportunity to make several observations on steps that are vital to peace, security and democracy in Central America:

First, Nicaragua's effort to export violent revolution must stop. We cannot tolerate Sandinista support -- which continues today -- for insurgencies in El Salvador and Guatemala, and terrorism in Honduras. Peace in the region cannot co-exist with attempts to undermine democracy.

Second, we call upon the Soviet Union to end Soviet bloc support for the anti-democratic activities of Cuba and Nicaragua. While the U.S. has not provided military aid to the Nicaraguan Resistance for the past 18 months, the Soviets continue to funnel \$500 million dollars worth of military assistance a year -- well over a million dollars in military aid each day -- to the Sandinista regime. That aid must stop.

The Soviet Union must understand that we hold it accountable for the consequences of its intervention in this hemisphere --

and for progress towards peace in the region and democracy in Nicaragua. As the Bipartisan Accord makes clear, continued Soviet support of violence and subversion in Central America is in direct violation of the Esquipulas Agreement concluded by the nations of Central America a year and a half ago.

Finally, within Nicaragua, we want to see a promise kept -- the promise of democracy, withheld by the Sandinista regime for nearly a decade. To this end, the U.S. will continue to supply humanitarian aid to the Nicaraguan resistance through the elections scheduled in Nicaragua for February 1990. The conduct and the outcome of those elections will demonstrate to Nicaragua's neighbors and the international community whether it means to deliver on democracy.

But the Sandinistas' recent actions cause us concern. April 25th was the benchmark date for Nicaragua to have in place electoral laws consistent with free and fair elections. Instead, restrictive new election and press laws have been pushed through the Sandinista-controlled legislature -- over the objections of Nicaragua's opposition parties.

The election law mandates that one-half of all foreign political contributions go to the Sandinista-controlled Supreme Electoral Council -- and ignores proposals put forward by the Nicaraguan opposition to provide for unlimited freedom of access for international election observers. The new law governing press conduct authorizes the Interior Ministry to police

violations against "national integrity," and to close down news operations found to cross this arbitrary line for four days.

The Sandinista regime must work with the Nicaraguan opposition -- including the Nicaraguan Resistance -- to put in place election and press laws that are truly free and fair.

We know what it means to have free and fair elections. It means freedom for every citizen to cast a secret ballot on election day -- but it also means much more than that. It means the freedom to campaign, to organize, hold rallies -- to use the media and poll public opinion, to operate independent radio and television stations. It means the absence of intimidation -- an end to the arrests and bullying of opposition leaders by Sandinista security forces. It means freeing all political prisoners jailed under Sandinista rule.

The people of Nicaragua have waited long enough. It's time for the Sandinistas to deliver the democracy they promised.

I want to mention several other Latin nations where elections can signal positive change:

In El Salvador, last month's elections proved another ringing affirmation of that nation's commitment to democracy. We expect ARENA to exercise its political power responsibly. I have conveyed to President Christiani our concerns about human rights in El Salvador. He shares my concerns, and he's off to a good start.

In Paraguay, the only country whose dictator had held power longer than Fidel Castro, elections have just taken place -- the

first hopeful sign that Paraguay is on its way to joining the democratic mainstream.

In Panama, however, the forecast for freedom is less clear. A free and fair vote in the elections scheduled for this Sunday would enable Panama to take a significant step towards ending the international isolation and internal economic crisis brought on by the Noriega regime. And in spite of intimidation from the authorities, Panama's opposition parties have -- with great courage -- taken their campaign to the Panamanian people. The Noriega regime's candidates are trailing in polls by a margin of 2 to 1.

Unfortunately, it is evident that the regime is ready to resort to massive election fraud in order to remain in power. The Noriega regime continues to threaten and intimidate Panamanians who believe in democracy. It is also attempting to limit the presence and freedom of action of international observers, and to prevent journalists from reporting on the election process in Panama.

Let me be clear: the United States will not recognize the results of a fraudulent election engineered to keep Noriega in power.

It's time for the plain truth: The day of the dictator is over. The people's right to democracy must not be denied. [pause]

Our new partnership must also aim at ensuring that the market economies survive, prosper and prevail.

So far, economic freedom has not kept pace with its political counterpart. While the poverty of statism and protectionism is more evident than ever, statist economies remain in place, stifling growth, in many Latin nations.

That is why the U.S. has made a new commitment to reduce the weight of debt, as Latin governments and leaders take the difficult steps to restructure their economies.

The key point should be clear: debt reduction is a necessary step, but not sufficient in itself to generate growth. Growth requires creation of a climate for investment -- one that will attract new capital, and stem and reverse the flight of capital out of the region.

We recognize that individual debtor economies are different -- and that election schedules do not always match the ideal pace for economic reform. We recognize the competing claims governments must try to satisfy as they work to advance economic reform, service their debt, and respond to the needs of their citizens. But our plan isn't a "now or never" approach. Progress can be an incremental process -- case-by-case, step-by-step -- provided there is a clear commitment to economic reform.

Finally, our common partnership must confront a common enemy: international drug traffickers.

Drugs threaten citizens and civil society throughout our hemisphere. Joining forces in the war on drugs is crucial. There is nothing gained by trying to lay blame and make recriminations. Drug abuse is a problem of both supply and

demand -- and attacking both is the only way we can defeat the drug menace. [pause]

There is a place in this new partnership for you in the Council of the Americas. Thomas Jefferson said that "it is a kind of law of nature that every nation prospers by the prosperity of others." Your efforts contribute directly to the greater prosperity of all nations of the Americas.

The challenges I've spoken of today won't be easy. But all of us -- North and South, in government and in the private sector -- can work together to meet the challenges, and master them.

We've got work to do -- work that won't wait -- to ensure that all the Americas enjoy the peace, freedom and prosperity that we cherish.

Thank you.

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/28/89 ACTION/CONCURRENCE/COMMENT DUE BY: 4/28/89 4:00 PM

SUBJECT: PRESIDENTIAL REMARKS: COUNCIL OF THE AMERICAS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input type="checkbox"/>	<input type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 4:00 PM, TODAY, Friday, April 28, 1989, with an info copy to my office. Thank you.

RESPONSE:

ok

James W. Cicconi
Assistant to the President
and Deputy to the Chief of Staff
Ext. 2702

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

May 2, 1989

REMARKS BY THE PRESIDENT
TO COUNCIL OF THE AMERICAS

The State Department
Washington, D.C.

11:08 A.M. EDT

THE PRESIDENT: Thank you very much, Mr. Secretary. And I am pleased to find myself here, surrounded by friends and in such high-powered company -- once again, to be with David Rockefeller, the chairman of this illustrious Council; Ambassador Landau and Jim Flower, Bernie Aronson. And also I want to point out that I was accompanied over here by a man who is doing a superb job, a friend to many in this room, Brent Scowcroft. They couldn't find a seat for him, but there he is, standing over there, and delighted he's here. (Laughter and applause.)

But looking around the world today, in developing countries and even in the communist bloc, we see the triumph of two great ideas: the idea of free government and the idea of free enterprise. And certainly, Latin America and the Caribbean are proving fertile ground for these ideas. Democracy, a decade ago the exception, I think we would all agree is today the rule. And the symbol of this new breeze is the ballot box. And by year's end, 14 national elections will have been held across the Americas.

And let's remember what it means to vote in some countries when democracy itself is at stake. We're not talking about people who may stay home from the polls because it's raining or rush-hour traffic is heavy. We're talking, in some cases, about people literally risking their lives to exercise their democratic right.

And listen to the words of a Salvadoran man on the eve of last month's presidential elections in that country -- elections that guerrilla forces vowed to disrupt: "Of course I'm going to vote, although I have to admit it's very scary. Here, going to the grocery store can be dangerous -- but you have to do it. And you have to vote, too. We just can't roll over and play dead each time we're threatened."

That's the voice of democracy speaking -- and it's the voice of courage and hope.

Economically, although there is mounting concern about international debt, there are encouraging signs as well. Mexico has joined GATT and is moving toward a more open and internationally-oriented economy. In Costa Rica and Brazil and Venezuela, new ventures are creating export opportunities that promise a broader economic base for those countries. You in the business community are among the pioneers and partners in these changes. And you're contributing to Latin America's increased productivity -- you're helping the region to fulfill its potential for progress.

The historic shift in political and economic thinking now underway in Latin America is good news for us all. Our task is clear: To make the most of the new opportunities open to us, we must improve our working partnerships in this hemisphere - between countries north and south, between government, business and labor; and, in the U.S., between the different branches of the federal government. We share common interests -- we must work towards a

MORE

common aim.

My administration will work to build a new partnership for the Americas -- a partnership built on mutual respect and mutual responsibilities. And we seek a partnership rooted in a common commitment to democratic rule.

The battle for democracy is far from over. The institutions of free government are still fragile and in need of support. Our battlefield is the broad middle ground of democracy and popular government -- our fight against the enemies of freedom on the extreme right and on the extreme left.

As a result of the recent Bipartisan Accord on Central America, the United States is speaking with one voice on a matter of crucial importance to peace in Central America: bringing democracy to Nicaragua and peace to the region. And I want to salute our Secretary of State for hammering out this Bipartisan Accord when many, two or three months ago, said that it could not be done.

Let me take this opportunity to make several observations on steps that are vital to peace, security and democracy in Central America:

First, Nicaragua's effort to export violent revolution must stop. We cannot tolerate Sandinista support -- which continues today -- for the insurgencies in El Salvador and Guatemala, and terrorism in Honduras, as well. Peace in the region cannot co-exist with attempts to undermine democracy.

And second, we call upon the Soviet Union to end Soviet bloc support for the Nicaraguan assault on regional democracy. The United States ended military aid to the Nicaraguan resistance two years ago. And yet, since that time, the Soviets continue to funnel about \$.5 billion worth of military assistance a year to the Sandinista regime -- about the same rate as before we stopped our military aid to the Contras. Furthermore, Cuba and Nicaragua, supplied by \$7 billion in Soviet bloc aid, have stepped up the arms flow to the Salvadoran guerrillas. Soviet bloc weapons, such as AK-47s, are now being sent through Cuba and Nicaragua to the guerrillas. And that aid must stop.

The Soviet Union must understand that we hold it accountable for the consequences of this intervention -- and for progress towards peace in the region and democracy in Nicaragua. As the Bipartisan Accord makes clear, continued Soviet support of violence and subversion in Central America is in direct violation of the Esquipulas Agreement concluded by the nations of Central America a year and a half ago.

Finally, within Nicaragua, we want to see a promise kept -- the promise of democracy, withheld by the Sandinista regime for nearly a decade. To this end, the United States will continue to supply humanitarian aid to the Nicaraguan resistance through the elections scheduled in Nicaragua for February of 1990. The conduct and the outcome of those elections will demonstrate to Nicaragua's neighbors and the international community whether it means to deliver on democracy.

But the Sandinistas' recent attacks are ominous. April 25th was the benchmark date for Nicaragua to have in place electoral laws consistent with free and fair elections. Instead, restrictive new election and press laws have been pushed through the Sandinista-controlled legislature. These laws have been unilaterally imposed and the proposals of Nicaragua's opposition parties have been ignored. The result is a stacked deck against the opposition and stacked rules of the game.

The election law mandates unilaterally that half of all foreign political contributions go to the Supreme Electoral Council, which remains under Sandinista control -- and ignores proposals put forward by the opposition to provide for unlimited freedom of access for international election observers. In effect, that is a stacked

deck against freedom. The new law governing press conduct gives excessive controls to the Interior Ministry to police violations against what they call "national integrity," and continues the prohibition of private-sector ownership of television stations.

If there's to be peace in Nicaragua, the Sandinista regime must work with the opposition -- including the resistance -- to put in place election and press laws that are truly free and fair.

And that means to have free and fair elections with outside observers given unfettered access to all election places and to all proceedings. It means a secret ballot on election day, the freedom to campaign, to organize, to hold rallies -- and to poll public opinion, to operate independent radio and TV stations as well. It means the absence of intimidation either from a politicized Sandinista military or police, or from those neighborhood block committees that control people's ration cards. It means an end to the arrests and bullying of opposition leaders. It means freeing all political prisoners jailed under the Sandinista rule, not just a handful of former Somoza soldiers.

And if the Sandinistas fail this test, it will be a tragic setback -- and a dangerous one. The consolidation of tyranny will not be peace; it will be a crisis waiting to happen.

I want to mention several other Latin American nations where elections can signal positive change:

In El Salvador, last month's free and fair elections proved another ringing affirmation of that nation's commitment to democracy. We expect ARENA to exercise its political power responsibly. And I have conveyed personally to President-elect Cristiani our commitment to human rights in El Salvador. I honestly feel that he shares my concern and he deserves our support.

In Paraguay, the only country whose dictator had held power longer than Fidel Castro, elections have just taken place -- the first hopeful sign that Paraguay is on its way to joining the democratic mainstream. And we do congratulate President-elect Rodriguez on his electoral victory and look forward to working with him. This democratic opening must continue.

In Panama, however -- Jim spoke to you all about this yesterday -- the forecast for freedom is less clear. A free and fair vote in the elections scheduled for this Sunday would enable Panama to take a significant step towards ending the international isolation and internal economic crisis brought on by the Noriega regime. And in spite of intimidation from authorities, Panama's opposition parties have -- with great courage -- taken their campaign to the Panamanian people. The Noriega regime's candidates are trailing in poll after poll by a margins of two to one.

Unfortunately, as Secretary Baker told you yesterday, it is evident that the regime is ready to resort to massive election fraud in order to remain in power. The Noriega regime continues to threaten and intimidate Panamanians who believe in democracy. It's also attempting to limit the presence and freedom of action of international observers, and to prevent journalists from reporting on the election process in Panama.

Let me be clear: The United States will not recognize the results of a fraudulent election engineered simply to keep Noriega in Power.

All nations that value democracy -- that understand free and fair elections are the very heart of their democratic system -- should speak out against election fraud in Panama. And that means the democracies of Europe -- they out to be speaking out about this -- as well as nations in this hemisphere struggling to preserve the democratic systems they've fought so hard to put in place.

It is time for the plain truth: The day of the dictator is over. The people's right to democracy must not be denied.

A commitment to democracy is only one element in the new partnership that I envision for the nations of Americas. This new partnership must also aim at ensuring that the market economies survive and prosper and prevail.

The principles of economic freedom have not been applied as fully as the principle of democracy. While the poverty of statism and protectionism is more evident than ever, statist economies remain in place, stifling growth in many Latin nations.

And that is why the U.S. has made a new initiative to reduce the weight of the debt, as Latin governments and leaders take the difficult steps to restructure their economies.

Economic growth requires policies that create a climate for investment -- one that will attract new capital, one that will reverse the flight of capital out of the region.

We welcome the broad, broad international support that has been expressed for our ideas to strengthen the debt strategy. We urge the parties involved -- the international financial institutions, debtor countries, commercial banks -- to make a sustained effort to move this process forward. We recognize the competing claims debtor governments must try to satisfy as they work to advance economic reform, service their debt, and respond to the needs of their citizens. However, we also understand that progress can be an incremental process -- case-by-case, step-by-step -- provided there is a clear commitment to economic reform.

I want to say some case-by-case successes in this hemisphere. To that end, we've started discussions, as you know, with Mexico and Venezuela and other countries as well.

Finally, our common partnership must confront a common enemy: international drug traffickers. Drugs threaten citizens and civil society throughout our hemisphere. Joining forces in the war on drugs is crucial. There is nothing gained by trying to lay blame and make recriminations. Drug abuse is a problem of both supply and demand -- and attacking both is the only way we can face and defeat the drug menace.

I believe that there is much more understanding on this point in this hemisphere south of our border than there used to be. It is my view that countries to the south felt for many years that this was simply the problem of a U.S. market for this insidious product. Now they see that their own societies are being undermined by drug use. Now they see that their own sense of order is being undermined by those trafficking in narcotics. So I would call for much more cooperation between the countries this hemisphere to combat the menace of narcotics.

There's a place in this new partnership for all of you in the Council of the Americas. Thomas Paine said that, "The prosperity of any commercial nation is regulated by the prosperity of the rest." Your efforts do contribute. They contribute directly to the greater prosperity of all of the nations of the Americas.

The challenge I've spoken of today won't be easy. But all of us -- north and south, in government and in the private sector -- can work together to meet the challenges and master them. We know we've got a lot of work to do. And you know you've got a lot of work to do -- work that won't wait -- to ensure that all the Americas enjoy the peace, the freedom and the prosperity that we cherish.

Thank you for what you're doing. Redouble your efforts. And I promise you, we'll do our level best in the executive branch of this government. Thank you very, very much.

END

11:27 A.M. EDT