

For Immediate Release  
Office of the Press Secretary  
January 16, 2002

## **President Bush Announces Step to Expand Trade & Create Jobs**

Remarks by the President to the World Affairs Council National Conference  
Organization of American States

Washington, D.C.

6:30 P.M. EST

THE PRESIDENT: Well, thank you for that very warm welcome. It's such a pleasure to be here tonight for this gathering. I want to thank the World Affairs Council for promoting citizen interest in global issues -- especially an interest in our own hemisphere and its importance to our country.

Eldon, thank you very much for your fine introduction. Back stage he was wondering whether or not I could understand his accent. I said, that's not the problem, the problem is can you understand mine? (Laughter.)

I want to thank Jerry Leach, as well. I want to thank the leadership here at the OAS. Cesar, thank you very much for your continued hospitality and leadership. It's good to see my friend, Luigi, again. I want to thank Enrique Iglesias, as well. I want to thank members of my Cabinet who are here, in particular, Mel Martinez, the Secretary of Housing and Urban Development. Thank you, Mel. (Applause.)

I'm pleased to see Roger Noriega, el Embajador de los Estados Unidos a la OAS, for being here. Thank you, Roger. (Applause.)

A new member of my team is Otto Reich, Assistant Secretary for the Western Hemisphere. I appreciate Otto being here. (Applause.)

And, of course, I want to thank members of my National Security Council who are here, Condi Rice and John Maisto, for their sound and solid advice. Thank you all for coming. (Applause.)

In September of last year, I welcomed my good friend, the President of Mexico, to the White House. Standing together on the South Lawn, President Fox and I spoke of building a hemisphere of freedom and prosperity and progress. That was five days before the terrorists attacked the peace and security of the world -- murdering thousands of citizens from over 80 nations, including almost every nation in this hemisphere.

Since the attacks, the United States has received incredible sympathy and support from our neighbors and friends. I've been in close contact with democratic leaders such as Prime Minister Chretien, and President Fox, and President Cardoso, President Lagos and President Toledo, to name a few. We've been talking on a regular basis about our common interests. Democratic leaders throughout the Americas have offered help and wisdom, friendship, and even peacekeepers, and for that this country is very grateful.

The nations of the Western Hemisphere are resolved. We refuse to live in fear, so we will fight terror wherever it exists. And we're committed to building a prosperous and free and democratic hemisphere. Nothing will distract us, nothing will deter us, in completing this great work.

We meet, however, at a time when there are some who question the path to prosperity and stability. Some wonder whether free market reforms are too painful to continue. Some question the fairness of free and open trade, while holding out the false comfort of protectionism. And there is even greater danger -- that some may come to doubt democracy itself.

Our answer to these questions and doubts must be clear and it must be consistent: The hopes of all our peoples, everybody who lives in this hemisphere, no matter where they live -- lie in greater freedom. Free markets and open trade are the best weapons against poverty, disease and tyranny. And democracy is the non-negotiable demand of human dignity.

The future of this hemisphere depends on the strength of three commitments: democracy, security and market-based development. These commitments are inseparable, and none will be achieved by half-measures. This road is not always easy, but it's the only road to stability and prosperity for all the people -- all the people -- who live in this hemisphere.

Our first commitment is to democracy and political freedom. This is affirmed in the Democratic Charter of the Americas, which holds this: only democracies can be part of our inter-American dialogue and system. And these governments cannot be democratic in name only. Citizens and businesses must know that the town hall -- the alcaidia -- is free from bribery, and cronyism and all forms of corruption. These old attitudes and habits are a form of theft, stealing from people their money and their trust, and their hopes for a better life. For freedom and prosperity to come, corruption must go. Freedom -- the freedom to vote, the freedom to speak your mind, the freedom to worship and Almighty God, the freedom to own your own property -- is the great idea of our time; it is the great idea of all time. And by building governments that are more open and honest and fair, we will make freedom more meaningful for all our citizens.

Our second commitment is to security, security against acts of terror. It is the great calling of the 21st century. And I can assure you this nation will not tire, we will not fade. We'll be resolute in our determination to rout out terror wherever it exists -- in our neighborhood or neighborhoods around the world. Security against the lawless violence of drug cartels and their accomplices -- accomplices. Our citizens must know that they can exercise their freedoms in security and in peace.

And that is why, for example, the United States, Canada and Mexico are cooperating in unprecedented ways to build "smart borders" for the 21st century that ensure safety for ordinary people and trade, but filters out terror and drugs.

And that is also why the United States remains committed to helping nations like Colombia defend her democracy. Colombia and the Andean nations are strengthening law enforcement, reducing illegal crops, and expanding legitimate business opportunities as viable alternatives to drug farming and drug trafficking. The United

States Congress and I recently approved \$625 million to support these efforts. America will help all nations in the region in cutting off the supply of drugs. And just as importantly, America will help the nations of the regions by reducing the demand for drugs within our own borders. (Applause.)

Our third commitment is to growing and stable economies where the benefits of growth are widely shared; economies where small business owners, and farmers and workers and investors are all able to build and earn their own prosperity. We must foster policies that reward, not punish, entrepreneurship, work and creativity. We understand that sustained development depends on market-based economies, on sound monetary and fiscal policies, and freer trade in our neighborhood.

Recent events in Argentina do nothing to change this reality. America is deeply concerned about the difficulties facing our ally and our friend; and we're deeply concerned about the effects of the economy on Argentina's great people. We share ties of commerce and culture and family. America is hopeful that Argentina will get through these tough times. It was an encouraging sign that the President, on taking office, expressed a desire to pursue a Free Trade Area of the Americas.

Argentina -- and nations throughout our hemisphere -- need to strengthen our commitment to market-based reform, not weaken it. Shortcuts to reform only lead to more trouble. Half-measures will not halve the pain, only prolong it.

The United States is prepared to help Argentina weather this storm. Once Argentina has committed to a sound and sustainable economic plan, I will support assistance for Argentina through international financial institutions. This assistance can soften the impact of the crisis on the lives of the Argentine people, and help their country return to growth and prosperity.

Success in the global economy comes to countries that maintain fiscal discipline, open their borders to trade, privatize inefficient state enterprises, deregulate their domestic markets, and invest in the health and education of their people. And those who promise painless protectionism or security through statism, assure a bleak and stagnant future for their people.

Countries that stay on the hard road of reform are rewarded. Just look at Chile. Chile has cut its poverty rate in half over the last decade. It has cut its child mortality rate by almost two-thirds since 1980. Mexico withstood the setbacks of the mid-1990s, and its economy has grown by more than 4 percent annually since 1996. Costa Rica's emphasis on education and attracting foreign investment has transformed its economy over the past decade. Costa Rica's exports of computer products are now almost four times greater in value than its banana exports, and nearly eight times greater than its coffee exports.

My nation is no stranger to the difficulties of reform and restructuring. A generation ago, our government made a mistaken and failed experiment with wage and price controls. Later, during the 1970s and 1980s, millions of our workers were displaced as our industries adapted to the demands of a new global economy. We've grown through the pains of recession, inflation and unemployment by strengthening our commitments to markets, by enacting sound monetary and fiscal policies, and by embracing free trade. In the end, each of these challenges made us stronger and

more prosperous. With all its tests and difficulties, a faith in freedom is never disappointed.

This belief in markets is justified within our borders, and beyond them. Open trade and investment bring healthy, growing economies, and can serve the cause of democratic reform. From the success of NAFTA, we know these are facts, not theories.

Acting on this belief, we went to Doha, and strongly support a new global trade negotiations.

In this region, we are acting on a number of fronts. We're working to build a Free Trade Area of the Americas, and we're determined to complete those negotiations by January of 2005. We plan to complete a free trade agreement with Chile early this year. And once we conclude the agreement, I urge Congress to take it up quickly. And I ask the Senate to schedule a vote, as soon as it returns, on renewing and expanding the Andean Trade Preference Act. (Applause.)

Today, I announce that the United States will explore a free trade agreement with the countries of Central America. (Applause.) My administration will work closely with Congress toward this goal. Our purpose is to strengthen the economic ties we already have with these nations; to reinforce their progress toward economic and political and social reform; and to take another step toward completing the Free Trade Area of the Americas.

All of these efforts depend on one thing: Congress must pass trade promotion authority. (Applause.) The House of Representatives acted. In the Senate, the Finance Committee has given its strong bipartisan approval. Now it's time for the full Senate to approve trade promotion authority, so I can put it to work for the good of America -- and all of the Americas.

Markets and trade, development and democracy, rely on healthy and educated people. Therefore, we are also working to bring better health care and greater literacy to the nations of our hemisphere. The United States' funding for international basic education assistance programs this year will be over 45 percent higher than last year. And this spring, the first of our regional teacher training centers will open in Jamaica. Additional centers will be operating in South and Central America by year's end.

I have called upon the World Bank and other development banks to increase the share of their funding devoted to education. The Inter-American Development Bank has significantly increased this share over the past year. All the development banks should keep moving in the direction of making sure our neighborhood is well educated.

I've also urged the World Bank to provide up to 50 percent of its assistance to the world's poorest nations in the form of grants rather than loans -- grants for education, for health, for nutrition, for water supplies and for sanitation.

To this end, my next budget will include nearly \$50 million increase in aid to the World Bank programs that assist the poorest countries. If the Bank demonstrates it can use the funds to achieve measurable results and helps move forward reform, I'm prepared to consider requesting increases over \$100 million in each of my subsequent

budgets. This would mean that the amount -- the annual U.S. contribution to these World Bank programs would be 30 percent higher than three years ago.

This hemisphere is on the path of reform, and our nations travel it together. We share a vision -- a partnership of strong and equal and prosperous countries, living and trading in freedom. Together, we will defend that vision against lawlessness and violence. We will assert it against terrorism and protectionism. Especially in times of adversity, we'll maintain our vision, because it unleashes the possibilities of every society and recognizes the dignity of every person. Together -- and I mean together - - we will build and defend this hemisphere of liberty.

Thank you for coming. (Applause.)