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Chile-Summit I, 1998 [Summit of the Americas] [6]

Staff Office-Individual:

Inter-American Affairs

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THE WHITE HOUSE
WASHINGTON

cc: All

April 10, 1998

MEMORANDUM TO JOHN PODESTA
MACK McLARTY
JIM STEINBERG
GENE SPERLING

FROM: THURGOOD MARSHALL, JR.
KRIS BALDERSTON *LB KB*

SUBJECT: CABINET PARTICIPATION IN THE CHILE TRIP UPDATE

The following attachment is an updated version of the schedule for the Cabinet's participation in the President's trip to Santiago, Chile.

Please contact us if you have any questions.

Attachment

cc: David Beaubaire
Nelson Cunningham
Nichole Elkon
Laura Graham
Sara Latham
Laura Marcus
Elisa Millsap
Janet Murguia
Ted Piccone
Jaycee Pribulsky
Steve Ronnel

Cabinet Schedules

***SUMMIT OF THE AMERICAS-SANTIAGO, CHILE
ARIL 1998***

<i>Time</i>	<i>POTUS Schedule</i>	<i>Time</i>	<i>Cabinet Schedule</i>
<u><i>WEDNESDAY, APRIL 15TH</i></u>			
8:45 pm	Depart AAFB en route Santiago [flight time: 10 hours, 15 minutes] [time change: none]	8:45 pm	Depart AAFB en route Santiago Daley, Riley, Barshefsky, McCaffrey depart
<i>RON</i>	<i>AIR FORCE ONE</i>	<i>RON</i>	<i>AIR FORCE ONE</i>

THURSDAY, APRIL 16TH

7:00 am **Arrive Santiago**

7:10 am- **Arrival Ceremony**
7:25 am TARMAC
Santiago Airport
Open Press

8:00 am Arrive Hyatt Regency Hotel

8:00 am- **Down Time**
9:30 am Hyatt Regency Hotel

10:25 am- **State Arrival Ceremony**
10:35 am Courtyard - La Moneda Palace
Press TBD

10:35 am- **Restricted Bilateral with President Frei**
11:25 am President's Office - La Moneda Palace
Official Photo Only
Note: Potus plus 5.

11:45 am- **Expanded Bilateral with President Frei**
12:15 am Room TBD - La Moneda Palace
Simultaneous Interpretation

12:50 pm- **Discussion With Community Members**
1:50 pm Room TBD
Location TBD
Press TBD

2:00 pm- **Tour South Santiago Neighborhood**
2:20 pm Room TBD
Location TBD

7:00 **Arrive Santiago**
Daley, Riley, Barshefsky,
McCaffrey arrive

7:10- **Arrival Ceremony**
7:25 Daley, Riley, Barshefsky
McCaffrey attend

10:25- **State Arrival Ceremony**
10:35 Daley, Riley, Barshefsky,
McCaffrey attend

11:45- **Expanded Bilateral with**
12:15 **President Frei**
Daley, Riley, Barshefsky
McCaffrey attend

12:30- *McCaffrey attends Demand*
2:30 *Reduction Working Lunch*

12:30- *Daley attends Luncheon with*
2:45 *Am Cham*
Castillo Hidalgo

3:00- *McCaffrey meets with Interior*
3:30 *Minister*

3:20 pm- **Economic Address**
4:20 pm Room TBD
Location TBD

4:15 pm- **Down Time**
8:15 pm Hyatt Regency Hotel

8:30 pm- **State Dinner/Entertainment**
11:00 pm La Moneda Palace
Pool Press (At the top/Toast Only)
Note: Business Attire. 400 guests in attendance. US seats = 150. Potus makes reciprocal toast.

RON **HYATT REGENCY HOTEL -
SANTIAGO, CHILE**

3:20- **Economic Address**
4:20 Daley, Barshefsky attend

4:40- *Riley meets with Minister*
6:00 *Arellano and Chilean Education Officials*

5:00- *McCaffrey speaks to Diplomatic*
6:30 *Academy*

6:00- *Daley attends NOAA Event El*
7:00 *Niño Event*
Site TBD

8:30- **State Dinner/Entertainment**
11:00 Daley, Riley, Barshefsky
McCaffrey attend

RON **HYATT REGENCY HOTEL -
SANTIAGO, CHILE**

FRIDAY, APRIL 17TH

9:30 am-
10:00am **Speech Prep**

10:35 am Depart Santiago en route Valpariso
Landing Zone
[helo time: 30 minutes]

11:35 am-
12:35 pm **Address to Congress**
Chamber
Simultaneous Interpretation
Open Press
*Note: First Lady to attend, 50 seats available
for US delegation*

1:00 pm-
2:30 pm **Informal Lunch with President and Mrs. Frei**
Cerro Castillo
Pool Press (Arrival Only)
*Note: Small, casual lunch with a few
guests for couple to choose*

6:52 *Reno arrives Santiago
American Airlines*

am *Reno meeting with Chilean
Justice Minister*

8:00-
9:00 *McCaffrey has working
breakfast with Dr. Torrendel*

9:30-
11:00 *McCaffrey speaks at
CONACE meeting*

11:35-
12:35 **Address to Congress**
Daley, Riley, Barshefsky
attend

11:50-
2:30 *McCaffrey attends
Challenges and Opportunities
in the Americas conference*

1:00-
2:00 *Reno addresses DeigoPortals
University*

1:00-
3:00 *Riley tours Valparaiso
Catholic University w/
Minister Arellano*

2:30-
TBD *Barshefsky holds press
backgrounders and bilaterals
BIT signings to be scheduled*

2:45-
3:45 *McCaffrey holds bilaterals
with Canadian Foreign
Minister*

2:00-
3:00 *Reno Luncheon Co-Hosted
by Chilean Justice Minister*

3:00- *Reno Bilateral Meetings*

3:45 pm- **Visit Rural Town/Greet Local People**
5:45 pm Room TBD
Location TBD

7:15 **Down For The Evening**

**RON HYATT REGENCY HOTEL -
SANTIAGO, CHILE**

TBD

4:00- *McCaffrey visits treatment*
5:30 *center*

4:30- *Daley attends Informatics*
5:30 *2000*

6:30- *Daley attends OTR Events*
TBD

7:00- *Riley attends jazz concert*
9:00

9:00- *McCaffrey attend dinner*
TBD with Chilean Officials

**RON HYATT REGENCY
HOTEL-
SANTIAGO, CHILE**

SATURDAY, APRIL 18TH

9:15 am- **Opening Ceremony**
9:45 am Sheraton Hotel
Open Press
*Note: POTUS and Frei to make remarks.
600 guests in attendance. US Delegation
to attend (10 seats only).*

9:45 am- **Coffee Break (Pull Aside Opportunity)**
10:00 am Sheraton Hotel
Closed Press

10:05 am- **Session One A (Education/Human Rights/
11:05 pm Democracy/Justice)**
Closed Press
Note: Leader plus three

11:10 am- **Session One B (Education Discussion)**
1:10 pm **Closed Press**

7:26 *Peña arrives Santiago*

9:15- **Opening Ceremony**
9:45 Reno, Daley, Peña, Riley,
Barshefsky, McCaffrey
attend

10:00- *McCaffrey holds bilateral*
10:30 *with Tablante, Venezuela*

10:05- **Session One A**
11:05 Reno, Riley, McCaffrey
attend

10:45- *Peña inaugurates Nueva*
11:30 *Renca Power Plant*

10:25- *Daley Site Visit/Advocacy*
10:55 *Site TBD*

11:20- *Daley Bilateral with*
11:50 *Urayaguan Foreign Trade*
Minister

12:00- *Barshefsky attends Trade*
2:00 *Ministers lunch*

12:30- *Daley hosts luncheon for*
2:00 *American business execs*
Site TBD

12:30- *McCaffrey attends working*
2:30 *multilateral drug luncheon*

1:30- *Peña attends lunch with*
3:00 *Energy Ministers or U.S.*
Energy Firm Representatives

1:45 pm- 3:00 pm **Leaders Lunch (Pull Aside Opportunity)**
Real Camino Restaurant
Open Press (Arrival)
Closed Press (Lunch)

3:30 pm- 6:30 pm **Session Two (Poverty Alleviation/ Discrimination)**
Sheraton Hotel
Closed Press

7:00 pm- 8:15 pm **Down Time**
Hyatt Regency Hotel

8:35 pm Arrive La Moneda Palace
Note: POTUS is the last to arrive and cannot be late.

8:45 pm- 11:00 pm **Summit Gala**
La Moneda Palace
Interpretation TBD
Press TBD
Note: Business Attire.
Leaders plus spouses only.

RON **HYATT REGENCY HOTEL - SANTIAGO, CHILE**

1:30- 3:00 *Riley tentatively lunch with Education Ministers*

2:30- 3:30 *Daley attends Central American Minister's Round Table*
Site TBD

3:30- 4:15 *Peña attends signing ceremony and inaguration of Natural Gas Bus Pilot Project*

3:30- 4:00 *McCaffrey meets with Argentina Drug Minister*

6:30- 8:00 *McCaffrey holds multilateral Drug Minister Reception*

8:10 *Reno Departs en route Washington, D.C.*
American Airlines

8:45- 11:00 **Summit Gala**
Daley, Peña, Riley, Barshefsky, McCaffrey attend

RON **HYATT REGENCY HOTEL- SANTIAGO, CHILE**

SUNDAY, APRIL 19TH

8:45 am- **Briefing**
9:15 am Hyatt Regency Hotel

9:00 am- **Summit Session Three (Trade/Economics)**
10:00 am Sheraton Hotel
Closed Press

10:00 am- **Summit Session Four (Free Talk)**
12:00 pm Sheraton Hotel
Closed Press
Note: Leaders only

12:30 pm- **Closing Session**
1:15 pm Former Congress Building
Open Press
*Note: Signing of Document,
Frei speaks, followed by POTUS and other
three leaders TBD. Twenty Seats.*

1:50 pm- **Remarks to Embassy Personnel/Families**
2:35 pm US Embassy-Terrace
Closed Press

3:30 pm- **Depart via Air Force One
enroute Washington, DC**
[flight time: 10 hours]
[time change: none]

9:00- **Summit Session Three**
10:00 Daley, Peña, Barshefsky
attend

9:00- *Riley meets with Inter-*
12:00 *American Development Bank
and Education Ministers*

10:30- *Peña meets with Columbian,
11:15 Venezuelan, and Chilean
Energy Ministers*

TBD *Daley departs en route Bariloche,
Argentina*

12:30- **Closing Session**
1:15 Peña, Riley, Barshefsky,
McCaffrey attend

1:50- **Remarks to Embassy Personnel**
2:30 Riley attends

2:00 *McCaffrey departs Santiago en
route Santa Cruz, Bolivia*

3:30 **Depart via Air Force One en
route Washington**
Reno, Peña, Riley, Barshefsky
depart

List of Participants

Department of Justice

Attorney General Reno

Willy Ferrer, Assistant to the Attorney General

List of Commerce Attedees

Secretary Daley *

Jim Doyle, Deputy Chief of Staff *

Walter Bastian, Director of InterAmerican Affairs

Ron Keohane, Deputy Director of Advance

three NOAA officials to set up El Niño



DEPARTMENT OF ENERGY
Washington, DC 20585

OFFICE OF THE SECRETARY

MEMORANDUM

TO: Kris Balderston
White House Cabinet Affairs

Tom Hufford
State Department

FROM: Maria Westfried
Office of the Secretary of Energy
Phone: 6-5534

CC: Sean Kennedy
Cisco DeVries

DATE: 4/7/98

RE: Department of Energy Delegation to Santiago, Chile

		Date of Arrival	Date of Departure
Stuart Statham	Security Detail	4/13/98	4/19/98
Sean Kennedy	Advance Staff	4/14/98	4/20/98
Dave Pumphrey	Policy Staff	4/15/98	4/19/98
Secretary Peña		4/17/98	4/19/98
Elizabeth Montoya	Deputy Chief of Staff	4/17/98	4/19/98
Natalie Wymer	Press Secretary	4/17/98	4/19/97
Brice Cook	Security Detail	4/17/98	4/19/97

APRIL 8, 1998

MEMORANDUM

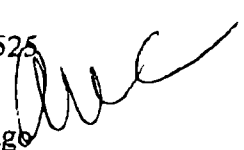
TO: KRIS BALDERSTON, CABINET AFFAIRS
 FROM: REGAN BURKE, DEPT OF EDUCATION
 CC: LESLIE THORNTON, TERRY PETERSON, LINDA ROBERTS, LENORE GARCIA
 RE: DEPT. OF EDUCATION SUMMIT OF THE AMERICAS PARTICIPANTS AND
 SECRETARY RILEY'S DRAFT SCHEDULE

AT THE HEMISPHERIC MEETING IN MERIDA, MEXICO ON FEBRUARY 26-27, 1998, THE EDUCATION MINISTERS CONCURRED THAT EDUCATION IS THE DRIVING FORCE OF THE ISSUES TO BE ADDRESSED AT THE SUMMIT IN SANTIAGO, APRIL 18-19, 1998. SECRETARY RILEY HAS BEEN ASKED TO PROVIDE MAJOR POLICY, ANALYTICAL AND PROJECT SUPPORT TO THE 34 HEMISPHERIC COUNTRIES. ALSO, THE CHILEAN GOVERNMENT WOULD LIKE THE US TO SIGN AN EDUCATION MOU THAT COMMITS THE US DEPARTMENT OF EDUCATION TO AN ON-GOING INTENSIVE RELATIONSHIP WITH THE CHILEAN EDUCATION COMMUNITY.

TRAVELER	ROLE	ITINERARY	TRANSPORTATION
SECRETARY RICHARD RILEY	SUMMIT PARTICIPANT	SANTIAGO 4/15-4/20	AF-1 TO AND FROM CHILE
LENORE GARCIA DIRECTOR INTERNATIONAL EDUCATION	SUMMIT PARTICIPANT	SANTIAGO 4/15-4/21	COMMERCIAL
WORK ON MOU WITH CHILE, SUMMIT EDUCATION POLICY DECLARATION, BRIEF THE SECRETARY ON SUMMIT PROCEEDINGS AND CONVEY US DEPT OF EDUCATION POLICY DECISIONS TO APPROPRIATE COUNTERPARTS; IMPLEMENT MOU AND SUMMIT DECLARATION			
LINDA ROBERTS DIRECTOR EDUCATION TECHNOLOGY	SUMMIT PARTICIPANT	SANTIAGO 4/15-4/21	COMMERCIAL
PARTICIPATE IN IDB TECHNOLOGY CONFERENCE WITH PRIVATE SECTOR COMPANIES AND COUNTERPARTS IN EDUCATION MINISTRIES			
TERRY PETERSON COUNSELOR TO THE SECRETARY	SUMMIT PARTICIPANT	SANTIAGO 4/15-4/22	COMMERCIAL
MONITOR POLICY DECISIONS RE: MOU WITH CHILE, SUMMIT EDUCATION POLICY DECLARATION, DEPT OF ED PROTOCOL; COMMUNICATIONS LIAISON W/US DEPT OF EDUCATION			
JOHN FUNDERBURK	TRIP DIRECTOR	SANTIAGO /15-4/20	COMMERCIAL
OVERSEE THE SECRETARY'S TRAVEL SCHEDULE AND ADVANCE THE SECRETARY'S EVENTS IN CHILE WHICH ARE SEPARATE THAN THOSE OF THE WHITE HOUSE AND THE SUMMIT OF THE AMERICAS. ALSO RESPONSIBLE FOR COORDINATING DEP. OF EDUCATION STAFF MOVEMENTS AND TRAVEL ACCOMMODATIONS			

MEMO

To: Kris Balderston, Fax: 6-2525
From: Colleen McCarthy
Subject: USTR Manifest for Santiago
Date: April 8, 1998



USTR Manifest for Santiago, Chile, trip:

Ambassador Charlene Barshefsky, United States Trade Representative

Nancy Leamond, USTR Chief of Staff

Peter Allgeier, Associate U.S. Trade Representative for the Western Hemisphere; Senior Negotiator

Karen Lezny, USTR Director for the Free Trade Areas of the Americas; Negotiator

Jay Ziegler, Assistant USTR for Public Affairs

William Daley, Jr., USTR Director of Business and Labor Outreach; Advance

Donald F. Barnes, Interpreter

April 8, 1998 (4:34pm)

ONDCP Deployment

CHILE:

Director McCaffrey (Air Force One)

Steve Donehoo ((T) Air Force One - commercial back-up)

Socorro Cordova, Marshal (commercial)

Tom Umberg (commercial)

Two Marshals (commercial)

Bob Brown (commercial)

Richard Baum (commercial)

Leo Arreguin (commercial) (DEA funded)

Individual Cabinet Schedules

ATTORNEY GENERAL RENO
DRAFT SCHEDULE FOR SANTIAGO, CHILE

FRIDAY, APRIL 17, 1998

6:52a	Arrive Santiago, Chile American Airlines
AM	Meeting with Chilean Justice Minister
1:00-2:00p	Address Deigo Portals University RE: Rule of Law and Judicial Reform
2:00-3:00p	Luncheon Co-Hosted by Chilean Justice Minister
3:00-TBD	Bilateral Meetings
PM	TBD

SATURDAY, APRIL 18, 1998

9:15-10:00a	Attend Opening Session of Summit
10:00-11:00a	Attend Working Session I (Justice Session)
PM	Possible Ministerial Luncheon
PM	Possible Bilateral Meetings
8:10p	Depart en route Washington, DC American Airlines

Willy Ferrer only person to travel w/ AG.
Title: Assistant to AG for International Affairs.

DRAFT

SCHEDULE FOR SECRETARY OF COMMERCE

WILLIAM M. DALEY

WEDNESDAY, APRIL 15TH

- 8:45 pm DEPART Andrews Air Force Base
EN ROUTE Santiago, Chile
[flight time: 10 hours, 15 minutes]
[time change from EST: none]

THURSDAY, APRIL 16TH

- 7:10 am - Arrival Ceremony
7:25 am Airport Tarmac
Open Press

Note: Honor Guard upon arrival.
- 10:25 am - State Arrival Ceremony
10:35 am Courtyard - La Moneda Palace
Open Press
Note: Honor guard only/no remarks.
- 11:40 am - Expanded Bilateral with President Frei
12:10 pm Room TBD - La Moneda Palace
Simultaneous Interpretation
Pool Spray (At the top - 2 waves)
- 12:30 pm - Luncheon with AmCham
2:45 pm Castillo Hidalgo
Press TBD
Secretary makes 10 - 15 minutes of remarks.
Note: Focus is on U.S. - Chile bilateral relationship, the FTAA and upcoming Summit.
- 3:00 pm - President Clinton's Economic Address/President Frei's Address
4:00 pm National Theater
Open Press

DRAFT

DRAFT

- 6:00 pm - EVENT NOAA El Niño Event
7:00 pm Site TBD (Fundacion Chile is possible)

Secretary makes 10 - 15 minutes of remarks.

- 8:30 pm - EVENT State Dinner/Entertainment
11:00 pm La Moneda Palace

*Note: Business Attire. 400 guests in attendance. US seats = 150.
Potus makes reciprocal toast.*

FRIDAY, APRIL 17TH

OPTION 1: Attend the President's address to the Chilean Congress

OPTION 2:

- 9:15 am - Panel Presentation Focused on "After the Summit -- What?"
10:30 am Secretary will participate on a panel with the Chilean Minister for Public Works, the President of the American Chamber of Commerce, Santiago and with a U.S. Corporate VIP. Secretary makes 10 - 15 minutes of remarks.
- 11:00 am - Bilateral with Chilean Trade Minister Garcia
11:30 am
- 11:35 am - Bilateral with Chilean Finance Minister Aninat
12:00 pm
- 12:15 pm - (TBD)
3:00 pm
- 4:30 pm - Informatics 2000
5:30 pm Casa de Piedra
- 6:30 pm - OTR Events
TBD

SATURDAY, APRIL 18TH

- 9:15 am - Opening Ceremony
9:45 am Open Press

Note: Potus and Frei to make remarks. 600 guests in attendance. US Delegation to attend (10 seats only). Overflow room w/CC TV.

DRAFT

DRAFT

- 10:25 am - Site Visit/Advocacy
10:55 am Site TBD - options include (1) National Amusement Theater; ribbon cutting ceremony and (2) International Paper Executive Office or (3) CMS Desalinization Plant
- 11:20 am - Bilateral with Uruguayan Foreign/Trade Minister
11:50 am Note: Opportunity to Advocate on Major Airport Privatization Tender
- 12:30 pm Secretary hosts luncheon for American business execs
2:00 pm Site TBD
- 2:30 pm - Central American Minister's Round Table
3:30 pm Site TBD
- 8:45 pm - Delegation Reception
11:00 pm

SUNDAY, APRIL 19TH

- 9:00 am - Summit Session Three: Trade/Economics
10:00 am Sheraton Hotel
Closed Press
- TBD WHEELS UP Santiago Airport
EN ROUTE Bariloche, Argentina

DRAFT

Saturday, April 18

7:26 am **Arrive Santiago, Chile**

Note: You will be met by Sean Kennedy and Stu Statham.

7:40 am **Depart en route Sheraton Hotel**

8:30 am **Arrive Sheraton Hotel**

8:30 am- **DOWN TIME**
9:00 am Sheraton Hotel

9:15 am- **ATTEND SUMMIT OPENING SESSION**
9:45 am Sheraton Hotel

10:15 am **Depart en route Nueva Rence**

10:45 am- **(T) INAGURATE NUEVA RENCA POWER PLANT**
11:30 am Nueva Renca

***Note: The Presidents will be participating in working sessions on Education and Democracy, Justice and Human Rights during this time.*

11:30 am **Depart en route TBD**

1:30 pm- **LUNCH WITH ENERGY MINISTER COUNTERPARTS OR**
3:00 pm **U.S. ENERGY FIRM REPRESENTATIVES**
Location TBD

***Note: The Presidents will be attending an official working lunch*

3:30 pm- **SIGNING CEREMONY AND INAGURATION OF NATURAL**
4:15 pm **GAS BUS PILOT PROJECT**
Location TBD

4:30 pm- **DOWN TIME**
7:30 pm

***Note: The Presidents will be participating in a working session on Poverty and Malnutrition issues.*

8:00 pm- **DELEGATION RECEPTION**
9:00 pm Location TBD

***Note: There will be a private Heads of State dinner at this time*

RON

Santiago, Chile

Sunday, April 19

9:00 am **ATTEND SUMMIT DISCUSSION SESSION ON ECONOMIC**
10:00 am **INTEGRATION AND FREE TRADE**
 Sheraton Hotel

10:30 am **(T) MEETING WITH COLUMBIAN, VENEZUELAN AND CHILEAN**
11:15 am **ENERGY MINISTERS**
 Location TBD

****Note:** *The Presidents will engage in a final free discussion at this time*

12:30 pm- **ATTEND CLOSING SESSION AND SIGNING CEREMONY**
1:15 pm Former Congress Building

3:30 pm *Wheels up via Air Force One en route Washington, DC*

Airline:	Air Force One
Flight Time:	10 Hours
Time Change:	None
Meal:	
Manifest:	Secretary Peña

1:30 am *Arrive Andrews Air Force Base*

NOTE: This is as of 4/8/98 --2:50pm

CHILE DRAFT FOR RWR

Wednesday ***[4/15/98]***

8:45pm Depart Andrews AFB aboard AF1

Thursday ***[4/16/98]***

7:00am Arrive Santiago

10:25am POTUS arrival ceremony (RWR attends)
10:35am

10:40am Restricted Bi-lats (RWR does not participate)
11:35am

11:40am Expanded Bi-lats (RWR participates)
12:10pm NOTE: Possible MOU signing

12:45pm POTUS event in Santiago (RWR may or may not attend)
2:15pm

4:40pm Meetings with Minister Arellano and Chilean Education Officials
6:00pm

8:30pm State Dinner at La Moneda Presidential Palace

Friday ***[4/17/98]***

8:45am RWR drives to Valparaiso
NOTE: RWR will depart at 10:00am if traveling w/ POTUS

11:30am POTUS speech to Chilean congress (RWR attends)
12:30pm

1:00pm RWR lunch and School tour at Valparaiso Catholic University w/
3:00pm Minister Arellano (TENTATIVE) Vina, Chile
Re: Teacher Training

3:00pm RWR drives back to Santiago
5:00pm

7:00pm Jazz concert
9:00pm

Saturday ***[4/18/98]***

9:15am Summit opening ceremony
9:45am

10:00am Summit Session One
1:15pm

1:30pm Summit Lunch with Education Ministers (TENTATIVE)
3:00pm

8:30pm Reception for Cabinet and Ministers

Sunday ***[4/19/98]***

9:00am Meeting with Inter-American Development Bank and Education Ministers
12:00pm (TENTATIVE)

12:30pm Summit closing session
2:00pm

1:50pm POTUS US Embassy Event (RWR most likely attends)
2:30pm

3:30pm RWR departs on AF1 en route Andrews AFB

Monday ***[4/20/98]***

1:30am Arrive Andrews AFB

Wednesday, April 15 - Thursday, April 16, 1998

Wednesday, April 15, 1998

8:45pm

Depart for Santiago, Chile on Air Force One, confirmed.

Flight Time: 10 hours, 15 minutes (no time change).

Thursday April 16, 1998

7:00am

Arrive in Santiago, Chile.

7:10am - 7:20am

Arrival Ceremony at Airport.

Note: POTUS remarks.

7:25am

Depart Santiago Airport (via motorcade or USTR car tbd)

Drive Time: _____.

Note: POTUS will depart via Marine One en route the Hyatt Regency Hotel.

TBD

Arrive Hyatt Hotel.

Hotel: Hyatt Hotel.

Address:

Phone:

Fax:

Note: POTUS arrives at 8:15am and is down until 9:30am.

Thursday, April 16, 1998

Kris Balderston: Amb. Barshefsky requests to attend the following events: POTUS Briefing for the Frei Bilateral Meetings, the State Arrival Ceremony at La Moneda Place and the Frei Expanded Bilateral.

9:35am - 10:05am

POTUS Briefing for Frei Bilateral.

Location: Hyatt Regency Hotel.

10:05am

POTUS Departs Hyatt Regency Hotel en route La Moneda Palace.

10:20am

POTUS arrives La Moneda Palace.

10:25am - 10:35am

State Arrival Ceremony, Courtyard, La Moneda Palace.

10:40am - 11:35am

FYI -- Restricted Bilateral with President Frei.

Location: President's Office, La Moneda Palace.

Note: POTUS plus 5. Official Photo Only.

11:40am - 12:10pm

Expanded Bilateral with President Frei.

Location: La Moneda Palace, Room TBD.

Note: POTUS plus (up to) 15 at table and seats behind. Leaders join the meeting in progress. Simultaneous Translation.

Pool Spray (At the top - 2 waves).

12:20pm

Depart for Hyatt.

Drive Time: 20 minutes.

12:40pm

Arrive Hyatt.

Thursday, April 16, 1998

12:45pm - 2:20pm **TBD Pre Bilateral Meetings.**

Note: POTUS at a Community Discussion Event.

2:20pm Depart for POTUS Economic Address, Site TBD.

Drive Time: 20 minutes.

2:40pm Arrive Economic Speech Site.

Kris Balderston: Ambassador Barshefsky requests to attend the following event: the President's Economic Address.

2:55pm - 4:20pm Attend POTUS Economic Address.

Location: Santiago Stock Exchange, TBD..
Contact: Sandy Berger.

4:20pm Depart Economic Speech Site for Hyatt Hotel.

Drive Time: 20 minutes.

4:40pm Arrive Hyatt Hotel.

4:45pm - 8:15pm **Possible Time for CB Bilateral Meetings (TBC).**

Note: POTUS Down Time.

Thursday, April 16, 1998

Kris Balderston: Amb. Barshefsky requests to attend the following event: State Dinner and Entertainment at La Moneda Palace.

8:30pm - 11:00pm
(Cabinet may need
to arrive earlier)

State Dinner/Entertainment for President and Mrs.
Clinton hosted by President Frei.

Location: La Moneda Palace.

Note: 400 guests (US has 150 seats). Cabinet and Codel to attend TBD. POTUS makes reciprocal toast.

Business Attire?

Pool Press (At the top / Toast Only).

11:00pm

Depart La Moneda Palace for the Hyatt Regency Hotel
TBD.

Drive Time: 10 minutes.

RON

Hyatt Regency Hotel (POTUS' hotel).

Friday, April 17, 1998

Friday, April 17, 1998

9:30am - 10:00am

Note: President Clinton has Speech Prep.

**Kris Balderston: Amb. Barshefsky requests to help to and attend the following event:
POTUS Address to Chilean Parliament.**

10:00am

Depart for Valpariso via Helicopter.

11:05am

Arrive Valpariso Landing Zone.

11:30am - 12:35pm

Address to Chilean Parliament by President Clinton.
(Plus 10).

Location: Valpariso, Parliament Building.
Contact: Sandy Berger.

1:00pm -
2:30pm???

**Possible Lunch with AmCham and Secretary Daley,
(requested by the Chamber).**

FYI -- 1:00pm - 2:30pm Informal Lunch between President Clinton and
President Frei of Chile.
Location: Cerro Castillo - Vina Del Mar.
Contact: Sandy Berger.

2:30pm - TBD.

**Barshefsky: Press Backgrounders, Bilateral Meetings,
BIT Signings to be scheduled.**

FYI -- POTUS Down Time, 2:45pm - 3:45pm visit a rural town, no cabinet..

TBD Dinner

Possible Slot for Press Dinner.

TBD pm

POTUS OTR: Jazz Concert Possible.

RON

Hyatt Regency Hotel.

Saturday, April 18, 1998

Saturday, April 18, 1998

8:15am - 8:45am

FYI -- POTUS Briefing for Summit Saturday sessions.

Location: Hyatt Regency Hotel.

8:50am

FYI -- POTUS Departs Hyatt Regency Hotel en route.

9:05am

POTUS Arrives Sheraton Hotel -- Open press greeting with Frei. (POTUS arrives last).

8:45am - 11:45am

Time for CB Bilateral Meetings (TBD).

Kris Balderston: Amb. Barshefsky requests to attend the following event: Opening Ceremony of the Second Summit of the Americas.

9:15am - 9:45am

Opening Ceremony of the Second Summit of The Americas.

Location: Sheraton Hotel.

Contact: Sandy Berger.

Note: POTUS and Frei to make remarks. 600 guests in attendance. US Delegation has 10 seats only.

Open Press.
Interpretation TBD.

9:45am - 10:00am

Coffee Break.

Location: Sheraton Hotel.

Saturday, April 18, 1998

10:05am - 10:50am

First Summit Session: Session A Topics: Human Rights/Democracy/Justice.
(Leader Plus Three, likely Riley, Reno, McCaffery rotated with Albright and Berger).
Location: Sheraton Hotel.
Closed Press.

10:55am - 11:40am

First Summit Session: Session B: Education Discussion
(Leader Plus Three, likely Riley, Reno, McCaffery rotated with Albright and Berger).
Location: Sheraton Hotel.
Closed Press.

11:45am - 1:15pm

(T) First Summit Session: Session C: Education Satellite Discussion with Youth.
Location: TBD.
Open Press.

12:00pm - 2:00pm

**Trade Ministers Lunch (rather than meeting).
(Photo Op Only).**

2:00pm - 7:00pm

**Hold for CB Additional Bilateral Meetings and Press
Background, TBD.**

12:50pm - 1:00pm

FYI -- Official Leaders Photo.
Location: Sheraton Hotel.
Open Press.

1:45pm - 3:00pm

FYI -- Leaders Lunch.
(Leaders plus 1) (plus 1 will dine separately).
Location: Real Camino Restaurant.
Note: There will be separate lunches for the Foreign Ministers, Trade Ministers, Education Ministers only.

3:30pm - 6:30pm

Second Leaders Session of the Summit: Topics: Poverty
Alleviation/Discrimination.
(Leaders Plus Three).
Location: Sheraton Hotel.
Closed Press.

7:00pm - 8:30pm

President Clinton is down/off-the record.
Location: Hyatt Regency Hotel.
Contact: Sandy Berger.

SCHED984.17

April 8, 1998 (2:46pm)

Saturday, April 18, 1998

8:45pm - 11:00pm

FYI: POTUS to Attend Second Summit of the Americas Event.

Location: Train Station.

8:45pm - 11:00pm

Event for Cabinet and Codel.

Location: Train Station (Estacion Mapudio).

RON

Hyatt Regency Hotel.

Sunday, April 19, 1998

Sunday, April 19, 1998

Kris Balderston: Amb. Barshefsky requests to attend the following events: POTUS morning briefing and the Third Leaders Summit Session.

8:00am - 8:30am

POTUS Briefing.

Location: Hyatt Regency Hotel.

8:40am

Depart Hyatt for Sheraton Hotel.

9:00am - 10:00am

Summit Session Three, Topics: Trade/Economics.
(Leaders Only TBD).

Location: Sheraton Hotel.

Contact: Sandy Berger.

Note: Rotate with McLarty and Daley.

10:00am - 12:00pm

Summit Session Four: Free Discussion.
(Leaders Only TBD?).

Location: Sheraton Hotel.

Contact: Sandy Berger.

12:10pm

Depart for Former Congress Building.

Drive Time: 10 minutes.

12:20pm

Arrive Former Congress Building.

Director, ONDCP
Trip to:
Santiago, Chile
Brasilia, Brazil
Santa Cruz, Bolivia
Lima, Peru

April 15-22, 1998

Wednesday, April 15, 1998

- 2045-0700: Director and (T) Steve Donehoo depart Andrews AFB enroute Santiago, Chile - Air Force One. Arrive on 16 April. Socorro Cordova U.S. Marshall : Departs 14 April

Thursday, April 16, 1998

- 0700: Arrive Santiago.
- 0710-0725: Airport Arrival Ceremony
- 1025-1035: Attend Formal Arrival Ceremony
- 1140-1210: Attend Expanded bilateral w/POTUS and President Frei
- 1230-1430: Demand Reduction Working Lunch at with Chilean Association of Municipalities to include mayors and council members throughout Chile at the Hotel Plaza San Francisco. Approx. 25 people are to be invited to attend.
- 1500-1530: (T) Meet Dep Interior Min, Velasco
- 1700-1830: Director Speaks to the Diplomatic Academy followed by a cocktail reception. (80-100 Chilean officials).
- 2030-2300: Attend State Dinner

Friday, April 7, 1998

- 0800-0900: Working breakfast with Dr. Torrendel
- 0930-1100: CONACE Meeting - 20 Senior Chilean Drug Officials - Dir speaks, hosted by Dir Lagos
- 1150-1430: Conference: Challenges and Opportunities in the Americas
- 1445-1545: Commence ONDCP bi-lateral meetings - Canadian, For Minister Axworthy
- 1600-1730: Treatment Center Visit with Director Lagos
- 1800-1930: Continue bi-lateral meetings
- 2100-UTC: Dinner with Chilean Interior Minister and other Chilean officials

Saturday, April 18, 1998

- 0815-0845: POTUS briefing
- 0915-0945: Attend Summit Inaugural Ceremony
- 0945-1030: Pull aside opportunities
- 1000-1030: (T) Bi-lateral meeting with Tablante, Venezuela, room 279, VIP lounge
- 1055-1140: Summit Presidential Session on Democracy, Human Rights, and Justice. Director attends narcotics discussion
- 1230-1430: (T) Working Multilateral Drug luncheon with a priority to the Andean Ridge Countries. Possible attendees: Peru, Bolivia, Colombia, Brazil, and Venezuela
- 1530-1600: (T) Argentina Drug Minister, Araoz
- 1830-2000: (T) Conduct Multilateral Drug Minister reception at Hyatt
- 2030-UTC: SOA Foreign Minister Reception

Sunday, April 19, 1998

- TBD: (T) Peru-Ecuador signing ceremony (has been taken off the POTUS schedule - may be separate side event)
- TBD: (T) Church
- 1230-1315: Closing Ceremony - Summit
- 1330-1400: Enroute Santiago Airport
- 1400: Depart Santiago (DEA aircraft) enroute Santa Cruz, Bolivia
- 1700-1900: Arrive Santa Cruz - Refuel
 - 1700-1735: (T) Meet with Vice President Quiroga in the Airport VIP lounge (Amb Hrinak, DCM Perry, Todd Robinson, and Arnie Claudio)
 - 1735-1800: Press event, photo-op, and Q&A with press
 - 1800-1900: Meet with Law Enforcement personnel from the Special Counternarcotics Unit (FELCN), Red Devils, the Chimore Air Base Commander, NAS Director, and key DEA personnel.
- 1900-2250: Depart Santa Cruz enroute Brasilia, Brazil
- 2250: Arrive Brasilia, Brazil - Brazilian Air Base. Greeted by Jim Derham (DCM), Frank Yacenda (NAS Chief)

Monday, April 20, 1998

- 0715-0745: Breakfast discussion with Ambassador Levitsky at residence
- 0930-1120: Working meeting with GoB Ministry and interagency drug policy officials, including ForMin Lampreia, Justice Minister Calheiros, Ambassador Levitsky and other GoB/USG
- 1130-1215: Meeting with General Cardoso, Itamaraty Palace, Ministry of Exterior Relations
- 1215-1300: Meeting with Foreign Minister Lampreia
- 1300-1430: Lunch hosted by ForMin Lampreia.
 - Participants TBD - most likely will include GEN Cardoso, Justice Minister Calheiros, Ambassador Levitsky, and other GoB/USG officials
- 1445-1600: Drug awareness/reduction round-table hosted by CONFEN/FUNCAB, Minister of Justice will designate moderator. Meeting will include Ministry, UNDCP, NGOs, and private-sector (corporate) representatives.
- 1600-1630: Media conference at Ministry of Justice
- 1630-1715: Meeting with Minister of Justice, Calheiros
- 1730-1830: Meet with members of Congress
 - Participants TBD - Maybe a Joint meeting to include Senator Romeo Tuma and Representative Murad
- 1930-2130: Reception hosted by Ambassador Levitsky at residence.
- 2130-2200: Country Team debrief -- RON

Tuesday, April 21, 1998

- 0700-0850: Depart Brasilia enroute Santa Cruz, Bolivia
- 0850-1000: Arrive Santa Cruz - Refuel
 - 0850-0930: Meet with Edgar Montano, Bolivian Vice-Minister for Human Rights, and NGOs concerning Human Rights in Airport VIP Lounge
 - Participants:
 - Walter Alvaracin, Permanent Assembly of Human Rights
 - Mrs. Georgia Anne Potter, Red Andina
 - Roberto Moscoso, President, Congressional Commission on Human Rights (member of the National Revolutionary Movement)
 - Elisa Zunigas, Vice-President, Congressional Commission Democratic Action (Quiroga's Party)
 - Director last met with Edgar Montano in the Chapare region during the OCT/97 trip to Bolivia
 - 0930-1000: Press event
- 1000-1130: Depart Santa Cruz enroute Lima, Peru
- 1130-1140: Arrive Lima, Peru. Greeted by Amb, DCM, NAS, Bob Brown, Rich Baum and Allison Major.
- 1300-1330: Call on President Fujimori
- 1400-1515: Lunch with Human Rights NGOs
- 1515-1530: Press event/photo opportunity with Human Rights NGOs
- 1600-1620: Director addresses the Peruvian Congress - Counternarcotics Oversight Committee. Open to all member of congress & press.
- 1620-1645: Question and Answer period (no press questions)
- 1645-1715: Press Conference outside Peruvian Congress
- 1730-1815: Director addresses the "United Against Drugs" Seminar
- 1845-1945: Meeting with Contradrogas Executive board (5 ministers) gift for Costa Bauer
- 2000-2200: GoP reception hosted by/at Costa Bauer at his residence
- 2200-2225: Enroute Ambassador's Residence
- 2230-2300: De-brief Country Team - RON Ambassador's Residence

Wednesday, April 22, 1998

- 0645-0730: Enroute airport
- 0730-0800: (T) Meeting with General Hermosa Rios (if necessary/possible)
- 0800-0815: Check-in at Airport
- 0815-1505: Depart Lima, Peru, enroute Miami - AA flight 2110
- 1505-1715: Arrive Miami - Staff time. 1530-1630: Press conference with National and Miami media in the Miami Airport International Press Center
- 1630-1715: Staff time
- 1715-1941: Enroute Washington National - AA flight 640
- 1941-2000: Arrive Washington National, pick-up luggage, walk to van
- 2000-2030: Enroute quarters

REPUBLICA DE CHILE
Ministerio de Relaciones Exteriores
Coordinación General
II Cumbre de las Américas

URGENTE

Santiago, April 9, 1998

N° 086

Dear Coordinator:

I am pleased to address you to send to you, with the present communication, the agenda for the sessions of the Second Summit of the Americas.

As you will see, the program consists of two work sessions plus a private session. Also included is the Meeting of the Ministers of Foreign Affairs parallel to the private meeting of the Leaders.

Regarding the work sessions, note that in the first, "Education" and "Democracy, Justice and Human Rights" will be discussed and, in the second, "Eradication of Poverty and Discrimination" and "Economic Integration and Free Trade". It has been arranged that certain leaders will present the themes (in accordance with the list indicated in the program), after which the debate will be initiated. The Presidents of Colombia and Ecuador have already expressed interest in speaking on the theme "Democracy, Justice and Human Rights". Consequently, it is important that you forward us the materials that the Leader of your country would like to discuss.

Sincerely,


MARTABIT
Ambassador
General Coordinator

REPUBLICA DE CHILE
Ministerio de Relaciones Exteriores
Coordinación General
II Cumbre de las Américas

**SECOND SUMMIT OF THE AMERICAS
SANTIAGO, CHILE, APRIL 18 & 19, 1998**

AGENDA

Saturday, April 18

9:15 am Inauguration.

- Speech by the President of the United States of America,
Mr. William Clinton
- Speech by the President of the Republic of Chile,
Mr. Eduardo Frei Ruiz-Tagle

9:45 am Break

10:00 am Initiation of the First Work Session.

Theme : Education.

Participants : Leader + 4

Explanation :

- Mexico (4 minutes)
- Uruguay (4 minutes)
- El Salvador (4 minutes)
- Guyana (4 minutes)

A total of approximately 16 minutes.

10:20 am Debate.

A total of approximately 48 minutes, with 12 speeches of 4 minutes each.

REPUBLICA DE CHILE
Ministerio de Relaciones Exteriores
Coordinación General
II Cumbre de las Américas

11:15 am **Continuation of the First Work Session.**

Theme : Democracy, Justice and Human Rights.

Participants : Leader + 4.

Explanation :

- **Brazil (4 minutes)**
- **United States (4 minutes)**
- **Barbados (4 minutes)**
- **Suriname (4 minutes)**

A total of approximately 16 minutes.

11:35 am **Debate.**

A total of approximately 48 minutes, with 12 speeches of 4 minutes each.

12:25 pm **Speech by the Secretary General of the OAS, Mr. César Gaviria (4 minutes).**

12:30 pm **End of the First Work Session.**

Official photo.

1:30 pm **Working lunch offered for the Heads of State and Government by His Excellency the President of the Republic.**

REPUBLICA DE CHILE
Ministerio de Relaciones Exteriores
Coordinación General
II Cumbre de las Americas

3:45 pm Initiation of the Second Work Session.

Theme : Eradication of Poverty and Discrimination.

Participants : Leader + 4.

Explanation :

- Grenada (4 minutes)**
- Nicaragua (4 minutes)**
- Panama (4 minutes)**
- Peru (4 minutes)**

A total of approximately 16 minutes.

4:05 pm Debate.

A total of approximately 50 minutes, with 12 speeches of 4 minutes each

5:00 pm Speech by the Director of the OPS, Mr. George Alleyne (4 minutes).

5:05 pm Continuation of the Second Work Session.

Theme : Economic Integration and Free Trade.

Participants : Leader + 4

Explanation :

- Bolivia (4 minutes)**
- Colombia (4 minutes)**
- Jamaica (4 minutes)**
- Venezuela (4 minutes)**

A total of approximately 16 minutes.

REPUBLICA DE CHILE
 Ministerio de Relaciones Exteriores
 Coordinación General
 II Cumbre de las Américas

5:30 pm Debate.

A total of approximately 45 minutes, with 11 speeches of 4 minutes each.

6:15 pm Speech by the President of the IDB, Mr. Enrique Iglesias (4 minutes).

6:20 pm Speech by the Director General of the WTO, Mr. Renato Ruggiero (4 minutes).

6:25 pm End of Second Work Session.

Sunday, April 19

8:45 am Continuation of the Second Work Session.

Theme : Economic Integration and Free Trade.

Participants : Leader + 4

Explanation :

- Costa Rica (4 minutes)
- Argentina (4 minutes)
- Canada (4 minutes)

A total of approximately 12 minutes.

9:00 am Debate.

A total of approximately 50 minutes, with 12 speeches of 4 minutes each.

9:50 am Speech by the President of the World Bank, Mr. James Wolfensohn. (4 minutes).

REPUBLICA DE CHILE
Ministerio de Relaciones Exteriores
Coordinación General
II Cumbre de las Américas

10:05 am Initiation of the Private Session.

Participants : Only Leaders.

10:05 am Parallel to the Private Session, the Ministers of Foreign Affairs will hold a Meeting, accompanied by the respective National Coordinators.

Agenda:

- Strengthening and Modernizing the Inter-American System.
- Follow-up Mechanism of the Summit of the Americas.

11:45 am End of Session.

12:30 pm Closing Ceremony.

- Signing of the Declaration of Santiago.
- Speech by the host of the Third Summit of the Americas.
- Speech by the President of Chile.

End of Closing Ceremony.

Santiago, April 9, 1998

THE AMERICAS

The road from Santiago

SAO PAULO

The second "summit of the Americas" opens in Chile next week. It will give formal approval to negotiations intended to lead to free trade from Alaska to Cape Horn. But that project needs broader political support

WHEN in December 1994 Bill Clinton welcomed to Miami the leaders of 33 other countries in the Americas, their meeting was widely seen as the start of a new chapter in the often troubled relations between the United States and Latin America. With the cold war over, elected governments in power everywhere except (uninvited) Cuba, and with market reforms and freer trade supplanting statist protectionism, many old sources of tension seemed to have been replaced by shared ideas and new opportunities for co-operation.

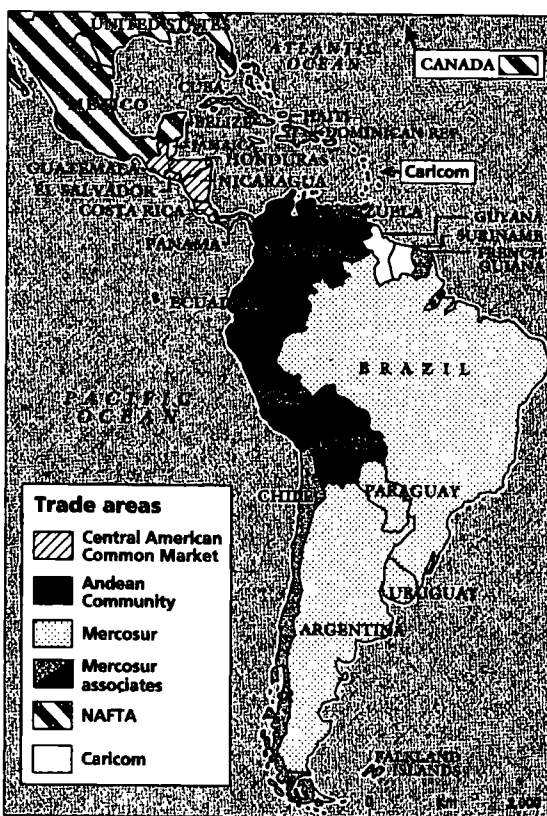
Chief among these was the notion, mooted earlier by President George Bush in 1990, of a "free-trade area of the Americas" (FTAA), stretching from Alaska to Cape Horn. In Miami, Latin America's leaders embraced the idea with surprising enthusiasm. A target date of 2005 was set for its achievement, with "concrete progress" to be made by 2000. Alongside this, the 34 summiteers put their names to a long list of collective virtue, 150 "action items" concerned with topics ranging from health services through women's rights to the environment.

On April 18th and 19th in the Chilean capital, Santiago, the 34 countries' leaders meet again. They will formally launch the FTAA negotiations. After three years of hard talking, at a final preparatory meeting in Costa Rica last month their trade ministers agreed to a detailed agenda of what to negotiate, how, where and when. Their ambitious dream might seem, at first glance, to be steadily becoming a reality.

True, the FTAA concept faces criticism. Some economists argue that regional preferences divert more trade than they create. Some Latin Americans fear that the cost of adjusting to free trade with the world's most powerful economy will far outweigh the benefits, especially in smaller and less developed countries. Trade unions in the

United States express the opposite fear, foreseeing a flight of jobs to lower-wage countries farther south.

Yet Latin American governments have concluded that they do want an FTAA. Such studies as exist suggest that guaranteed access to the United States market would add to growth both by boosting exports, especially of manufactures, and by attracting ex-



tra foreign investment. And if an FTAA comes to be, no country can afford to be left out. The United States can foresee corresponding benefits, as faster growth to its south boosts demand for its exports. Already, Latin American countries' unilateral lowering of trade barriers has made the region the United States' fastest-growing foreign market. Last year, Mexico overtook Ja-

pan to become the second-largest importer of United States goods, after Canada. The FTAA has a geopolitical attraction too: it would lock in free-market as the way of life throughout the Americas.

Nor will trade be the only, or even the first, item on the Santiago agenda. The summit will discuss democracy, education and poverty; and, not least, drugs. Latin Americans resent the United States' practice of unilaterally "certifying"—or decertifying—other countries as dependable allies in the war against drugs. Mr Clinton cannot just abandon this: it is enshrined in American law. But Santiago may be a first step toward parallel, multilateral monitoring of efforts to curb not just the (Latin American) supply of drugs, but the (United States) demand for them. And the assembled leaders may agree to make their summits regular, perhaps three-yearly, affairs. In sum, here, says Jose Miguel Insulza, Chile's foreign minister, is "a mature partnership."

A smoggy prospect

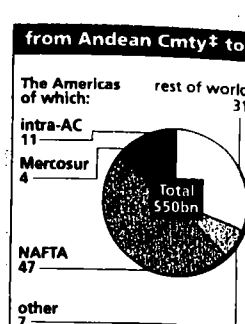
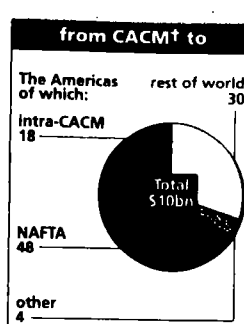
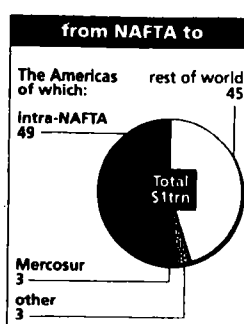
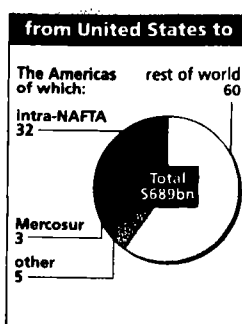
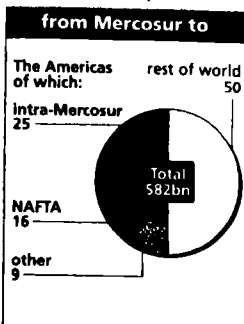
Yet a sense of anti-climax will hang as thickly in the air as the Santiago smog. One reason is simply that this is the second time round: Miami was a giant step, the first pan-American summit since an ineffectual affair 27 years earlier whose main, American-inspired aim was to isolate Cuba. And whereas the Miami invitations came from the leader of the world's superpower, Santiago has been arranged by a 34-country group, more democratic but more routine. The big reason, however, is a widespread feeling that the United States has again lost interest in Latin America, and that its policies in the region—whether on trade, drugs or Cuba—are being driven by domestic politics, not broad, strategic vision.

That disillusionment has been crystallised by Mr Clinton's failure to win fast-track trade-negotiating authority from Congress. It was this that scuppered the American pledge made to Chile in 1994 that the first step toward free trade would be Chile's admission to the (then new) NAFTA accord linking the United States with Canada and Mexico. Not till last year did the Clinton administration even put forward a fast-track bill—only to withdraw it last November, rather than risk its defeat.

Without fast-track, some say, the whole FTAA exercise may be futile. The United States has had years of solid growth. Unemployment is low, the trade deficit small. If

Selling to each other

% of total 1997 exports*



Sources: IDB; US Department of Commerce

*Estimated, except from US †Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua ‡Bolivia, Colombia, Ecuador, Peru, Venezuela

Mr Clinton cannot get his way on trade now, these sceptics ask, when can he? And of all imaginable trade deals, the American public is especially hostile to Latin American ones, thanks to its experience with NAFTA—or, more accurately, to what it has heard of NAFTA and the way the administration sold that deal politically, simply as a matter of extra exports and jobs.

Less than a year after NAFTA came into force, and eight days after the Miami summit, Mexico's currency began to collapse. The United States not merely had to stump up billions (promptly repaid, but who remembers that?) to save its neighbour, but saw its 1994 trade surplus with Mexico of \$5 billion become a deficit of \$13 billion in each of the next two years. To the unions, increasingly influential backers of Mr Clinton's Democratic Party, this proved the folly of opening doors to low-wage economies. And to widen the grief, with Mexican goods came Mexican migrants and drugs.

Latin America too is wobbling in its commitment to free trade, partly because Asia's troubles have tightened both capital and export markets. In November Mercosur, the incipient customs union linking Argentina, Brazil, Paraguay and Uruguay, raised its common external tariff, which averaged around 12%, by three percentage points. This year Brazil has revived a few bad habits, demanding import licences for some goods and scrutinising invoices with punitive care. Even Chile, the region's paragon of open trade, which planned to cut its flat tariff from 11% to 8%, has not done so.

Slow track, no track?

So is the FTAA doomed? Not yet. Official and ministerial effort has been sunk into the project. The preparatory talks have given it some momentum. Whatever the doubts, no country has shown itself ready to abandon the project. And though Latin Americans are sceptical of negotiating with a president who lacks fast-track authority, it is, after all, at the end, not the start, of talks that that authority is required.

Ironically, the lack of fast-track may have eased the launch of talks, by blunting

American ideas of speeding them up. Brazil wants plenty of time to modernise its economy before embarking on open trade with the United States. To the Americans—and Central Americans hurt by exclusion from NAFTA while Mexico is inside—that smacks of protectionist foot-dragging. But Brazil, the third-largest economy in the Americas, could not easily have been overridden.

By weakening the United States' negotiating position, lack of fast-track has also changed the shape of the talks. These will be no series of bilateral exercises, with Latin American countries competing against each other to join the queue for accession to NAFTA, as the Americans envisaged in Miami. Instead, in Costa Rica, the 34 countries agreed to a multilateral process. Different countries will preside over the nine negotiating groups (covering matters such as investment, services, competition policy and subsidies, as well as market access). The talks will start in Miami in June, moving in 2001 to Panama city and in 2003 to Mexico city. Canada will be the first chairman, then Argentina, Ecuador and, during the last two years (to the end of 2004), when the crucial deals will have to be cut, Brazil and the United States jointly.

But will the United States still be interested? Instead of the "early harvest" of tariff cuts that it wanted by 2000, the negotiators will merely seek "business facilitation" steps by that date, such as standardised customs forms. If Mr Clinton fails to win fast-track before his presidency ends in January 2001, the talks may slide into the dust.

Even if the talks go well, to push them to a deal, and then to win legislative approval, will require governments—and not just in Washington—to show political courage. Although it would be phased in slowly, probably over 15 years after 2005, the FTAA would offend powerful domestic lobbies.

It would demand demolition of the solid tariff walls still encircling Latin American countries. Tariffs there, though much lower than a decade ago, still average around 15%, and more than that on some significant products in some big countries; Brazil levies 29% on computers, and up to

49% on cars, for example.

The United States' tariffs are lower; less than a fifth of Latin American exports there pay more than 5%. But many of the most competitive products face special duties or non-tariff barriers. Brazil's trade officials say barriers to its steel, orange juice, sugar, tobacco, footwear and other exports cost it up to \$5 billion a year; hence its resistance to the American desire for early tariff cuts in isolation from an over-arching agreement on issues such as anti-dumping, dispute-settlement and subsidies. In an FTAA, the United States would have to slash at its protection of textiles, clothing and farm products. Some action on textiles is due anyway, under the GATT's Uruguay round. If new world trade talks looked likely to open agricultural markets (notably Europe's), to do that for Latin America would look less alarming. But, north and south alike, there would be cries of pain and rage.

Open or shut

With or without an FTAA, the pace of regional trade and integration in Latin America is likely to remain swift. The 1990s have seen the rise of dynamic sub-regional groupings, and of growing links between them. Last year, trade within Mercosur, for example, grew by 25% to \$20 billion; in 1990 it was \$4 billion. The Andean Community (Bolivia, Peru, Ecuador, Colombia and Venezuela) recorded a double-digit rise in intra-group trade. So did the Central American Common Market (Guatemala, Honduras, El Salvador, Nicaragua and Costa Rica). Caricom, the 15-country Caribbean common market (notably, Jamaica, Trinidad, Guyana, Suriname, Belize—and soon, probably, the Dominican Republic, bigger than any of these) is something of an odd man out: its real ambition is the "NAFTA parity" promised last year by Mr Clinton, and again this week by Madeleine Albright, but stalled in Congress.

Mercosur already has a free-trade agreement with Chile. It has one with Bolivia, and is talking with the other Andean countries. This web of accords will complicate the FTAA negotiations, especially in the ef-

fort to mesh differing rules of origin. But so far most of these deals, on balance, have opened doors rather than closed them.

While Mercosur consolidates, and pulls much of South America into its orbit, its policymakers are studying other options besides the FTAA. They have completed a preliminary, fact-finding study with the European Union, and negotiations aiming at a Mercosur-EU free-trade deal may be launched at a first-ever summit of Latin American and EU heads of government in Rio de Janeiro next year.

These talks might be harder than those on the FTAA, because of the EU's farm protectionism. But the potential pay-off for Mercosur is attractive: a study by Brazil's Getulio Vargas Foundation suggests that a deal with the EU would add more to growth in both Brazil and Argentina than would an FTAA. Whereas the rest of Latin America looks to the United States, the EU, taken as a whole, has long been Mercosur's biggest trading partner, and in 1996 displaced the United States as its largest source of foreign investment, according to calculations by IRELA, a Madrid-based think-tank.

This suggests two possible outcomes after Santiago. One is that the FTAA talks gather momentum, stimulated partly by parallel negotiations between Mercosur and the EU. A gloomier one is that, in the absence of fast-track, and of a business push for an FTAA, the talks drift nowhere. In that case, a relatively closed Mercosur (probably with Chile) might in the end go its own way, while the Andean countries, Central America and the Caribbean try to boost trade among themselves while still looking hopefully—and mainly—to NAFTA and, above all, its heart, the United States.

Colombia

Herbicides versus market forces

BOGOTA

FOR the past four years, Colombia's anti-drugs police, backed by the United States, have tried to eradicate coca-growing in its southern jungles. Light aircraft and helicopters have dodged guerrilla bullets to spray nearly 90,000 hectares (350 square miles) of plantations. The result? In 1994 Colombians grew an estimated 45,000 hectares of coca; last year 80,000.

Critics are not surprised. As demand persists, so will supply. Growers simply plant more, to meet the risk—and if, even so, all of one farmer's crop is sprayed, that just means one more Colombian facing poverty and tempted to escape it by joining the local guerrillas. That is what you would expect, and, says a study from the National

Old Bolivian customs

LA PAZ

FREE trade, it's wonderful—but not easy when, like Bolivia's, much of your land is mountainside and many of your roads, where they exist, a succession of pot-holes. A learned professor from Harvard has indeed cited these obstacles to trade among the reasons for the country's modest record of economic growth. Perhaps Jeffrey Sachs, for it was he, should have a talk with the typical Bolivian smuggler.

The lack of paved roads has not hindered the spirit of illicit private enterprise. Far from it. In 1996, say the official figures, based on customs reporting, Bolivia's imports from Argentina, Brazil, Chile and Peru totalled \$517m. Those countries' export statistics say rather more: \$1.1 billion. Bolivia's National Chamber of Commerce reckons that, between them, uncollected import duties and value-added taxes in 1997 cost the government nearly \$450m.

The plus side for poor Bolivians is that every large town has a well-established black market. Contraband makes it possible for many workers, often earning well under \$200 a month, to buy electronic and other consumer goods that would otherwise be out of reach. The illicit trade also provides a far broader range of consumer choice than the country's small formal market would support.

Landlocked at the heart of the continent, Bolivia shares borders with hinterland regions of five countries. Its frontier areas are largely wild and barely inhabited stretches of desert and jungle. Can this wilderness be brought to order?

The simplest solution—and it has been put forward—would be just to abolish tariffs. Privatisation of the customs service has been suggested. Another idea is to call in the army. An IMF mission that recently visited the country agreed that its borders were "unpoliceable". Still, an IMF report expected shortly will propose an investment of \$10m-15m in overhauling the customs service and reducing tax evasion.

Wholesale privatisation is not on the agenda. Even the head of the IMF team, Patricio Castro, admits that customs is not one of the tasks the state can delegate (though Mozambique, he says, has done it). The trouble is that successive governments have paid lip service to the idea of customs reform, but little more. Even the customs laws date from 1929.

President Hugo Banzer, the former dictator democratically elected last year, may do better. He has declared war on

customs corruption. He invited the IMF to look at the issue, and has formed a National Customs Council, with a wide brief to look at methods of trade monitoring and new administrative arrangements for the customs. Headed by the finance minister, Edgar Millares, it is under orders to design a new customs strategy, to be on the president's desk no later than the end of May.

To put new ideas into practice, however, the president may have to upset a lot of his friends. Mr Millares accuses Bolivia's businessmen and its prosperous elite of being heavily involved in contra-



band. Even the formal sector of business, it seems, commonly pays customs men not to notice its imports, if only so that it can compete with black-marketeers.

Customs employees related to politicians are widely suspect. It is common knowledge that political parties use their patronage of jobs in the customs service to ensure a flow of cash into party coffers. Dealers in coca or cocaine have their own reasons for palm-greasing, and also finance cross-border trade in other goods as one way of laundering their profits. The IMF is expected to recommend shifting the focus of customs inspections away from Bolivia. Pre-shipment inspection of goods in the country of origin would remove much of the local opportunity for corruption.

Yet corruption is not the whole story. Bolivia's customs posts are woefully ill-equipped. Some do not even have a telephone. Fax machines, let alone computers, are still undreamt-of luxuries for most. It is planned to set up a nationwide computer network. It will enable customs officials to share information on smugglers, their vehicles and their contraband—provided, of course, that the officials are trained in using it. Oh, and exactly how, by the way, will the computers come into the country?

REPUBLICA DE CHILE
Ministerio de Relaciones Exteriores
Coordinación General
II Cumbre de las Américas

URGENTE

Santiago, April 9, 1998

N° 086

Dear Coordinator:

I am pleased to address you to send to you, with the present communication, the agenda for the sessions of the Second Summit of the Americas.

As you will see, the program consists of two work sessions plus a private session. Also included is the Meeting of the Ministers of Foreign Affairs parallel to the private meeting of the Leaders.

Regarding the work sessions, note that in the first, "Education" and "Democracy, Justice and Human Rights" will be discussed and, in the second, "Eradication of Poverty and Discrimination" and "Economic Integration and Free Trade". It has been arranged that certain leaders will present the themes (in accordance with the list indicated in the program), after which the debate will be initiated. The Presidents of Colombia and Ecuador have already expressed interest in speaking on the theme "Democracy, Justice and Human Rights". Consequently, it is important that you forward us the materials that the Leader of your country would like to discuss.

Sincerely,


MARTABIT
Ambassador
General Coordinator

REPUBLICA DE CHILE
Ministerio de Relaciones Exteriores
Coordinación General
II Cumbre de las Américas

**SECOND SUMMIT OF THE AMERICAS
SANTIAGO, CHILE, APRIL 18 & 19, 1998**

AGENDA

Saturday, April 18

9:15 am Inauguration.

- Speech by the President of the United States of America,
Mr. William Clinton
- Speech by the President of the Republic of Chile,
Mr. Eduardo Frei Ruiz-Tagle

9:45 am Break

10:00 am Initiation of the First Work Session.

Theme : Education.

Participants : Leader + 4

Explanation :

- Mexico (4 minutes)
- Uruguay (4 minutes)
- El Salvador (4 minutes)
- Guyana (4 minutes)

A total of approximately 16 minutes.

10:20 am Debate.

A total of approximately 48 minutes, with 12 speeches of 4 minutes each.

REPUBLICA DE CHILE
Ministerio de Relaciones Exteriores
Coordinación General
II Cumbre de las Américas

11:15 am **Continuation of the First Work Session.**

Theme : Democracy, Justice and Human Rights.

Participants : Leader + 4.

Explanation :

- **Brazil (4 minutes)**
- **United States (4 minutes)**
- **Barbados (4 minutes)**
- **Suriname (4 minutes)**

A total of approximately 16 minutes.

11:35 am **Debate.**

A total of approximately 48 minutes, with 12 speeches of 4 minutes each.

12:25 pm **Speech by the Secretary General of the OAS, Mr. César Gaviria (4 minutes).**

12:30 pm **End of the First Work Session.**

Official photo.

1:30 pm **Working lunch offered for the Heads of State and Government by His Excellency the President of the Republic.**

REPUBLICA DE CHILE
Ministerio de Relaciones Exteriores
Coordinación General
II Cumbre de las Américas

3:45 pm Initiation of the Second Work Session.

Theme : Eradication of Poverty and Discrimination.

Participants : Leader + 4.

Explanation :

- Grenada (4 minutes)**
- Nicaragua (4 minutes)**
- Panama (4 minutes)**
- Peru (4 minutes)**

A total of approximately 16 minutes.

4:05 pm Debate.

A total of approximately 50 minutes, with 12 speeches of 4 minutes each

5:00 pm Speech by the Director of the OPS, Mr. George Alleyne (4 minutes).

5:05 pm Continuation of the Second Work Session.

Theme : Economic Integration and Free Trade.

Participants : Leader + 4

Explanation :

- Bolivia (4 minutes)**
- Colombia (4 minutes)**
- Jamaica (4 minutes)**
- Venezuela (4 minutes)**

A total of approximately 16 minutes.

REPUBLICA DE CHILE
Ministerio de Relaciones Exteriores
Coordinación General
II Cumbre de las Américas

5:30 pm Debate.

A total of approximately 45 minutes, with 11 speeches of 4 minutes each.

6:15 pm Speech by the President of the IDB, Mr. Enrique Iglesias (4 minutes).

6:20 pm Speech by the Director General of the WTO, Mr. Renato Ruggiero (4 minutes).

6:25 pm End of Second Work Session.

Sunday, April 19

8:45 am Continuation of the Second Work Session.

Theme : Economic Integration and Free Trade.

Participants : Leader + 4

Explanation :

- Costa Rica (4 minutes)
- Argentina (4 minutes)
- Canada (4 minutes)

A total of approximately 12 minutes.

9:00 am Debate.

A total of approximately 50 minutes, with 12 speeches of 4 minutes each.

9:50 am Speech by the President of the World Bank, Mr. James Wolfensohn. (4 minutes).

REPUBLICA DE CHILE
Ministerio de Relaciones Exteriores
Coordinación General
II Cumbre de las Américas

10:05 am Initiation of the Private Session.

Participants : Only Leaders.

10:05 am Parallel to the Private Session, the Ministers of Foreign Affairs will hold a Meeting, accompanied by the respective National Coordinators.

Agenda:

- **Strengthening and Modernizing the Inter-American System.**
- **Follow-up Mechanism of the Summit of the Americas.**

11:45 am End of Session.

12:30 pm Closing Ceremony.

- **Signing of the Declaration of Santiago.**
- **Speech by the host of the Third Summit of the Americas.**
- **Speech by the President of Chile.**

End of Closing Ceremony.

Santiago, April 9, 1998

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

April 13, 1998

PRESS BRIEFING BY
NATIONAL SECURITY ADVISER SANDY BERGER,
SPECIAL ENVOY FOR THE AMERICAS MACK MCLARTY, AND
UNITED STATES TRADE REPRESENTATIVE CHARLENE BARSHEFSKY

The Briefing Room

3:43 P.M. EDT

MR. RUBIN: Okay. It's a briefing on the President's trip to Santiago by the National Security Adviser, Samuel Berger; the United States Trade Representative, Charlene Barshefsky; and the Counselor to the President and Special Envoy for the Americas, Mack McLarty. Thank you.

MR. BERGER: Thank you, Eric. I'm pleased to be joined by Charlene Barshefsky and Mack McLarty. Together we want to preview for you the President's to Chile this week, both for a state visit and for the Santiago Summit of the Americas.

I'd like to spend a few minutes describing what we hope to accomplish during this trip and how it fits into the President's focus on the Western Hemisphere. I'll also run through the schedule of key events. Mack will speak about the summit in more detail, the road traveled from Miami, and what we'll be focusing on in Santiago. And then Charlene will talk about our vital trade agenda in the Americas and update you on where we are with respect to the free trade area of the Americas.

Let me start, first of all, on the focus that the President has placed on our hemisphere over the past year. The state visit to Chile and the Santiago Summit are the culmination of a yearlong engagement with the Americas, arising from -- originating back, actually, three and a half years ago with the first Summit of the Americas, which the President convened in Miami in 1994. As you know, the President then last year went

to Mexico, Central America, and the Caribbean in May, and in October went to Venezuela, Brazil, and Argentina.

The objective of these trips, of these visits is to build upon an extraordinary convergence of our hemisphere around values and interests we share -- in democracy, open market economies, and cooperation against common threats. There has been a quiet revolution in this hemisphere, and the President is determined to build upon it.

As the chart that is not behind me illustrates, but the one that's behind the one that's behind me -- 34 of the 35 nations today in the hemisphere embrace democracy and free markets, as you can see, compared to the time of the '67 and '56 summits. Now, lest you add up the numbers and say that our crack graphics squad cannot add, there obviously have been an additional number of countries in the hemisphere during this period.

Decades of civil war and coups have given way generally in the hemisphere to peace and stability. Despite the peso crisis in Mexico and the effects of the Asian financial problems, economic reforms in the hemisphere have resulted in the lowest inflation and highest growth in two decades. Forty-two percent of all US exports -- Ross Perot does this somehow easier, I don't know quite how he does it -- forty-two percent of all U.S. exports, \$286 billion go to hemispheric countries in 1997. That represents a 17 percent increase in exports in 1997.

Q From when?

MR. BERGER: From the year before. Versus a 5.6 rise worldwide. And if you look at this chart, you see the extent of our overall exports that go to the western hemisphere. And quite a bit of that is to Latin America, but when you take out Latin America, Canada, and the Caribbean, it's \$308 billion. The result is -- in a sense these two charts capture the two important trends of democratization and economic growth and economic market opening which resulted in the hemisphere being united as never before as we enter the 21st century.

Now, Mack will talk more about the road from Miami to Santiago, but it certainly has been a road that has been marked by a number of concrete realizations of commitments that were made in Miami. In Miami we agreed to expedite ratification of a protocol providing that any state that ceased to become a democracy would be expelled from the OAS. That was done in October '97. We agreed to initiate a process of regional

confidence building. Since then we have established an OAS committee on hemispheric security. On the economic integration side, you can see from these charts, what is happening is not only economic growth but economic integration between us as and the hemisphere and within the hemisphere, within regional groups within the hemisphere.

We talked at the summit about eradicating poverty and trying to combat disease. In 1995, for example, the First Lady launched a measles elimination program. Those cases today have been reduced from 23,000 in 1994 to roughly 2,000 in the hemisphere today. In Miami we agreed to recommend that multilateral development emphasize microenterprises, microlending. The Inter-American Development Bank has adopted a five-year \$500 million strategy to promote microenterprises.

In the area of the environment, there were a number of commitments made in Miami, national action plans to take the lead out of gasoline. In 1996 12 countries had eliminated leaded gas, and by 2001 there will be 20.

Those are simply illustrative of a series of the roughly 100 commitments that were made in Miami and the progress that has been made on most of them.

Now, the people in Latin America have chosen democracy and open markets, but for democracy and markets to endure they must deliver for their people. That is, their people need to understand that democracy delivers, that democracy works. They need to move beyond the basic building blocks of elections and market economics to the second generation of issues faced by all democracies, but particularly new democracies: education, rule of law, health care, worker rights, press freedom, anti-corruption. And this is precisely what the agenda and the focus of the summit in Santiago will be -- the second-generation issues that these countries face together, and where cooperation can help give democracy deeper roots. And Mack will have more to say about this in a few minutes.

On the economic integration side, the Miami Summit set forth a vision of bringing the Americas together around open markets through a Free Trade of the Americas Agreement by the year 2005. In Santiago the leaders will launch negotiations with timetables and a work plan. They will direct their trade ministers to begin negotiations with the objective of concrete progress by the year 2000. Charlene will talk more about that.

They will establish a mechanism to allow labor, the environment, and other civil groups to contribute to this FTAA process. And they will also pursue commitments to strengthen bank regulation and market oversight to promote stability in financial markets, something that since Miami we have come to learn is far more important.

Now, let me talk a bit about Chile itself, because the first two days of the trip is a state visit to Chile, and it will really give the President an opportunity to spotlight Chile's quite impressive achievements. Chile is a country that has succeeded in achieving both an increase in economic growth and a decrease in its poverty rate. Its annual growth since 1990 has averaged 6.9 percent, while its poverty rate has dropped from 40 percent in 1990 to 23 percent in 1997.

President Frei is committed to providing access to computer networks, for example, for all 1,500 secondary schools and 50 percent of primary schools by the year 2000.

The Chile of today has emerged from the turbulent and dark past that we are all too familiar with to become a vibrant democracy working to ensure that all of its citizens share in the fruits of an open market economy.

Now let me briefly just run through the schedule so you can know where you're going to be at various points. We will leave Wednesday at about 8:30 p.m. and arrive in Santiago at 6:30 a.m. in the morning -- a delightful red-eye, all-night flight.

On Thursday the President will meet with President Frei. They will finalize and then sign a U.S.-Chile communique on which we've been working. They will tour a neighborhood of Santiago and have a roundtable conversation with community leaders, which will provide an opportunity to discuss Chile's record of economic growth and poverty reduction. And then finally -- not finally, next to finally -- the President will address business leaders, which together with the event in a poor neighborhood, will provide I think the two sides of the coin that we've talked about so much; that is, economic growth to provide opportunity, a social safety net in order to make sure that that opportunity is spread widely. And then that evening there will be a state dinner.

On Friday we will helicopter to Valparaiso, where the President will address a joint session of the Congress, in which he undoubtedly will highlight Chile's success in reclaiming its

democracy and spreading the benefits of its prosperity to more of its people. We'll tour a rural area near Valparaiso, and return to Santiago.

Saturday begins the summit. In the morning most of the events will take place in the Sheraton Hotel. In the opening session the President and President Frei will make opening remarks which will be open to the press. Then they will have sessions during the day from 10:00 a.m. to 6:00 p.m., three discussions: one on democracy, one on education, one on poverty alleviation. And then that evening there will be a summit gala for leaders and spouses.

And then on Sunday the summit resumes at 9:00 a.m. at the Sheraton. There will be two leader discussion sessions, one on trade, and the final one, which really has no specific agenda will be essentially an open-ended discussion. At about 12:30 the summit will conclude at the former Congress building with statements from several leaders, including President Clinton, President Frei, Prime Minister Chretien, since Canada is likely to be the host of the next Summit of the Americas.

The President will then go speak to the staff and families at the embassy, as he always does when he travels. And we will depart for Washington about 3:45 p.m. and a mere 10 hours later we will be back in Washington.

Let me ask Charlene and then Mack to speak and then we'll take -- Mack, then Charlene.

MR. MCLARTY: Sandy, thank you. The President and our administration has had a policy of sustained engagement and the intense Presidential focus that was noted in Sandy's comments for the past several years, in fact, beginning from the first days of the administration.

We are well aware, the President is acutely aware, of our history in the region from time to time, which has been marked by intervention or neglect. I think he is also keenly aware of this quiet revolution that Sandy noted, a profound change, in many ways as profound as the fall of the Berlin Wall. We have both, from time to time, used the phrase "this is not your father's Latin America," which is, I think, a good way of describing some of the changes -- remarkable changes of 34 out of 35 countries are now democratic. In Central America we don't have the United States and the Soviet Union in a Cold War battlefield or civil wars there. And in fact the export market

for U.S. goods in Central America is larger than all of the former Soviet states put together.

The real story from an economic standpoint has been the taming of hyperinflation, which, of course, was the cruelest burden to those below the poverty line. Some example of that is Argentina in 1989 had an inflation rate of 5,000 percent; today it's .3 percent with a 7 percent annualized growth rate. As the minister of finance told us in Brazil when we traveled there, our inflation rate, Mr. President, is 5 percent; the difference is, that is an annual figure not a weekly one. So a remarkable economic change.

In terms of the sustained engagement, our goal is to create what we have phrased as a Greater Americas, based on mutual trust, respect, and reward. And we have certainly discussed with the American people about our views regarding Latin America. After all, we are the fifth largest Hispanic nation in the world, the United States, and in turn, to sharpen and improve their views of us.

Sandy has already noted the first-term record of the convening of the summit -- restoring peace in Guatemala, as friends of that process; restoring democracy in Haiti; the support of the Mexico peso crisis; and the passage of the NAFTA; as well as the two presidential trips to the region, including two summits with the Central American leaders and the Caribbean leaders.

The Vice President has traveled to the region five times, emphasizing economic growth and environmental stewardship. The First Lady has traveled to the region four times, emphasizing issues of health care, poverty, and including all aspects of women's inclusion in society as well as indigenous people.

Now, the Miami Summit affirmed what is called the first generation of reform, which are free and fair elections, stable and open economies. And I think it's fair to say an architecture was put in place to further that progress, and one of the centerpieces -- not the only, but one of the centerpieces was the Free Trade Area of the Americas by the year 2005.

We have made real progress on that road from Miami to the promise of Santiago, but the key point here is that progress is not assured and not guaranteed. It is critical in my view, as someone from the private sector, to have a second generation of

reform in order to sustain the first generation, the macroeconomic reform.

I think most of us would agree the bright line between foreign policy and domestic policy has blurred. You'll see that at this summit. From a U.S. perspective, whether it's jobs, the economy, energy prices, gasoline prices with summer vacations coming up, education, fighting the drug trade, alleviating poverty, or protecting the air we breathe, the issues we will discuss at this summit are the issues that affect our citizens and families here at home. They are issues that our people care about and care about deeply.

The summit agenda will very much follow the Miami agenda: first, strengthening our respective democracies; secondly, trade and economics, including financial coordination, which I think should be emphasized and highlights; thirdly, addressing poverty; and fourth, of course, emphasizing education. We'll certainly try to marshal resources, particularly where we have leverage in the multilateral organizations -- the Inter-American Development Bank, the World Bank, the Pan-American Health Organization -- particularly focusing those resources on education.

I think in terms of education the emphasis to strengthen the resources devoted in Latin America to primary and secondary education is particularly important to strengthen their democracies and their economies. There are clearly dramatic changes in terms of distance learning taking place throughout the hemisphere and indeed the world and our own country. And some of the same issues, including resources, teachers in the classroom, size of the classroom, and so forth, will be very much discussed at the summit.

I think it's a fair question to ask, how is improving education in Latin America going to help people here in the United States? I think the answer is, good schools make good neighbors. Education advances our economic and security interest in the region. First, it expands the middle class that buys U.S. goods and services that are noted on this chart. Secondly, it reduces the opportunity to buy or sell illegal drugs to be part of that undercurrent and undertow. It reduces illegal immigration by encouraging people to stay at home with their families, and it makes for more stable democracies, and with partners who are ready and willing and able, as they have demonstrated, to stand by us not only in the hemisphere, but in

terms of our peacekeeping efforts in Bosnia and our efforts in the Persian Gulf.

You have a number of presidents who have spent a number of years devoting their efforts to education, including President Clinton. President Cardoso has been a lifelong teacher and academician, as has his wife; President Zedillo a former Minister of Education; President Frei, President Figueres and others have talked about and been dedicated to educational reform for at least a decade, if not longer.

I think all of us would agree in this global economy, which Ambassador Barshefsky will talk about, the key to inclusive growth both here in this hemisphere and worldwide, is education. And in many ways I think that will be the legacy of this summit.

In terms of democracy, I think we will see an emphasis on broader democratic participation, certainly the strengthening of the judicial system in Latin America -- a fair, open professional judiciary is key to any modern contemporary working democracy. Attorney General Reno, Justice Breyer have worked very diligently on this effort.

Press freedom -- something important specifically to all of you in this room, is an issue we have pushed, encouraged, and the President raised it when he went to Argentina on our last trip, and the hemisphere embraced it. And through the inter-American human rights part of the OAS, no new bureaucracy, we will establish, I think, at this summit a special rapporteur to advocate for freedom of expression.

Now, that may be perhaps even more important than just the fundamental tenant of freedom of expression, because over the past 10 years 200 journalists have been killed in Latin America and some in the United States in pursuit of a story, doing their job professionally and responsibly. And I think this effort will clearly help address these crimes of impunity.

I think, finally, corruption is certainly a very important issue in the hemisphere. The hemisphere is leading the way with the signing of the Corruption Convention over a year ago, and that measure, as I think was announced here, has been sent to our Congress for ratification.

The region clearly still has too much poverty -- over 150 million below the poverty line, despite the progress that Sandy noted. And these targeted issues, while they can be viewed as

rather mundane, are critical for including everyone in an open-market democracy in terms of microcredit to small business -- which I certainly can identify with coming from a small business, a family-owned business -- land titling; and certainly women's issues and inclusion in the economy and the democracy.

In terms of the economic issues, Charlene will speak to the trade issues specifically. I'd just like to note a couple of things very briefly. First of all, we should look at not only trade, economic integration, which is obviously occurring in a rather dramatic way, but we should look also at investment and we should look at financial coordination, that is. the stability of the banking system and the financial markets. We've seen what can happen seriously in Mexico, in this hemisphere, when that does not take place in the right way, and certainly in Asia. And I think Latin America in many ways has become a model to emulate there, as opposed to avoid, and has shown a remarkable resilience in the face of Asia contagion because they've had the capacity and the will to act in relatively modern financial systems.

In terms of energy on the economy, three of our four top energy suppliers are from this hemisphere. And I think all of us understand the relation to energy prices, inflation, and our overall economy.

In terms of the FTAA launch, there is a true consensus we'll have a comprehensive and a credible launch, and that should not be taken for granted and it should not be minimized. The importance of it I think is very clear, with 40 percent of our exports going to this hemisphere, with our exports growing twice the rate to this hemisphere as any other region in the world.

One fact, as a business person, about half of the population in Latin America is under 21 years of age. So if you project that market potential out in a natural market, the numbers obviously become very compelling and very important. We export more to Brazil than we do to China, more to Chile where we are visiting than we do to India.

In terms of the summit process, I think the region has found its voice on the world stage. We have a much more mature dialogue in the region than in any times, I think, in the past. I think it is time to put our consultations on a more regular basis and I think this Santiago summit will accomplish that. We'll schedule the next time and place for the next summit

meeting. I think the agenda has been one reached by consensus and I think, in that regard, we have a common agenda. The issues that we address in Santiago are issues that matter to the American people and to the people throughout the Americas.

I think the real opportunity of Santiago is to change the very shape and nature of the character of our relationship in the hemisphere, and to have truly a foundation for both security and prosperity as we move toward the 21st century.

AMBASSADOR BARSHEFSKY: I'll try and be brief. We've talked about the political declaration that the leaders made in 1994 at Miami, that there should be a free trade area of the Americas. As important as that political declaration was in 1994, the formal launch of these negotiations following three and a half years of preparatory work, ensures the realization of the Miami vision. There will be a free trade area of the Americas. A comprehensive launch will be initiated in Santiago, along with all that that implies.

And let me tell you what has been agreed. First off, the entire negotiating structure from here to 2005 has been agreed. The first three years of the process will be hosted by Miami. The final two and a half years of the process will be co-chaired by the United States and Brazil. We in the United States were very concerned about this launch that is in the start and the conclusion, because there are two parts of a negotiation that matter, and only two: the setup in the beginning, and the end.

The middle will always go as the middle goes -- up and down, sometimes fast, sometimes slow, the trajectory is usually positive. But the setup is very, very important, and that's Miami. And the conclusion, by co-chairing with our other major hemispheric partner, ensures that we will indeed conclude the agreement on time.

We have also agreed on concrete progress by 2000. I think this will largely be reflected in the negotiation and adoption of a series of business facilitation measures. Let me give you some illustrative examples of what that might encompass: customs, meaning customs coordination, meaning paperless entry with respect to customs; a series of provisions related to government procurement and transparency in government procurement -- there is very little transparency of the process in our hemisphere now; services trade, I think we'll see some progress there of a very concrete nature. I also think we'll

see some progress with respect to telecommunications trade and some other areas.

We have also for the first time established a committee within the FTAA itself to receive the views of labor, environmental NGOs, and other groups who obviously have a stake in the outcome of the process. The setting up of this committee is really rather a milestone in the history of the FTAA thus far. Our hemisphere has been reluctant to establish a committee within the FTAA to listen to the views of civil society broadly and to take those views into account in the course of the negotiation.

This year there has been rather -- I should say over the last several years -- there has been rather a change of attitude, and I think a growing recognition in our hemisphere that people -- all segments of society -- need to feel empowered by this process of hemispheric integration, not disempowered by it. And so we have for the first time now established a committee within the FTAA to be chaired by the ministers themselves, that is to say, by those most responsible directly to their political constituencies, to take into account these views and to translate these views, where appropriate, into negotiating objectives.

In addition to, as Mack said, a credible launch, the launch will be very comprehensive, covering all areas of trade and covering areas of trade we can project into the future -- so global electronic commerce now figures prominently on the agenda, as it should, since Internet usage in our hemisphere has the highest rate of usage, the highest growth rate in the world, including in Asia, interesting.

Economically, as you know, the markets of Latin America are the most dynamic, and the most dynamic export markets for us. And let me just add for your use a couple of extra numbers. As Sandy Berger said, in 1997, our exports for Latin America and the Caribbean grew more than three times as fast as our exports to the rest of the world. During the second half of 1997, we exported more to our hemisphere than to the entirety of the European Union.

In 1997, Mexico surpassed Japan as our second largest trading partner. Think about that a minute. Mexico has an economy one-twelfth the size of Japan. We sell more to Mexico than we do to Japan, and they have now surpassed Japan as our second largest trading partner.

And last, our export increases to the Western Hemisphere accounted for 63 percent of our export growth worldwide in 1997. That is to say, 63 percent of the growth in our exports globally stayed in our hemisphere, went to our hemisphere. And much of that is accounted for indeed by Canada and Mexico.

Let me just say in closing that because of the economic transformation in Latin America, including, as Mack pointed out, reigning in hyperinflation, you have 500 million consumers, a burgeoning middle class, and extraordinary opportunity for American exports. And this is exports in all of the categories that we see, and in all of these categories we've experienced substantial growth already -- and that is in goods, in services, in agriculture as well.

You also have a wave of privatization in our hemisphere, and as we look at areas like power generation, energy, telecommunications, the United States is well poised to capture those opportunities as well. And this range of opportunity will be enhanced substantially as Latin American barriers come down. Their tariff barriers alone average four times what ours are to their products, and non-tariff barriers in Latin America remain a persistent problem. So we see a substantial expansion of opportunity for the United States as we pursue the FTAA.

And by opportunity, of course, I mean U.S. jobs, because that's what the bottom line is here from our point of view. We already have an economy in which, of new jobs created, one in five depend on exports. One in five new jobs are in manufacturing and dependent on exports. And we know that exports pay on average 15 percent more than non-export related jobs.

Our future in terms of increasing U.S. economic growth is in exports; it is in opening markets abroad where the other 96 percent of the world's population lives, and most particularly, in our hemisphere, which we ought to view as our neighborhood. We need to remain well-positioned to capture that opportunity, and that is what the FTAA will do.

MR. BERGER: Questions. Have we worn you down?

Q -- have you been able to convince the labor unions that this is such a good thing for them?

MR. BERGER: We will obviously be consulting as we go along in these negotiations with labor and business, with Congress and all other affected segments of society, to convey what I think is clear, and that is that the future of America's economic growth and a greater production of jobs is going to come in greater trade.

Q How far can you negotiate until you need fast track? How many months or years until you absolutely --

MR. BERGER: Let me answer and then I'll ask Charlene to answer. We launched the Uruguay Round of the GATT negotiations -- in Uruguay, by the way -- (laughter) -- without fast track authority, and did not have fast track authority for over two years in those negotiations. Obviously, as we come to the conclusion -- or before we get to the conclusion of these negotiations, that is something that we will need to have, and it's something the President is deeply committed to obtain, and we will continue to work towards that objective. But I don't think it is necessary for the launch of these negotiations.

Charlene.

AMBASSADOR BARSHEFSKY: Yes, if I might say, I think the fast track question points up to a kind of split dynamic that's occurring in our hemisphere. The launch of these negotiations is as well positioned as it could possibly be. That's with or without fast track. We have precisely the launch, the scope, the U.S. at the center of it, that we want it to have, and that we would have had whether we had fast track now or not.

But what you see in our hemisphere, on the other hand, is an acceleration in sub-regional integration -- that is, in countries integrating with each other around the United States, not with the United States. And so you see an acceleration of ties between Mercosur -- that is, Brazil, Argentina, Paraguay and Uruguay -- and the Central American countries. An acceleration of the ties between Mercosur and the Andeans; an acceleration between Canada and Chile; between Chile and certain of the Central Americans; or between Chile and Mexico; Mexico and Mercosur; the EU and Mercosur; Asia and Mexico.

That acceleration has occurred, I believe, because countries see a potential window of opportunity that they might not have envisioned had the U.S. had fast track right now. That's not from our point of view an overly positive development. We don't object to these sub-regional

arrangements, obviously, where they expand trade, as most tend to do. But we do want to ensure that the United States remains at the center, as the center of a constellation of trading relationships. The FTAA launch helps us reassert that central role, but the acceleration of sub-regional integration is something I think we have to look at very carefully.

Q When do you need to have fast track, though? The launch is next week, but obviously, you're going to need -- and it looks now like the administration is not going to even push again until next year.

AMBASSADOR BARSHEFSKY: We have said all along that the timing of fast track depends on two things -- one is the substance, and the second is the chemistry, both of which we continue to consult with Congress on. And, as Sandy has said, fast track remains a priority for this administration.

Q -- going to be embarrassing, really, because this was the goal, wasn't it -- to have Chile on board for a NAFTA thing? It sounds like everything you've said is a rationale of trying to get around the fact that you failed in --

MR. BERGER: I'll say a couple of things, Helen. First of all, what we set out to do in Miami in 1994 was to launch a free trade area for the Americas, a negotiation at this summit; we're going to do that. And those negotiations will proceed vigorously.

There is, in addition to that, obviously more to this summit, as there was more to Miami, than trade. And I think one of the things that I've talked about, Mack has talked about, are the other issues that increasingly are important to the quality of democracy and the quality of society in these countries. Obviously, to take full advantage of the growth in this hemisphere and to reach fruition in a free trade agreement we will need to have fast track authority. But I believe we will have it.

MR. MCLARTY: Sandy, let me just reenforce a couple of points there. First of all, I think the Miami summit, it should be restated -- if the centerpiece, as many suggested, was the establishment of the FTAA with Chile having a comprehensive trade agreement, the heart of the Miami summit was democracy -- the 34 countries that had moved toward democracy; indeed, established political liberty and democracy. And they are two sides of the same coin.

Secondly, I think we should keep agreements in perspective. What is driving this process and these numbers are not trade agreements. What is driving this process is the interconnective global economy and the private sector, both businesses large and small, and ultimately the consumers' knowledge of and desire for lower priced, competitively priced goods and services.

So I think Helen, had the President and the administration -- and I have heard this on my some 40 or so trips to Latin America -- not made a concerted effort to achieve fast track, then I think you would have some concerns and problems. I think it is well recognized in these democratically elected governments that, as we discussed earlier, our batting average on legislation and trade legislation is very good. They have their own Congresses, and they're not always successful in a perfectly straight line either.

So I think what is important is to move forward with momentum on this agenda, as Ambassador Barshefsky has noted. And finally, I would suggest the actual summit agenda, which was reached by consensus, was actually essentially agreed upon in large measure over a year ago, well before the fast track vote even took place.

Q Ambassador Barshefsky, you said that the United States is at the center of this process. In Santiago, Brazil will be signing a number of trade agreements, and the President won't be signing any. I wonder, most commentators seem to think that Brazil is now at the center of this process. How do you avoid having the President look like he's become superfluous?

AMBASSADOR BARSHEFSKY: Well, should I start with the fact that we're a \$7 trillion economy? The United States will always be at the center. But your question goes exactly to the point I made before, which is you see an acceleration in the coming together of sub-regional arrangements to the exclusion of the United States. And this is really where fast track becomes important -- not for the launch; the Uruguay Round was launched without fast track and we're well positioned here, excellently positioned here with respect to the launch of the FTAA negotiations.

Where the rubber hits the road is where you see other countries integrating around us, and for that we're going to need fast track authority.

I do think, now that there will be this comprehensive launch of negotiations, we will soon see countries focus their resources on that. And I think that will begin to subsume a lot of this other sub-regional activity, but for right now what you see, in this last six months especially since the fast track vote was postponed, is an acceleration with respect to the level of sub-regional negotiation. But in terms of the United States, the United States is a 7 trillion pound gorilla.

MR. MCLARTY: One quick thing, I think the negotiations are not win-lose. I think the FTAA is clearly a win-win proposition, and I think the markets are indeed very complementary of each other. I think we see that in terms of resources -- I spoke of energy -- and of investments in the region, which Charlene spoke of, infrastructure projects -- so I want to make sure when we talk about the center of what we do need to have is the position in the launch, which we have, to shape the agreements, particularly on issues that are important to us and the American people.

Q Is Pinochet going to attend the Congress, the National Congress event on Friday? Do you know what to expect?

MR. BERGER: We don't know whether he will.

Q Have there been conversations with Chilean officials about whether he's going to come?

MR. BERGER: I know it's been a subject of some discussions at the advance level, but I have no idea whether he's going to be there or not.

Q Will that affect what the President says if he's in the audience?

MR. BERGER: No, he will say the same thing whether he's in the audience or not. Chile is a democracy with a glorious recent history of having reclaimed its democracy, and I can assure you that what the President says will not be affected by whether General Pinochet is in the audience or not.

Q And what bilaterals is he going to have on the sidelines of this summit?

MR. BERGER: Not absolutely clear because of the nature of this. This is a little bit more like -- for those of you who were on the Africa trip -- Entebbe in a sense than a situation

where there will be formal bilats. There will be opportunities in the breaks for the President to sit down with President Zedillo, Prime Minister Chretien, and a number of others. It will be somewhat more informal.

Q What about -- will he have a special message about Paraguay's recent turmoil over the elections there?

MR. BERGER: Our message will be the same as the message of all of the countries that are in the region -- Argentina, Brazil, Chile, and others -- which is that we hope and expect that constitutional democracy will be upheld in Paraguay.

Q Sandy, two of the subjects of the summit are education and combatting poverty. What is the United States going to do concretely on those issues? Are there going to be commitments of money or --

MR. BERGER: Well, on education there will be commitments, not only in terms of multilateral funding but also bilateral commitments as well. I'll let Mack, perhaps, speak more specifically about it. Go ahead, Mack.

MR. MCLARTY: John, I'll get you the precise figure. I think your question is on point in terms of marshaling resources and leveling and leveraging the multilateral agencies, particularly the Inter-American Development Bank and the World Bank and both President Iglesias and President Wolfensohn will be in attendance at the summit. I think the AID has had an active program in the hemisphere; as you know, they will continue that with somewhat reduced funding over the last several years, but targeting that funding, particularly in terms of the poverty efforts.

But I think what you will see is a continued, concerted, focused, and effective effort on the part of the governments, both at the federal, state, and local levels in Latin America, take full advantage of these expanded resources. And I think you will see their efforts in terms of poverty alleviation to be quite effective and to be sustained efforts. We obviously want to be fully supportive of that.

In terms of education, there will be a number of memoranda of education agreements signed with Chile, with Brazil. And Secretary Riley, of course, will be on the trip and can answer, I think, in specific detail the educational aspects that will take place at the summit and with Chile.

Q I apologize if it's been asked before -- are there American business leaders going with the President.

MR. BERGER: There are not American business leaders going with the President. There of course are many American companies that have subsidiaries in Chile. The President will be speaking to the American Chamber of Commerce in Chile, as he does in a number of countries. But there -- as far as I know, none going on the trip.

Q So there's no delegation as there was to Africa.

MR. BERGER: There will be a Congressional delegation that will be going with us, as there has been in all of our trips in the second term. And we look forward to that. But I don't -- there will be no private delegation.

Q Many members of the Hispanic caucus in the delegation?

MR. BERGER: Yes.

Q Mack, you mentioned that on the economic agenda, international financial stability will be a big point in Santiago. Right after the peso crisis, the United States took the lead in international fora, particularly the G-7, to address this problem through the IMF, with greater transparency and surveillance of international banking, et cetera. And for about a couple of years, there was an awful lot of self-congratulations, that a lot progress had been made -- it's even in the Halifax and Leone communiques -- and boom, we got the Asian crisis when there had been every indication that enough prevention had taken place.

What are you going to be doing in Santiago to reassure investors and consumers and everybody else in the world that something is finally taking hold to prevent this kind of crisis?

MR. MCLARTY: Well, I think, increasingly, as I noted, Latin America has been looked at as a model to emulate, not avoid, in terms of financial institutions, central banking functions and reform of the banking system. I saw that both at the APEC conference in Vancouver, where you had Asian leaders and members of the private sector from those countries attending APEC talk to President Zedillo, discuss with President Frei, what they had done in that regard. I saw it again at the Davos Conference World Economic Forum.

While it is not perfect, clearly the leaders in Latin America have had the capacity and the will to act in terms of fiscal discipline. That's why their inflation rates have stayed under control, that's why their budget deficits are much, much smaller, I think, overall, than even many countries in Europe. And I think we will want to support an increasing and deepening of that kind of transparency and openness that the financial markets clearly judge. And I think that's why you have seen to date stable financial markets in Latin America despite a sharp decline in oil prices, where many of the economies are very dependent on oil prices.

I think you're correct in terms of the efforts the President has made to provide leadership in overall financial architectures -- Secretary Rubin and Secretary Bentsen before him and actually started at the G-7 in Naples. I think it's clear more needs to be done, and particularly reform, in a local basis in the individual countries affected, which is at the very heart of the IMF program. I think the difference is Latin America has taken those reforms and has taken very positive steps, and in some of the areas they have not.

MR. BERGER: And if you meant to ask by that question whether we would welcome Congress passing the supplemental, which would provide IMF funding and funding for the NAB, which grows directly out of Halifax and is specifically designed to provide for these kind of circumstances -- the answer is yes.

Q Sandy, also what I was wondering about was having put their house in order, as you put it -- the Latin American countries -- are you going to try and enlist them in Santiago to help you globally, have them put some pressure on Asian finance ministries and banking supervisor groups and so on.

MR. BERGER: I think this is happening informally already. In Vancouver, when APEC met at the end of last year, I think President Zedillo had an enormous impact there. In a sense, he's walked through the valley of the shadow of death, and he's come out on the other side. And he said to the leaders, there are certain rules that you've got to follow: you've got to tell the truth, you've got to take the hard knocks as quickly as you can, and you've got to restore the confidence of the markets.

I think there is beginning to be, as I've said before, a differentiation in this global financial marketplace. Not all emerging markets are alike; not all Asian markets are alike; not

all Latin Americans are alike; some are more disciplined than others; some are better run than others. And I think that the time that's passed since the Asian problems began, in some ways established that degree of differentiation on the part of international investors to be a little bit more discriminating and a little less spontaneous in terms of the movement of capital.

Q While we're on international stabilization issues, Japan a few weeks ago announced a package of stimulation measures to revive the Japanese economy. But despite that, the IMF global world economic outlook today forecasts zero growth for Japan for 1998. Does that mean that they have taken insufficient steps? Are you looking for them to do anything else?

MR. BERGER: Well, I don't know what factors they took into account when they made that judgment. We have said that the steps that the Japanese government undertook last week were good steps forward but that, as we've said before, it is extremely important that that economy be stimulated and increase at a faster rate of growth -- not only for its own health but also for the overall health of the Asian economies.

Q Sandy, you just touched on drug trafficking briefly -- what progress do you expect on the idea of multilateral drug certification and on the possibility of a Latin counter-narcotics center in Panama?

MR. BERGER: Well, let me answer and then ask Mack to add. We will make progress at this summit in expanding the multilateral alliance against drugs that we began to talk about when we were in Mexico and Brazil and elsewhere. The purposes of these efforts are to increase cooperation throughout the hemisphere, both a demand reduction and supply reduction. And to the extent that we can -- and they will include an element of evaluation of the performance of individual countries. And we think this is an important step forward.

Q Could this be a replacement of certification with time?

MR. BERGER: Well, certification is an act of Congress; it's the law of the land. We obviously intend to comply with it. Both of these are directed toward the goal of enhancing cooperation in fighting drugs in the hemisphere. If at some future point the alliance were strong enough and viable enough

that it were advancing that goal, obviously one might take a look at that. But I think at this point I would say they complement each other.

Q Yes, but if this certification is U.S. -- I mean, unilateral measure from the United States, and as you are trying to build a partnership with Latin America, this alternative would be the only politically correct solution on the long run, wouldn't it?

MR. BERGER: Well, we certainly want to be politically correct. As I said, both of these -- the motivation of both of these regimes is to enhance the cooperation throughout the hemisphere on fighting drugs, which is a deadly threat to each country in this hemisphere. Whether it's the United States that purchases \$57 billion worth of drugs, which poisons our children, or other countries where the narco-traffickers are eating away at the very foundations of democracy, there is no greater threat we have in common. And so it is extremely important that we work on this problem together through whatever means we can. We think the alliance against drugs will be one more instrument to advance that cooperation.

MR. MCLARTY: Well, the only -- I think Sandy really has covered the subject very well. The only additional point I would make in terms of the cooperation is that from a Latin standpoint or a Caribbean standpoint, they view this deadly threat, as Sandy noted, as seriously as the families of our countries do. This is not something we are imposing are having to try to change any views. The truth is, it is a very formidable foe. So I think it calls for increased cooperation. I think that will be achieved at Santiago. The goal of cooperation, the multilateral drug alliance, and certification are the same. Certification is the law, as Sandy noted, and we'll continue certainly to abide by and enforce that law.

In terms of the Panama multilateral drug counter-narcotics center, it is an idea that has been well received, but there are a lot of issues still outstanding, and I would not anticipate that it would come to fruition at this summit. I think it could obviously be a part of a multilateral effort.

MR. LOCKHART: I just wanted to let you all know about a change in the schedule on the trip we're taking tomorrow. The President will now overnight in Houston and travel Wednesday morning to Alabama to view the tornado damage and the work that

FEMA and the local authorities are doing to help with the cleanup.

The trip presents some logistical challenges to us, not the least of which is some of the people who are going on that trip are also going on the Chile trip, besides some other ones we're working through. So we will let you all know as soon as we can, possibly by tonight, on the coverage details, but I think it's important that people going on the trip tomorrow pack for two days.

Q Will he then come back here?

MR. LOCKHART: He will come back. There is a possibility that we will bring the press plane back tomorrow night and just take an expanded pool for the trip over to Alabama. We are working through those things now, but for your own comfort you should assume you're staying for an extra day.

Q Will the press charter leave at the same time from Andrews?

MR. LOCKHART: The press charter is still leaving at the same time, and that's what we're trying to work through now, how we reconcile the two things. But the press charter is still leaving early Wednesday morning.

END

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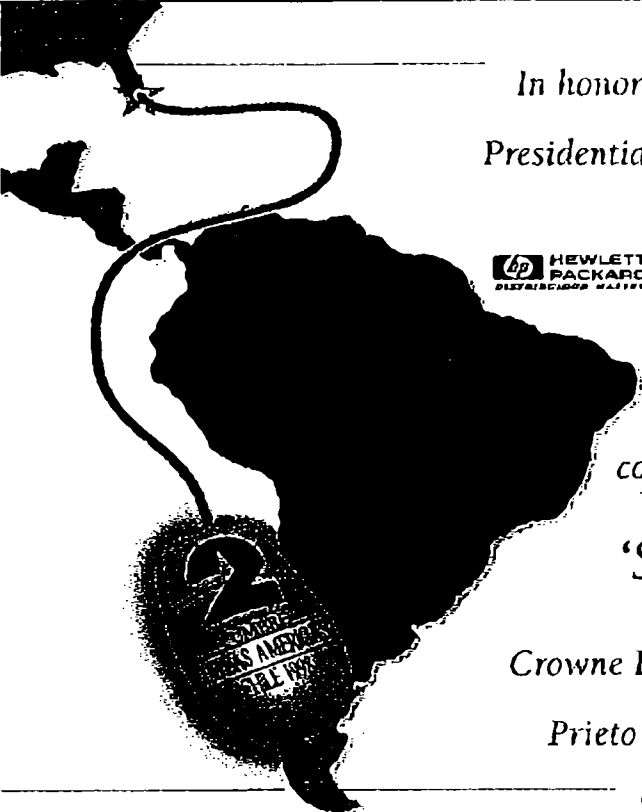
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