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Santiago Summit-Themes & Talking Points, April 1998

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THE PRESIDENT'S TRIP TO CHILE

Focus on the Americas. State visit to Chile and Santiago Summit are culmination of year-long, intense focus on Americas -- including state visits to Washington by Frei and Chretien in Feb. 1997; POTUS trip to Mexico, Central America and Caribbean in May 1997; and POTUS trip to Venezuela, Brazil and Argentina in Oct. 1997. Also next step in process POTUS began in Miami in 1994 with first Summit of the Americas: bringing Americas together around democracy, open markets, and cooperation against common threats.

=> POTUS determined to make most of quiet revolution in the Americas. Today, 34 of 35 nations embrace democracy and free markets. Decades of civil war and coups have given way to peace and stability. 42% of all U.S. exports went to FTAA countries in 1997 and U.S. exports growing faster than to any other region. Result: Americas more united than ever around shared interests and values. Region becoming a cornerstone for U.S. security and prosperity in 21st century.

Ensuring that Democracy and Open Markets Deliver. The people of Latin America have chosen democracy and open markets. Now, for democracy and markets to endure, they must deliver for all -- i.e. need to move beyond basic building blocks of elections and market economies to "second generation" reforms in education, rule of law, health care, worker rights, anti-corruption that give everyone a chance to participate and prosper. Santiago Summit will focus on bringing these reforms to life through resources and concrete actions.

- => Providing good schools and training, so every child can succeed in global economy;
- => Reducing poverty through micro-enterprise loans, property registration, expanded access to health care, women's rights, and workers rights;
- => Strengthening the rule of law, independence of judges, professionalism of police so justice system is fair, efficient and honest.
- => Attacking corruption, so public contracts are awarded on merit, not bribes and climate more attractive for investment;
- => Bolstering freedom of press through creation of full-time hemispheric press advocate;
- => Establishing secure financial systems that permit stable growth;
- => Reaching out to all sectors of society to ensure participation in shaping the future.
- => Up to \$45 billion in IDB, WB and AID resources will be made available to support these goals over the next two years.

Pursuing Economic Integration. Miami Summit set forth vision of bringing Americas together around open markets through a Free Trade of the Americas Agreement by 2005. In Santiago, leaders will launch comprehensive negotiations and direct trade ministers to make concrete progress by 2000. Will establish mechanism to allow labor, environment and other civil society groups to contribute to FTAA process. Also will pursue commitments to strengthen bank regulation and market oversight to promote stability of financial markets.

Highlighting Chile's Achievements. State visit to Chile will give POTUS opportunity to spotlight Chile's impressive achievements. Chile of today has emerged from turbulent past to become vibrant democracy, working to ensure that all its citizens share in fruits of open market economy. Success can be seen in broad-based prosperity, reduced poverty and universal access to improved educational opportunities.

SANTIAGO TRIP ROLL OUT

Wednesday, April 8, 1998

- McLarty address at the Freedom Forum (11:30 AM – 2:00 PM)
[Message: Strengthening democracy in the Americas, press freedom]
- McLarty/Blumenthal Press Conference at OAS (2:30 PM)
[NGOs endorse “Special Rapporteur for Press Freedoms”]

Thursday, April 9, 1998

- McLarty address at the National Press Club (12:00 PM – 2:00 PM)
[Message: Second generation reforms in the Americas]
- McCaffery interviewed by Spanish-speaking press (?)
- Latino Press Interviews with Maria Echeveste and Amb. Gabriel Guerra-Mondragon
 - 10:30 AM CNN Spanish Radio (Correspondent: Jacobo Goldstein)
 - 10:45 AM Eco-Televisa (Correspondent: Mariela Egusquiza)
 - 11:00 AM CBS Telenoticias (Correspondent: Marian de la Fuente)
 - 11:15 AM Univision (Correspondent: Armando Guzman)

Friday, April 10, 1998

- McCurry previews week ahead in daily Press Briefing (1:30 PM)

Sunday, April 12, 1998

- Amb. Guerra interview broadcast on Univision

Monday, April 13, 1998

- Berger/McLarty/Barshevsky Press Briefing (WH Briefing Room, 3:00 PM)
- McLarty at USIA’s “WorldNet” (TBD)
- Reception for Latin American Ambassadors at Blair House (5:00 PM)

Tuesday, April 14, 1998

- McLarty speaks with USA Today
- Ibarra interviews with nationwide Spanish-language radio
- Santiago event and message advisories faxed to outlets
- Davidow/Dobbins tongs with WH correspondents and Latino press

Wednesday, April 15, 1998

- Pena/Davidow/Ibarra (?) interviews with nationwide Spanish-language radio

CHILE STATE VISIT AND SUMMIT OF THE AMERICAS COMMUNICATIONS CALENDAR

THURSDAY, APRIL 16, 1998

EVENT	MESSAGE	NEWS	OTHER EVENTS
• Arrival Ceremony [10:00 AM] • Restricted and Expanded Bilateral Meetings with President Frei [10:20 AM] • Signing of Joint Presidential Declaration [12:10 PM] • Tour of San Miguel (South Santiago Neighborhood) • Kitchen Table Discussion with Community Members at San Andreas University [1:00 PM] • American Chamber of Commerce Event with Business Leaders at Teatro Municipal [2:45 PM] • PRESS BRIEFING: STEINBERG (or SRB) AND DALEY/BARSHEFSKY [5:00PM]	Messages: • Opportunities of globalization and free markets will be source of increased prosperity during next century but must be inclusive to succeed, engaging all elements of society. • The process of economic liberalization is a "two-sided coin": free trade and hemispheric integration can serve as powerful engines of growth, but only if harnessed to lift society broadly. • U.S. committed to promoting trade and economic liberalization while ensuring labor and environmental standards are strengthened and quality education, job training, and technology are available to all. • Chile remains a vital trade partner of U.S., despite delay in passing Fast Track legislation	Joint Presidential Declaration, to include Environment/Climate Change language Cabinet Signings at La Moneda:** • Bilateral Education MOU (Riley) • Establish Joint Committee on Trade and Investment (Barshefsky exchanges letters) • Customs Cooperation Agreement (T) (Albright) • GLOBE Agreement (Daley) • Joint Statement on Commercial Cooperation (Daley) • Open Skies Initiative (T) (Albright) • U.S.-Chile leadership on El Niño Climate Information System (T) (Daley) • Donor Cooperation Agreement (Albright)	FLOTUS speaks at Pan American Health Organization Conference (11:00 AM), delivers remarks at Mirador Interactive Museum with Mrs. Frei (12:15 PM) Albright attends lunch hosted by Chilean Foreign Minister at Diplomatic Academy (1:00 PM) Daley attends Luncheon with AmCham (12:30 PM), attends NOAA El Niño Event (6:00 PM) Riley meets with Minister Arellano and Chilean Education Officials (4:40 PM) McCaffrey attends Demand Reduction Working Lunch (12:30 PM), meets with Chilean Interior Minister (3:00 PM), speaks at Diplomatic Academy (5:00 PM)

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FRIDAY, APRIL 17, 1998

EVENT	MESSAGE	NEWS	OTHER EVENTS
• Address to Joint Session of Congress [11:30 AM] • 1:00PM PRESS BRIEFING: ALBRIGHT, BERGER AND/OR MACK • Casablanca Rural Village Tour [4:00 PM]	Messages: • Having successfully emerged from a turbulent past, the Chile of today is a vibrant democracy with a vigorous free market economy. • Chile's success in ensuring that all its citizens share in the fruits of its free market economy is a model for the hemisphere. This success manifests itself in broad-based prosperity, reduced poverty and universal access to improved educational opportunities. • U.S.-Chilean relationship has matured into one of mutual respect and equal standing where Chile can be partner in regional stability, arms control, and international peacekeeping. This partnership advances U.S. economic and strategic interests.		Albright attends bilateral meetings Argentine and Panamanian counterparts et al. (4:30 PM) Reno addresses Diego Portales University [1:00 PM], co-hosts luncheon with Chilean Justice Minister [2:00 PM], holds bilateral meeting [3:00 PM] Riley tours Valparaiso Catholic University with Minister Arellano [1:00 PM] Daley attends Informatics 2000 [6:30 PM] McCaffrey speaks at CONACE meetings, attends Challenges and Opportunities in the Americas conference [11:50 AM], visits drug treatment center [4:00 PM], attends dinner with Chilean officials [9:00 PM]

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EVENT	MESSAGE	NEWS	OTHER EVENTS
• Summit Opening Ceremony [9:15 AM] • Summit Session 1A: Education [10:00 AM] • Summit Session 1B: Democracy, Human Rights & Justice [11:15 AM] • 11:30AM PRESS BRIEFING: RILEY AND MCCAFFREY • Summit Session 2: Poverty Alleviation & Discrimination [3:20 PM] • 3:30PM PRESS BRIEFING: STEINBERG (or SRB) and MACK • Summit Session 3A: Economic Integration & Free Trade [5:00 PM] • Summit Gala [9:00 PM]	Messages: • Miami-to-Santiago process has advanced ambitious political and economic agenda to the benefit of U.S. and the entire hemisphere. • Summit Plan of Action includes second generation of democratic reforms aimed at strengthening democratic institutions, encouraging political participation, freedom of the press and a strong, credible judiciary. • Education, facilitated by technology, is key to social and economic progress. Summit countries committed to ensure improved educational opportunities for children, who represent hemisphere's future. • Democracy and human rights provide foundation for prosperity. To thrive, democracy must deliver • Strengthening democracy entails combating its enemies, including corruption, drugs and crime.	Education Announcement Justice Studies Center Counterdrug Alliance Arms Transparency Strengthening Labor Standards Press Rapporteur	FLOTUS travels to Temuco and attends health, education and microcredit events (10:30 AM – 6:00 PM) Albright attends luncheon hosted by Foreign Minister Insulza (1:00 PM) Peña inaugurates Nueva Renca Power Plant [11:45 PM], attends luncheon with counterparts or U.S. energy firm reps [1:30 PM], attends signing ceremony and inauguration of Natural Gas Bus Pilot Project [3:30 PM] Daley hosts luncheon for U.S. business executives [12:30 PM], attends Central American Ministers roundtable [2:30 PM] Riley attends Education Minister Luncheon (tentative) [1:30 PM] Barshefsky attends Trade Minister Lunch [12:00 PM] McCaffrey meets with Venezuelan [10:00 AM], Argentine [3:30 PM] counterparts, holds multilateral Drug Minister reception [12:30 PM]

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SUNDAY, APRIL 19, 1998

EVENT	MESSAGE	NEWS	OTHER EVENTS
- Summit Session 3B: Economic Integration & Free Trade [8:45 AM] "Blue-Sky" Summit Leaders Only Session [10:05 AM] Summit Closing Ceremony [12:30 pM] WRAP UP BRIEFING TBD. - Remarks to U.S. Embassy Community [2:00 PM]	Messages: - Summit's numerable successes demonstrate benefits of hemispheric cooperation to all people of the Americas. - The economic integration of hemisphere is on track providing opportunity for increased prosperity for future generations. - The real work of Santiago begins the day the Summit ends. Summit leaders must build on momentum and turn pledges into results. Upcoming UN Special Session on drug control, which all Summit leaders will attend [pending Scheduling approval], offers first such opportunity. - U.S. commitment to region is enduring; our involvement will continue.	Launch of Free Trade Area of the Americas (FTAA) negotiations Next Steps	FLOTUS speaks at ceremony marking closing of Peace Corps in Chile (12:00 PM) Riley meets with Inter-American Development Bank officials and Education Ministers [9:00 AM] Peña meets with Colombian, Venezuelan and Chilean counterparts [10:30 AM]

**** Additional Cabinet Signings (TBD):**

- Bolivia Bilateral Investment Treaty (Barshefsky)

NOTE: Bolivia will not sign in Santiago unless Banzer granted photo opportunity with POTUS

April 3, 1998

INFORMATION

MEMORANDUM FOR SANDY BERGER, MACK McLARTY, JIM STEINBERG, JOHN
PODESTA, GENE SPERLING, ANNE LEWIS

FROM: ANTONY BLINKEN AND DAVID LEAVY

SUBJECT: Summit of the Americas Thursday Message Event

As part of the effort to define our overall message for Latin America and specifically for the President's trip to Chile we have come up with the following proposal for a message event on Thursday April 16th.

The event assumes the following:

- that the absence of fast track negotiating authority will have a negative impact on our trade agenda and will be a major theme of the media for the entire visit;
- that the press will have a low level of interest in this trip generally unless a credible storyline is defined; and
- that the best way to address the perceived negative of no fast track is to demonstrate leadership and confidence against the conventional wisdom by highlighting the merits of economic integration and free market enterprise (as embodied by Chile's path to prosperity and equity).

Concept

The event would focus on an element of our core message for the whole trip: "second generation" reforms aimed at making democracy deliver. These include reforms aimed at widening opportunity -- poverty alleviation, education and job training - and reforms aimed at creating a mature and stable economy - trade liberalization, banking and security regulation, anti-corruption, judicial reform.

The event would have two complementary parts. The first part would be a joint roundtable with President Clinton and President Frei and six to eight leaders of non-governmental organizations concerned with aspects of these second-stage reforms. The two Presidents would engage the people at the grass roots level who are making the transition to globalization and free markets work

→ Tony/David
As we discussed,
& like this ~~text~~
[] "second generation
reform" is good theme

[] should
Roundtable include
other NGOs not
from Chile?

[] can we do it
w/ Frei
and
who
opening
FBI?

for everybody, i.e. educators improving learning and curriculums, job trainers providing new skills etc.

The second part would be speeches by the two Presidents to a crowd of approximately 500 American and Chilean business leaders. POTUS remarks would reaffirm U.S. commitment to open markets, trade liberalization and hemispheric integration - highlighting the opportunities and benefits for our people (talk about Chile's/region's economic growth, responsible financial reforms that helped shield against Asian flu, launch of FTAA, open skies agreement, export-related jobs etc.), while emphasizing our commitment to bring everyone along (reference discussion with NGOs, bilateral education MOU, civil society committee for FTAA negotiations, possible initiative on child labor).

Message

This two-tier event would highlight that despite the absence of fast track, our agenda of opening markets, creating jobs, and building business opportunities is still in the fast lane. The structure of the message would also underscore the importance we attach to addressing education, labor, environment, job training, etc., so that globalization works for all citizens.

The event would also highlight the major theme of the Santiago Summit: ensuring that democracy and free markets deliver. It will be our first chance to explain what we mean by "second-generation reforms": providing good schools and health care for all, so that every child has the opportunity for a better life; strengthening the rule of law, the independence of judges, and the professionalism of the police, so that the justice system is fair, efficient, and honest; attacking corruption, so public contracts are awarded based on merit, not bribes; establishing banking and securities regulation that permits sustained growth while guarding against insider trading and market instability; reaching out to all sectors of society to ensure their participation in shaping the future. *

Concurrence by: Jim Dobbins.

I. OVERALL THEMES

A Period of Intense Presidential Focus on the Americas

- Trip to Mexico, Central America and Caribbean -- our closest neighbors -- first of three President will make over next year. To be followed by South America in October and the Santiago Summit next Spring. Preceded by state visits of Frei and Chretien.

Bringing our Hemisphere Closer Together

- This is a moment of real possibility because Americas are coming closer together than they have ever been. An emerging alliance based on interests and values, as well as history, geography and culture has created a new reality.
 - ⇒ every nation but one has opened itself to democracy and free markets.
 - ⇒ decades of civil war and coups have given way to peace and stability.
 - ⇒ an increasingly shared commitment to social justice and environmental protection.
 - ⇒ U.S. exports to Hemisphere 90% greater than to E.U., 30% greater than to Asia.
 - ⇒ The Americas supply U.S. with nearly three times more oil than the Middle East.
 - ⇒ U.S. is world's 5th largest Hispanic nation, with 22 million legal residents.
- The trend is positive but the transformation is not complete. New democracies, market economies still fragile. At Miami Summit, President Clinton set out concrete plan to lock in and strengthen the gains the Americas have made. Concrete agenda for next twelve months is to build on that blueprint by strengthening the institutions and understandings that promote democracy, open markets, cooperation -- and to prove they can deliver for all our people.

Making a Difference for Americans and the Americas

- By making most of this moment of possibility we can make a difference on issues that matter most to our people. In partnership with Americas, we are opening markets, promoting growth, creating new jobs; strengthening education; protecting the environment. And we are facing up to problems we can only tackle together: drugs, crime and corruption; migration.

The Americas Can Be America's Future -- If We Continue to Lead

- If we pursue this agenda, the Americas can become a foundation for America's security and prosperity in the 21st century.
- Issue is not whether integration will continue -- but whether U.S. will continue to lead in shaping it to our benefit. If we fail to act, our neighbors will find their future with other nations. (In 1996, MERCOSUR -- South American Customs Union -- had more trade with Europe than with U.S.) If we continue to lead, we can consolidate gains of democracy; open more markets to our products, deepen cooperation in Americas to meet common challenges.
- Focus on Americas part of an aggressive second term agenda -- building peaceful, undivided Europe; creating strong, stable Asia Pacific community; embracing role as the world's leading force for peace; confronting new security threats that defy borders; creating jobs and opportunity through more open trading system. U.S. must rise to challenge of history as shaper of events, not observer. As President Clinton has said, enemy of our time is inaction. 2

THE WHITE HOUSE
WASHINGTON

EMBARGOED UNTIL 12:15 PM
Remarks as Prepared for Delivery
April 9, 1998

A Second Generation of Reforms for the Next Generation of the Americas

Remarks by Thomas F. "Mack" McLarty III
Counselor to the President and Special Envoy for the Americas
The National Press Club, Washington

Thank you for that warm and welcoming introduction. I am pleased to return to the National Press Club. *Es un placer estar con ustedes.*

I know that the competition is fierce among policymakers for those coveted National Press Club mugs. But beyond that esteemed recognition, it is a genuine privilege to be with you and your National Press Club Colleagues as you celebrate your 90th anniversary. During your distinguished history, the Club has been a witness to and indeed a participant in many important events. To put things into perspective, ninety years ago Teddy Roosevelt was President. Strom Thurmond, who spoke here last week, was in first grade. Believe it or not, 1908 was the last time the Chicago Cubs won the World Series. And that was also, it sometimes seems, the last time many Americans paid much attention to Latin America and the Caribbean.

I. The Quiet Revolution of the Americas

So I am pleased to come before you today to encourage all of us to take a fresh look at the western hemisphere. This, my friends, is not your father's Latin America.

- Thirty years ago half of the region was ruled by authoritarian governments or dictators; today 34 out of 35 countries are democratic.
- Fifteen years ago Central America was torn apart in civil war and conflict between the United States and the Soviet Union; today Central America is at peace, and the United States exports more to Central America than the former Soviet states combined.
- Less than ten years ago, Argentina's inflation rate was 5,000 percent. Today it is 0.2 percent, and growth last year was over 7 percent. Brazil's inflation is still 5 percent. But it's 5 percent a year now instead of 5 percent a week.

But the story I want to tell today is not the absence of crisis. Rather, it is a story of real opportunity. We have seen a quiet revolution in the Americas that in many ways is no less dramatic than the fall of the Berlin Wall. Profound change has opened the door to unprecedented growth and democracy, but it is not yet fully guaranteed. As a result, the President and our Administration have seized this moment in time to pursue a vision for a greater Americas based on mutual trust, mutual respect, and mutual reward.

II. The Results of U.S. Engagement

This Administration's our sustained engagement with the Americas has produced meaningful and concrete results. In the first term, the President worked to pass NAFTA, convene the Miami Summit, reverse the Mexican peso crisis, restore democracy to Haiti, and bring peace to Guatemala and to the border between Ecuador and Peru. The Vice President made five trips to the hemisphere, highlighting economic growth and the environment, and the First Lady made four trips, raising the profile of health, poverty, and women's issues in the region.

It is no coincidence that the first two state visits of the second term were for hemispheric leaders -- Prime Minister Chretien of Canada and President Frei of Chile. And with his travel next week to the Summit, the President will have made three trips to seven countries in the region in less than a year. That's an unprecedented level of Presidential engagement. At each stop we made real progress on trade, democratic reforms, drugs, crime, and corruption.

III. A Real Impact on Our Daily Lives

Still, some may ask why Americans and their President should care so deeply about what happens in the Americas. James Reston once wrote that the people of the United States will do anything for Latin America except read about it. But if it is true, as the President has suggested, that the once bright line between domestic and foreign policy is blurring, then there are perhaps no foreign policy issues more compelling and relevant to us than those in Latin America and the Caribbean. Whether it is jobs and the economy, immigration and drugs, or the very air we breathe, these issues hit home and have a real impact on people's lives. They are the issues that Americans discuss as they gather together around the kitchen table.

- Let's take the timely subject of gasoline prices. Gas today sells for a dollar per gallon -- adjusting for inflation, that's the cheapest it's been in a generation. But how many of us know that Venezuela is our number one energy supplier, and that three of our top four sources of energy are in the hemisphere?
- Or jobs. One-fourth of our economy depends on trade, and trade-related jobs pay some 16% more than others. Forty percent of our exports go to this hemisphere. We export more to Chile's 14 million people than we do to India's 940 million. Mexico has now replaced Japan as our #2 market behind Canada. And with half of Latin America's population under 21, the potential for the future literally goes off the charts.
- What about retirement? Forty-three percent of all Americans now own stock, and 70 percent of the stock market is controlled by employer pensions and mutual funds. Working families *depend* on these investments, but these investments depend on financial stability, particularly in our own backyard. Fortunately, Latin American economic and financial policies today are more a model to emulate than a model to avoid. I saw this personally at the recent APEC Summit in Vancouver and at the World Economic Forum in Davos where Asian and other officials actively sought out Latin American leaders for economic advice.

But beyond economic security, Latin America and the Caribbean are also important to U.S. national security.

- Our allies in the hemisphere stand by us on the world stage. They provide significant support for efforts in Bosnia, Haiti, and elsewhere, and they are steadfast supporters of non-proliferation, including our efforts to contain Saddam Hussein.
- Our allies are critical to our efforts to combat the scourge of illegal narcotics. Drug trafficking is clearly a problem of both supply and demand. But we cannot win this fight without the full cooperation of Mexico, Colombia, the Caribbean, and others. We must continue to work together if we hope to prevail against the dark, evil force of drugs.
- The same is true with environmental stewardship. The Amazon is the world's largest rainforest -- providing a good bit of the oxygen we breathe. Incredibly, Costa Rica contains fully 7% of the world's biodiversity. And we cannot stop the universal threat of global warming without the full cooperation of developed and developing countries alike.
- Similarly, we simply cannot address the complicated issue of illegal immigration without economic growth and cooperation abroad.

Now, I'm no Charles Kuralt, chronicling American opinion, but I think it is safe to say that national security, jobs, gas prices, drugs, the environment, and immigration are issues that the American people care about -- and care about deeply.

As the President's special envoy for the Americas, I think Americans are beginning to see these links to the hemisphere, and I am pleased that they are showing a growing interest in the region. We clearly share geography and the common values of family and faith. Cultural exchanges are at record levels, and the United States has the fifth largest Hispanic population in the world. And our trade to the hemisphere is growing at twice the rate of any other region of the world.

By the same token, our neighbors to the south are rethinking their view of the United States. Motives are no longer automatically questioned. For the first time, the hemisphere is now ready and willing to enter into a broad partnership with us. The new reality is this: in the wake of the quiet revolution, the people of the Americas have discovered shared values, common interests, and the same hopes for a better life. But now we must solidify our progress by working together, with true purpose and uncommon resolve, to address the issues that make a real difference in people's lives.

IV. The Santiago Summit of the Americas

Four years ago at the first Summit of the Americas in Miami, we affirmed the region's dramatic progress with the so-called first generation of reforms -- free and fair elections, and stable, open economies. And if our agreement to create a Free Trade Area of the Americas by the year 2005 was the centerpiece of Miami, as pundits often claim, then the launch of actual negotiations in Santiago will be the cornerstone of our hemispheric architecture.

But I also believe that the first generation of reforms is not sustainable without a second generation of reforms to deepen democracy. Democracy and market reforms are two sides of the

same coin. Both are necessary to continue the region's impressive growth. And together they will ensure that a rising tide lifts all boats.

The leaders of the region are as focused on issues of education, poverty alleviation, financial stability and economic growth as we are domestically. It is truly a common agenda, and it is the agenda we have developed collectively for the Santiago Summit.

Education

In today's global economy, education is the only route to lasting, inclusive growth. But the hemisphere has not always received a passing grade. On average, Latin American children receive only seven years of schooling. Primary schools are grossly underfunded, and some teachers supervise up to 150 students. Experts warn that this grim report card may be the single greatest impediment to full participation in the global economy. And the leaders of the region fully agree.

In Miami we made the commitment to provide every child a basic education by 2010. We ought to honor that commitment, and we will in Santiago, with increased funding for primary schools by governments and from the Inter-American Development Bank and the World Bank. We will put more teachers in the classroom, improve curricula, link students to the internet, and expand vocational training for lifelong learning.

But in a world where the line between domestic and foreign policy has blurred, a better-educated hemisphere is clearly in *our* interests as well. Broadbased education improves economic growth, and a strong economy enlarges the middle classes who buy our goods, encourages those tempted by illegal immigration to remain at home, and improves environmental stewardship. It reduces the urge to make money from illegal drugs, and it improves governments' capability to stem the flow of narcotics.

These matters are in the interests of hemispheric leaders to address, and it is in U.S. interests that they do so. And the same is true with rest of the Summit agenda. From the concrete steps toward a multilateral alliance against drugs, to progress on global climate change and clean energy, the Summit will address the issues that matter to our citizens.

The Santiago Summit will call for creation of a judicial studies center to strengthen the rule of law. And it will help establish the office of a Special Rapporteur to advocate for freedom of expression. Since 1988, almost 200 reporters have given their lives in pursuit of a story, undermining the public dialogue on which democracy is built. Democracy cannot deliver without a free press, and we cannot tolerate intimidation of free expression, whether by drug lords, guerrillas, or governments.

The Second Generation of Reforms

During recent trade discussions in Costa Rica, I visited a new state-of-the-art Intel microchip plant outside San Jose. I asked the managers there, hard-nosed business people, why they selected Costa Rica over everywhere else in the world for their \$500 million investment. Open markets are important, they said, but the deciding factor was Costa Rica's educated workforce, stable democracy, and respect for the rule of law.

This is exactly the point that our hemispheric neighbors understood when we developed the Summit agenda almost a year ago. Now is the time to pursue a second generation of reforms for the next generation of the Americas.

Launching Trade Negotiations

Next week in Chile we will formally launch comprehensive and meaningful negotiations to establish the Free Trade Area of the Americas (FTAA). Last month our trade ministers met to plan negotiations, and they made significant progress. We simply cannot underestimate the importance -- or the difficulty -- of achieving consensus on these issues. Now we are negotiating with order and determination over the pace of discussions, but not the overall goal.

Let me be clear: economic integration in the hemisphere will proceed regardless of government action. Our efforts are intended to bring order to this ongoing process. The President is committed to the FTAA, he is committed to these negotiations, he is committed to obtaining fast track negotiating authority, which will help the United States shape the agreement to be consistent with our vital interests and the values our citizens hold dear. As negotiations proceed and the benefits of the FTAA become clear, we are confident that Congress will give the President the tools he needs to finish the job.

V. Democratic Values: From Solitude to Solidarity

As we look ahead to the next century, we must not ignore the new realities that have swept the Americas. We must help shape the character of our hemisphere through sustained engagement.

Our choice is clear. Will our future as neighbors be one of sovereign states, working together as partners on the common concerns of our people? Or will we see mixed progress, less prosperous hemispheric economies--including our own--and a return to suspicion and mistrust? For the first time in memory, the hope in the Americas for democracy, peace, and prosperity is a realistic one. What we do in Santiago and beyond will help determine whether democracy will in fact deliver, and whether it will endure for generations to come.

For much of the last century, democracy was all too rare in the western hemisphere. Citizens and governments who spoke out for democracy could often sympathize with the title of Gabriel Garcia Marquez's novel "One Hundred Years of Solitude." But the new character of the hemisphere is bringing citizens and governments together. With sustained U.S. engagement and a new spirit of partnership, we can create "One Hundred Years of Solidarity" for democratic values. From *Cien Años de Soledad* to *Cien Años de Solidaridad*, from solitude to solidarity, the twenty-first century can be a century of democracy, open markets, and prosperity. And together we can realize the vision of a truly greater Americas.