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## PROCEEDINGS

MR. CÁRDENAS: Good morning. My name is Mauricio Cárdenas. I'm the Director of the Latin America Initiative here at Brookings. I want to welcome you all to the launch of a publication that we put together prior to the meetings of the Summit of the Americas.

As you know, the heads of state of the countries of this hemisphere are going to meet starting this Friday in Trinidad and Tobago. They have a long agenda of things to cover. The overarching theme of the Summit is security, which you can interpret in many different ways. That shows in the declaration that has been circulated and that will be signed by the heads of state – which is so long, that no one will read. So I think the real action is going to be on the topics and the themes that the heads of state choose to discuss in more detail rather than this prepared declaration.

We here at Brookings have thought that it would be useful for the presidents' and prime ministers' meeting in Trinidad and Tobago to have a short list of 10 points, 10 items that we think are the top priority for the discussion and for the agreement, and we have put together a short publication. It's an electronic publication, and it's available on our web site, with these top 10 issues.

As you know, we have a team of scholars that works on different areas and different topics. What we did with this publication is to ask this

group of scholars to think in a very concise and concrete way of what are the suggestions and recommendations for the heads of state.

You are going to hear from three of the main contributors to that publication on the areas of their expertise and their specific recommendations. I'll begin by introducing them and asking them to do these presentations. Then, at the end, I will summarize and talk a little bit about the recommendations from other scholars that are not here on subjects in which you may be interested, like the economy, energy, which I think that at the end of the day are going to take much of the time during the meetings in Trinidad and Tobago because, of course, with economic conditions deteriorating across the hemisphere, this is becoming the number one topic.

So let me begin with Ted Piccone. He is the Deputy Director of Foreign Policy here at the Brookings Institution, someone with great expertise on the issues pertaining to Latin America. He was, during the Clinton Administration, at the Latin America Desk in the National Security Council. So it's very fitting that he basically tells us his views -- some of them are in this document -- on issues related to democracy and what leaders should agree to in this context.

Let me start with Ted, and then I'll introduce the other two panelists as they speak.

MR. PICCONE: Great. Good morning.

The topic of democracy and human rights in Latin America is one that has, of course, been on the agenda for many years, and you've seen over time a real change in the region, but this is the first time that President Obama will be going into these waters. So he faces, I think, an important task in Trinidad and Tobago to get a sense of the early signals of where his administration might be going.

Unfortunately, he inherited a difficult legacy from President Bush. Without going into a lot of detail about why that is and what that means, it's nonetheless true that the democracy agenda has really become a bit poisonous both in this region and around the world. So he needs to show some signs that his administration appreciates that fact, that the U.S. profile on these issues needs to change, particularly by issues at home, starting to change our own practices on human rights and democracy in terms of our own domestic policy and, of course, our foreign policy, and his change on the Guantanamo Naval Base Detention Center, of course, is an important step in the right direction.

I think some of these signs of his approach are that he will be pragmatic. He will be muted on these kinds of issues. I think the China visit from Secretary Clinton is one indication of this kind of approach, which is trying to put human rights in the mix of the issues on the agenda,

particularly with these difficult countries, but not let it block progress on other important areas of national interest.

Burma is another case where I think there are some signs. There was an article just recently in the *Washington Post* where the administration is trying to look again and review policy on how do we deal with these hard-line authoritarian states when it comes to promoting democracy and human rights. Certainly Cuba falls into that category, and I'll come back to Cuba.

But there's a general sense that policies of isolation and embargo are failing. Of course, the other side of the coin, constructive engagement, also has its skeptics.

But, in Latin America, in terms of its own democratization process, I think the news are basically good. Free and fair elections are secure, and there are other elements of liberal democracy -- free press, strong civil society, independent judiciaries -- that are improving.

Citizens clearly prefer democracy to any other system, but they're disappointed with its results, and we see that in a number of polls. They want to see better public services and, most importantly, a change in policies that make Latin America the most unequal region in the world. It's also one of the most violent places in the world, and the issue of public security and public services are really very high on the minds of voters in

Latin America. So, these are issues really that are, of course, national policies, but, where transnational cooperation is critical to making progress.

I would say there are a couple of exceptions to this general trend of strengthening democratization. One is Venezuela which really continues to deteriorate on several indicators including harassment of the political opposition and the media. There have just been some new stories in the last week about some attempts by the administration to prosecute some of the political opponents and to take power away from some of the mayors and governors from the opposition who were elected most recently.

Nicaragua is also a case which I think is backsliding under President Ortega. There are signs of clamping down on dissent and interfering with elections.

In fact, a high level panel of international experts has just recommended this week that both Nicaragua and Venezuela not be invited to the Community of Democracies meeting later this year in Portugal for failing to meet the criteria for participation, which requires states to show that they're making steps towards further democratization and human rights.

Then, of course, there is Cuba, the ultimate outlier in the region. Here, you have a hemisphere that has accepted democratic norms as the

standard for shared values and as the baseline for the form of government for the region. So, Raúl Castro will not, of course, be at the Summit. It is reserved for democratically-elected heads of state.

And, Cuba is not officially on the agenda, but it will certainly be discussed. I think President Obama will face pressure from some of his colleagues to do more to end the 50-year-old embargo.

Yesterday, of course, you all heard the news. The White House, I think, took a step in the right direction with its announcement to drop restrictions on remittances and travel for Cuban Americans. It also opened the door to U.S. telecommunications companies to do business on the island and allows licenses for a broader range of exports of humanitarian items. This is certainly good news as a way to give the Cuban people, which really must drive any movement for political and economic change on the island, gives them more information and more services.

Some are complaining, of course, that it goes too far. We've heard that in particular from some of the congressional representatives from South Florida, and others think it doesn't go nearly far enough -- including Fidel Castro, by the way, who made a comment last night, saying the time is right to change, to drop the embargo, and Obama has not gone far enough.

But I think it's the beginning of a process, and it's going to be a process of incremental change. Importantly, the attitude in the Cuban American community is shifting in favor of more engagement, and the U.S. public at large is also moving in that direction.

One report to promote Brookings, we led a series of working groups and simulations on Cuba policy, led by Vicki Huddleston as a former U.S. representative there and Carlos Pascual who is the Director of Foreign Policy here. I think there are copies out front, and I recommend that document to you. You'll see a number of steps for short, medium and long term steps to take that will continue this process of change.

But there is one issue that I wanted to focus on because it goes to this general topic of how does the region proceed in a more multilateral fashion, particularly the United States, working through multilateral instruments to promote democracy in Cuba.

The OAS has institutionalized its adoption of democracy as a hard criterion for membership. It's there in the 1948 Charter which says that member states must be organized on the basis of effective exercise of representative democracy. It's there in the 1992 Washington Protocol which was an amendment to the OAS Charter, which has been ratified and became formal in 1997, which excludes any government that does not result from a democratic process. It's there in the 2001 Inter-American



Democratic Charter which again emphasizes the need for democracy to be the form of government for membership and that everyone has a right to democracy and governments have an obligation to promote and defend it. These are the cornerstones of the shared values of the hemisphere.

Cuba has to change if it's going to move in that direction, and so it's an opportunity, I think, for the hemisphere, for the governments in the region, to step up and work with Cuba and put them on a path toward change so that they can become a member of the OAS. I think the door is open to that process.

It would be a very positive change in the hemisphere, but it has to be a two-way process. It can't just be a unilateral lifting: Now you can become a member, and then we can just throw away all the criteria and the values that we've built on for the last 30, 40 years.

I think that would be the wrong way to go.

So I think if President Obama goes to Trinidad and asks his colleagues for help on this front, shows that he is showing good will, and he is willing to engage with the Cuban government, it will also require the rest of the hemisphere to likewise engage Havana on making changes on political reform. Then we'll see a step in the right direction.

Of course, it's worth noting that it's not just about becoming a member of the OAS but also being a member of the Inter-American Development Bank which is required.

So those are the main points I wanted to address.

I think there are several other points in terms of other multilateral steps the U.S. could take. It can depoliticize democracy assistance and depersonalize it so that it's not just about one leader, pro or con. Do we like their political stripes or not? Are they with us or against us? No, that's not the right approach.

We need to be able to work with leaders that come to power through free and fair elections. We need to be honest and critical about their behavior, but we also need to respect the wishes of voters.

We need to strengthen the Organization of American States, and, again, I offer Cuba as an example of where that could happen.

We need to internationalize democracy assistance. That's a whole other subject about how you do that, and there's more in the report on that.

MR. CÁRDENAS: Thank you, Ted. Thank you very much. I'm very happy you touched on the issue of Cuba.

Brookings has been working on Cuba from different angles. We had at least two groups dealing with this topic. One of them, as Ted just

mentioned, is publishing its report led by Carlos Pascual and Vicki Huddleston, and we had another group last year which was the Partnership for the Americas Commission. They both agree that the initial steps had to be undertaken by the U.S. in a unilateral way, and this is what President Obama announced yesterday.

Compared to our own recommendations, I think there is one element there missing which is to take Cuba out of the State Department's list of states that support terrorism. There is no evidence that Cuba is a sponsor of terrorism, and the Partnership for the Americas Commission thinks that should be one of the elements of these initial steps.

But then, there are other aspects, and these other aspects are more bilateral or multilateral in nature, like the reinstatement of Cuba into the Organization of American States, as Ted has just mentioned. And, of course, they require decisive actions on the part of the Cuban government.

Let me now turn to trade as a key element for the Summit. As you probably heard, the economic crisis has brought some protectionism, and this has not been just the case of the developed world, like the U.S. with its Buy American clause in the stimulus package. Other countries in the region have also adopted protectionist measures. Of course, there is the need to avoid that.

And, there is also the need to enhance NAFTA which offers tremendous potential. We have two main contributions in this direction -- one on NAFTA by Diana Negroponte who is here. I hope you stay and take some of the questions if there are questions on the NAFTA issue.

And another view, more general, on hemispheric trade, by Leonardo Martinez-Diaz. Leonardo is a political economy fellow here at Brookings. He was the Deputy Director of the Partnership for the Americas Commission, which I just mentioned, that has a whole chapter on recommendations regarding trade. So, let's hear what Leonardo is proposing in the case of trade-related measures during the Summit.

MR. MARTINEZ-DIAZ: Thank you, Mauricio.

Trade was an issue that was with the Summit of the Americas from the beginning. In 1994, in Miami, during the first meeting of the First Summit of the Americas, the most famous proclamation that was made there was really a commitment to move towards a free trade of the Americas, a true hemispheric trade region which would be a commercial project that the entire hemisphere could move towards.

And now, 15 years later, what we have in the declaration that Mauricio mentioned is only two very small references to trade, both of which are quite general and don't really engage very strongly with this issue.

The question is why? It's not very surprising in some ways. 1994 was a very different time. The world was quite different back then.

Nowadays, trade is beginning to slow down both in terms of volume but also politically. In fact, trade had started to run out of steam in terms of major initiatives even before the crisis hit. Many countries had disagreed with the project of the Free Trade Area of the Americas, and most of the countries had actually turned to bilateral deals as a better way to do trade when you couldn't have one large regional deal. And, as the steam was running out of the sails of free trade, many countries became rather fatalistic about having such a large and ambitious project on the agenda of the Summit. Therefore, it's not surprising.

However, just because it can't have a very large and ambitious deal like the FTAA doesn't mean that the Summit can do nothing about trade. In fact, there are some things they can do and some things they actually should do. The reason is that during the current economic crisis what we are seeing is the potential increase of protectionism.

Now, protectionism in itself is part of the business cycle. Every trade agreement has, within it, provisions for safeguards or measures to avoid surges of imports which could destroy or damage industries in any country. The important thing, though, is that these safeguards be invoked in a way that is orderly and according to rules that have been agreed with

trading partners. What we want to avoid is a situation in which the region descends into chaotic protectionism, in which every country begins to impose its own protectionist measures without coordination or thought as to what the impact could be in other places.

So there are three reasons why the Summit should discuss trade:

The first is that this type of protectionism can simply exacerbate the economic crisis. If you begin to cut down on exports to countries, essentially, the trade flows become disrupted and jobs begin to disappear in many industries even as you try to protect some of your own industries.

The second problem and the second reason why the Summit should do something about trade is that once you begin to break out of the rules that have been agreed on trade, you begin to undermine the notion that the system is rules-based. That's something that takes a very long time to set up, this idea of having a rules-based trading system. To have it destroyed or undermined during a crisis is something that has to be avoided because it becomes very difficult to then protect later and restore later on.

And, the third reason is that once you impose protection for a certain industry, even if it's for a temporary period, it becomes much more difficult to open later on. Essentially, markets are much easier to close than they are to open. And, once you close a market, then you develop a

constituency which will then protect and fight to protect itself even after the crisis has made those protections no longer necessary, and the political costs go up.

So there is a certain stickiness to opening markets once you've closed them, and that's a reason why the Summit should try to avoid closing in the first place.

Now the effects of the crisis on trade, we are already seeing across the hemisphere. Brazil, which for many years had registered trade surpluses, is now begin to finally see red numbers in the trade account. Mexico, which had its trade deficit reduced to a very small margin, is now beginning to see it increase again.

And, just across the region in general, two types of countries have been hit hardest. First are the commodity exporters -- Peru, Chile, Venezuela -- as commodity prices drop very steeply. Secondly, those countries whose primary trading partner is the United States -- countries in the Caribbean, Mexico, Venezuela, Ecuador -- they are, of course, first hit because the economic crisis began in the U.S., and here is where we have the quickest contraction in import consumption.

So what is happening? How are the countries actually reacting to this situation?

Well, it's an uneven picture, but there are countries that are primarily relying on stimulus: Mexico, Brazil, Chile, Colombia. They are all announcing large stimulus packages not dissimilar to ours here in the U.S., with infrastructure spending, with large amounts of government stimulus in different sectors.

Other countries are also relying tariffs, Ecuador, for example, Argentina, and, to some degree Brazil have discussed these types of measures. We're talking not just about tariff barriers but also non-tariff barriers -- licensing schemes, different types of regulatory obstacles which make trade difficult.

The problem, as I mentioned, is that when countries begin to impose these unilaterally, you begin to run into the danger of retaliatory measures in other places. Even when disputes have been running for a long time, as is the case of Mexico-U.S. trucking which has been in the headlines recently, those issues becomes much more difficult to manage in an environment in which many countries are imposing or at risk of imposing protectionist measures.

Now what can the Summit do to address these issues?

In terms of NAFTA, I think which was mentioned, I don't think we're going to see very much at the Summit partly because the issues there are mostly bilateral and, in some ways, trilateral. I think the U.S. will prefer to



deal with them outside the Summit. Nonetheless, it's important to remember that NAFTA is a very large chunk of the hemisphere's trade and that seeing NAFTA become reenergized is a very important part of the whole equation.

And, NAFTA is not just about trade. It's also about energy. It's about the environment, renewable energy sources, infrastructure and many other types of cooperation.

I think the Summit itself in terms of hemispheric efforts is going to focus or should focus on at least four areas:

One is to try to have a commitment to free trade and to not imposing protectionist measures in a more generalized way. There is currently a statement in the declaration making statements about or supporting the idea of a rules-based open trading system for the hemisphere, but there has to be something with more teeth to it. The G-20, for example, has a statement that is slightly stronger, and I think that type of a statement would send a strong signal to the rest of the hemisphere that the biggest trading countries in the region are really serious about trade.

The second is quite important, and it can get a bit technical, and that is trade financing. Trade financing, which is the financial flows that allow exporters and importers to complete their transactions in order to have trade take place are beginning to dry up as banks, many foreign

banks, for example, are beginning to cut down their trade financing lines in many countries, including Brazil which is one of the largest trading countries. This is dangerous because if you don't have access to trade financing, then trade cannot happen. Therefore, the entire machine begins to seize up.

What has been discussed and what is taking place through the international financial cooperation of the World Bank and through the Inter-American Development Bank is a series of facilities that would give trade companies, exporters and importers alike, access to this type of financing. There's also discussion of having export trade agencies in the importing countries beef up this type of financing.

Again, it's a technical issue. It seems technical, but it's really quite essential. I think the U.S. and other countries can really make a big difference by putting more money on the table for this kind of financing.

The third thing is monitoring and surveillance of trade measures. Many countries are required to report to the WTO every time they impose any trade sanctions or any trade measures that reduce trade.

However, there is perhaps time for a regional surveillance mechanism, one that would perhaps be based in a think tank or a large research organization in the hemisphere which could then provide a standard set of reports for the hemisphere and looking not just at the trade

measures but also their possible impact. The idea here is a kind of mechanism that increases transparency and that allows for a relatively open and rational discussion as to which measures are really necessary and which may not be necessary and creates peer pressure to avoid the latter types of measures.

Finally, an area that the Summit might want to look at is the issue of aid for trade which, of course, helps many exporters get their products to markets. These kinds of measures have been going on for a very long time. They have to do with infrastructure, with assistance reports and customs and so on except that most of this aid or much of this aid tends to get disbursed very slowly and these projects enter very long pipelines.

This is a very good time to try to push those measures and get more of that money out into operational projects. This would send a signal to the whole hemisphere that trade still can be an engine, part of the engine anyway, that will help the whole hemisphere come out of the crisis.

Let me stop here and take some questions later on if they come up.

MR. CÁRDENAS: Thank you, Leonardo.

While I was listening to you, I reminded myself of last week's very successful trip of President Obama to Turkey. As you probably read in the newspapers, one of the things that made President Obama very popular in Turkey was that he said that he supported Turkey's accession to the

European Union which has been an aspiration for the Turkish economy to integrate with Europe and, of course, to have new venues for economic growth.

Many countries in this hemisphere have a similar aspiration. They want to be more integrated with the U.S. They want to have greater trade.

I'm sure that, in addition to the issues that Leonardo just mentioned, the theme related to the ratification of the free trade agreements with Panama and Colombia that, as you know, is pending in the U.S. Congress will come up. It will come up because it's a very important topic not just for these two countries but also because it sends a signal in terms of the credibility of the U.S. in the region. These countries have negotiated in good faith. They have made concessions. These were difficult negotiations also internally within these economies. Therefore, it's going to be a topic.

I'm hopeful that President Obama takes a fresh look at these issues, not just with the perspective of the U.S. constituency and the opposition that these treaties have generated, especially within labor groups and human rights groups here in Washington, but looks at this with a more broader view of the importance of these treaties, not just for trade but also for the overall hemispheric geopolitical relationship.

So I think this will come up, and I hope that these protectionist voices are not as loud as they've been in the past and that these new dimensions related to the importance of the region and importance of this conduct of countries in the hemisphere becomes more significant.

Let me now turn into a third element which I think is probably one of the topics that will get a lot of attention because of the label that has been given to this Summit, which is security, and it is the issue of organized crime and drug trade. As you know, these are two very salient characteristics of Latin America and the Caribbean -- high levels of crime and, of course, the importance of drug trade for many of these countries. The issue has generated a lot of attention recently because of the impact it's having in Mexico.

We're very fortunate that we have one person that knows a great deal about this and has very significant firsthand experience, and that is Kevin Casas-Zamora.

MR. CASAS-ZAMORA: What kind of firsthand experience in crime? You better clarify.

MR. CÁRDENAS: Well, in dealing with.

Kevin is a former Vice President of Costa Rica, and, as I said, he is a senior fellow here and a member of the Latin America Initiative. He'll speak not just about his own contributions to this document.

But also, we have another scholar who is Vanda Felbab-Brown. She's actually in Afghanistan. Her field and her area of expertise is organized crime and drug trade, and she also wrote a piece with some concrete recommendations for the heads of state of the Americas.

So, why don't you tell us a little bit about what you are proposing, Kevin?

MR. CASAS-ZAMORA: Thank you, Mauricio, and thank you all for being here. This is really a great pleasure.

Well, I certainly hope that, amongst the long laundry list of topics that will be discussed at the Summit, they take a serious look at the security issue in Latin America because truly crime, particularly organized crime, and the fear that comes attached to it are really two of the most serious obstacles to development that Latin America and the Caribbean face -- and not just that. I mean they are not simply obstacles to development but also a growing threat to democratic stability. Crime and fear are truly one of the weakest spots of democratic consolidation in Latin America.

It's easy to understand why when you take even a very quick look at the magnitude of the problem in Latin America, and I could give you roster of figures that would describe very well what amounts to a tragedy of truly Biblical proportions that is going on in Latin America.

Homicide rates in Latin America and the Caribbean are three times as high as homicide rates for the world as a whole: 27 percent of homicides that take place in the world happen in Latin America even though the region only has 9 percent of the world's population; 140,000 people die every year in Latin America every year as a result of crime. If you work out the numbers, that's 1.3 million people in this decade alone.

And even worse, if anything, this figure is truly frightening when you think that half of the people that are dying in Latin America as a result of crime are young men between 15 and 30 years old, at the peak of their productive and reproductive lives.

We're only talking here about homicide, but if you broaden the scope, the fact of the matter is that a third of the population in Latin America experiences crime directly every year. That is simply astonishing. We're talking about 200 million people being victims of crime every year.

This is not homogenous. I mean there is a lot of heterogeneity in the region. Some countries have truly crazy levels of violence and have had for a long time, such as El Salvador, Guatemala, Jamaica. Some countries have seen incredible, incredible growth in their crime levels in the past decade, and the case in point is Venezuela where crime has spiraled out of control over the past decade.

Yet, you have other countries like Chile, like Uruguay, Bolivia, to a lesser extent, Costa Rica, probably Argentina, where crime levels are still within reasonable levels, manageable levels. In some cases, like in the case of Chile and Uruguay, they are relatively low and probably closer to those of developed countries.

The fact of the matter is that, generally speaking, the situation in Latin America and the Caribbean when it comes to crime is pretty dire, but it's a dire situation that is not bereft of political consequences. This is a point that I want to emphasize.

It has been demonstrated empirically that levels of support for democracy decrease when crime and, particularly, the perception of crime go up. Just to quote one figure that I think is very telling, not long ago, Latinobarómetro, a regional survey, released a figure that said that nearly half of the population in Latin America and the Caribbean would be willing to support a coup d'état if it guaranteed that it would solve the problem of security. No other social problem in Latin America elicits that sort of social response.

The root causes of the situation are, of course, very, very complex, but one implication stems from that very complexity, and this is vital to understand. It is that we have to beware of easy and painless solutions that are being peddled all over the place in Latin America. This is a very



intractable problem, and people have to understand that, and governments should start telling that to their people.

Yet, being such a complex issue, I guess there are a few factors that deserve to be singled as being main drivers of the situation. One that Ted took the care to mention is income inequality. Latin America holds the world championship of crime; it also holds the world championship of income inequality. No other region in the world comes even close.

And, the fact of the matter is that income inequality has been shown to be empirically linked with crime levels, not only in Latin America but all over the place. I mean across regions.

The second factor, which is very important too, is limited opportunities for the youth, and I'll give you just one very striking figure. One-fourth of the Latin American youth are neither at school nor at work. That's a security time bomb.

The third factor is the weakness of the law enforcement mechanisms -- weakness as in police forces and courts that are as a whole ill trained, that are prone to corruption and that, as a result, command very low levels of social trust. One of the key implications of this, and I will come back to this, is that people in Latin America in general are very reluctant to report crime, and that can only result in impunity.

The fourth factor that has been mentioned here is the absolutely pervasive presence of organized crime, particularly in the narcotics trade. This is something that has totally changed the security landscape in the region, particularly in what you would call the Caribbean Basin: the Caribbean proper, Central America and North and South America and now Mexico.

Just to give you one quick figure again, half of the homicides in Mexico in 2008 were directly related to drug trafficking. I'm talking here about executions -- you know, a shot to the head. And, I can assure you that out of the other half, a lot were somehow related to drug trafficking. So we're talking here about a major factor behind the crime epidemic in Latin America.

So the challenge that countries in the region face is it is very complex, really, because they have to put in place effective and sustainable -- sustainable -- security policies. In order to do that, the first they would have to do is resist the siren song of iron-fisted policies, *la mano de hierro*, which is a discourse that, unfortunately, has become very popular all over the region. Moreover, it is being increasingly rewarded at the polls.

This is unfortunate because in actual fact, when you look at the record, iron-fisted policies have a very poor record in controlling crime and

a stellar record in undermining human rights. There are many reasons why iron-fisted policies are not effective. One very obvious one is that this kind of policy framework tends to deal with the criminals of today but not with the criminals of tomorrow.

So, it is crucial that countries in the region put in place human development-oriented, solid human develop-oriented policies for the long term. Yet they also -- I mean besides doing that -- they also have to act with a sense of urgency, and they also have to nurture the changes put in place, the changes to improve law enforcement in the short run.

It is not as simple as a shifting from the iron fist to the velvet fist. It is of very little use that in the long run we will solve our crime problem through increased and improved social policies if we don't do something in the short run simply because the political pressures that Latin American governments find themselves under are simply enormous.

I mean there's a huge pressure, a huge political pressure to deliver on the crime issue. So Latin American and Caribbean countries have to negotiate a very tricky balance that I would sum up as pursuing zero tolerance to crime plus zero tolerance to social exclusion, and that's a very tricky balance.

What is to be done? Well, several things. I'm going to paint here with a broad brush because I insist country differences are significant.

One thing that is crucial to do is to recast the whole discussion on crime and security in Latin America because it's a very poor discussion, quite frankly. This is not about prevention versus repression. It's not about the long term versus the short term. You have to do the whole lot.

But you also have to explain that there's no silver bullet when it comes to solving the crime riddle, and you have to be very careful with peddling easy solutions and snake oil when it comes to crime because that only helps to raise expectations and to increase political pressure. When political pressure grows, the adoption of iron-fisted policies is more likely.

The second crucial thing is invest in opportunities for the youth extensively: more and better public education, more job training programs, crucially, more social care provision for the young.

Just to give you another figure which I came across when I did some research in Costa Rica about the crime issue, a figure that really blew my mind, in Costa Rica, the public resources that are needed for a murderer to fulfill his or her average sentence are more than the public resources needed to educate a person from kindergarten all the way to a college degree at a public university in Costa Rica. This is a vivid example of that old sticker that you would find in some places: If you think education is expensive, try the alternative.

So, investing in opportunities for the youth is vital, and I totally agree with my colleague, Vanda Felbab-Brown, when she says that this kind of investment takes more than simply free trade. Free trade is a wonderful way to increase economic opportunities for Latin American youth, but it takes more than that.

The third thing is about upgrading law enforcement mechanisms as a way, as an essential path to reducing impunity. This calls for better police and judicial training, for better internal control policies within police forces to reduce corruption and for the systematic adoption of information systems when it comes to policymaking on security issues. You would be surprised as to how limited the empirical content of policymaking is in Latin America when it comes to security issues, and I guess this is an area that offers particularly good promise in terms of inter-hemisphere cooperation, particularly Canada and the U.S. vis-à-vis the rest of the hemisphere.

Number four, it's essential to improve governance of the security issue -- better coordination both horizontally between branches of government but also vertically between levels of government, between national authorities with national authorities and local authorities.

And, a crucial thing that is often forgotten in this discussion, it is very important to improve oversight of private police forces which has

become a pervasive phenomenon in Latin America, a phenomenon that is here to stay. Unfortunately, the mechanisms of supervision tend to be very weak throughout the region.

Number five, improve police-community relations. This is essential as I said before, if anything, just to get people to report offenses. People don't trust the police and don't trust the courts. They won't report offenses. At the end of the day, what you get is impunity.

Number six, regulate firearms. More than 60 percent of homicides in Latin America are committed with a gun. This is one of the areas where policymaking can make a great deal of difference, and this has been shown time and again in local experiments in Latin America. The experience of a few Colombian citizens is very telling in that respect. When you regulate effectively gun possession, crime levels tend to go down significantly.

And, number seven, and this is an issue that both my colleague, Vanda Felbab-Brown, and myself insist on a lot, and not just us. This, that I'm going to say was one of the key conclusions of the discussions at the Partnership for the Americas Commission meetings. It is vital to have an open hemispheric discussion about drugs, a discussion that is permanent in which producing, consuming, transshipment and money-laundering countries take part. This is a discussion that, quite frankly, the purpose of

this discussion is, hopefully, to induce a very profound rethinking of the status quo of counternarcotics policies in this country because the status quo in the U.S. when it comes to drugs it seriously and vividly damaging the security situation throughout the hemisphere.

Thank you.

MR. CÁRDENAS: Thank you, Kevin. Thank you very much.

Well, let me try to wrap up, and then we'll open for your comments and questions.

We have 34 heads of state. Say they each get allocated 10 minutes. So, that's going to 340 minutes of talk. That's nearly six hours. So you wonder what's going to be said during those six long hours.

I have the impression that regardless of all the preparations for this Summit, at the end of the day, the economy is going to dominate the discussions. Most of these 34 speeches are going to begin by saying, well, this was not our fault.

As President Lula put it, in a way that he later regretted, this is the creation of a white men with blue eyes.

Therefore, they are going to start their speeches with variations of that, and they're going to say, well, our economies are being hit through three different channels: a reduction in exports, a reduction in remittances, a reduction in capital flows. Pessimism, just lack of

confidence, has affected the world. So these economies are beginning to contract.

Some very impressive figures are coming from countries like Brazil, Chile, Colombia, Mexico, in terms of the decline in industrial production which is already reaching double digit figures: 11 percent in Brazil in January.

Of course, that means that these economies are heading to or are already in a recession, and they need to figure out how to offset that and how to deal with the crisis because you know crises tend to be very strong in Latin America in terms of increases in unemployment in a region that lacks unemployment benefits. And, crises also tend to reduce support for democracy. In this case, they may also generate more or stimulate this anti-American sentiment in some countries.

So it's a very serious issue, and I'm sure that it will be discussed. The question will be how to respond.

Some countries are fortunate enough and were capable enough to save money in the past from the surpluses, from the years of reserve accumulation, and are able on their own to adopt countercyclical measures in terms of essentially fiscal stimulus and also lowering interest rates, and that's what we're seeing in many countries. Brazil is an example, Chile, Peru, Colombia, Mexico. But there are other countries



that do not have that capability and depend on the possibility of getting loans, some of them under concessional terms from the multilateral agencies. The key player in this regard in the region is the Inter-American Development Bank.

The Inter-American Development Bank can play that role, but it's reaching a point where its capital is constraining the capacity to disburse new loans. Its capital base is limited, and the rating agencies, which are fundamental for the business of providing finance, will downgrade the IDB if the IDB keeps on extending loans without raising its own capital. That, of course, is a scenario that no one wants because a downgrade will imply an increased cost of funds for the IDB and, therefore, for the borrowing countries. So that's why the capitalization of the IDB is an essential issue, and it will come up.

It will be raised because this is essentially a decision on the U.S.'s part, and the Treasury will be required basically to make this contribution, and it have to go to the U.S. Congress. That is why it's such a difficult issue because it will mean going back to Congress for another bill with budgetary implications. I'm sure this will come up in the discussions.

President Obama will also probably talk about energy. You know this is one of his favorite topics, the idea of reducing oil dependence in this economy, increasing the supply of renewable energies. There is no better

way to look for a partner for this energy diversification strategy than Latin America and the Caribbean because Latin America and the Caribbean can be a very considerable source of wind energy, solar energy, biofuels and, in some countries, nuclear power.

The issue of energy will probably come up in these meetings with some concrete ideas, and I can think of two very specific items in this discussion. One is that for many of these countries the possibility of becoming significant suppliers of biofuels for the U.S. market is now constrained, and it's constrained by the tariff on imported ethanol that restricts access to the U.S. market. This will be raised by some of the heads of state including President Lula.

This is an issue that has to be dealt with care because there are countries, like Jamaica -- and we have here the Ambassador from Jamaica -- that already have that access, that privileged access to the U.S. market and, of course, have gained tremendously from that access. So we have to make sure that in the process of opening the U.S. market for imported biofuels there is no damage done to economies that are already basing part of their recent economy growth on that.

But the time will come when biofuels produced in the region can access the U.S. market freely, and this is a very important economic strategy not just for Brazil but for countries all the way from Mexico to

Argentina that have the soils, that have the technology, that have the capacity to produce these biofuels.

The second element in these conversations in Trinidad and Tobago could be related to the development of new technologies for the production of renewable energy. As you know, biofuels based on feedstock are under criticism, and they're under criticism because they could displace other crops and also because they take fossil fuels -- oil -- to be produced in the process of cultivation, processing, separation. All that takes traditional sources of energy.

So we need to find new technologies that reduce the negative impact on food production on the one hand and the negative environmental footprint on the other hand. These new technologies are related to cellulosic biomass, biofuel production. For that, we need more research, and that can be done through a new laboratory, energy laboratory for the Americas. The U.S. can make a commitment to funding that laboratory, and that could, of course, create a new item, a new element for the conversation between the heads of state.

The Partnership for the Americas Commission here at Brookings already recommended that, and Jeff Davidow, who was a member of that Commission and who is now the Special Adviser to President Obama for

the Summit of the Americas, has very clear ideas on energy. So I wouldn't be surprised if this issue comes up during the deliberations.

You think that this is a difficult thing to achieve, but if you look at the costs associated with creating this laboratory they're relatively small compared to the budget of the Energy Department, not just in regular allocation but in the stimulus bill. If you combine the two allocations, there is \$16 billion just for research and development sponsored by the Department of Energy. So a small percentage of that, less than 1/5th of 1 percent, could be spent for creating this laboratory in the Americas, and this would be something of tremendous benefit for countries in the Caribbean and in Central America and South America.

So, these are two very concrete ideas.

I understand and I think we are all aware of the fact that President Obama comes to this Summit without a fat checkbook. There is just no space to write large checks. He has to come with new ideas about engagement and some commitment in terms of resources. That small commitment in terms of resources, I would devote it to the issue of the additional capital of the IDB and the laboratory of the Americas for development of new energy technologies. The rest, it's going to be probably less associated with costs and budgetary allocations.

I would summarize the rest of this conversation by saying that on the issue of Cuba this decision to act preemptively by flexibilizing travel and remittances will probably open the space in Trinidad and Tobago for a more fruitful conversation about Cuba where he could engage countries like Mexico and Brazil, which are good friends of Cuba, in a conversation about bringing democracy to the island.

On the issue of organized crime, of course, there are many things that can be done, but one that is very important is to tell the leaders of this hemisphere that more will be done in the U.S. regarding consumption. These countries are facing strong wars and battles against drugs, and, of course, they need to have more reciprocity on the form of stronger policies here in the U.S. regarding drug consumption. There are many ideas about how to reduce drug consumption, but all of them will require additional funding. Treating it as a public health issue, investing more in education -- all these ideas will be welcomed by the leaders of the hemisphere.

Of course, the third element is the element of trade. We have to make sure that there is no protectionism in the U.S. regarding the region, but also we need to advance in the free trade agenda, and that has specific connotations for countries like Panama and Colombia.

So I think it's about a new conversation. It's about new topics. And, it's about also showing commitment to the region with these two elements that are related to the IDB's capital and the energy laboratory.

There will be nothing like the 1994 Summit of the Americas, which is the summit that I think most of us remember. Some of us are too young. But it's the summit where this great idea of the Free Trade Area of the Americas was launched, but that unfortunately didn't go anywhere. It was, I guess, too big of an idea.

Now we have to have a more pragmatic and concrete approach on the issues that can be implementable. That's what will make this Summit successful. The past summits have not been successful. Therefore, I think it's for President Obama and a whole new generation of leaders that will meet for the first time in this Summit.

It's not just President Obama that is going to go there for the first time. We'll also have President Garcia from Peru going for the first time, President Calderón going for the first time. It's this new group of leaders that will take the Summit into a more productive and constructive arena.

So, with that, I think that encapsulates and summarizes the recommendations that Brookings is putting forward for this Summit.

Let me now open the floor for your questions and comments. We have like five or ten minutes.

Yes, please.

QUESTIONER: Hi. My name is Jay Heflen. I'm with Roll Call's *Congress Now*.

This is for Kevin, when you were talking about we have to beware of easy solutions. I report on Capitol Hill. A lot of members of Congress say that one solution to solving the crime is to pass the Colombia FTA. Do you consider that FTA to be an easy solution?

Or, I know that you said that was part of it, but is that an easy solution that would help reduce crime or is that just a very small piece that wouldn't really move the needle all that much?

MR. CÁRDENAS: I'm going to collect a few questions, and then we'll give answers to all of them.

QUESTIONER: Thank you, Mauricio.

Mr. Piccone's presentation started with the very simple statement that democracy is widely supported in the region, although there is a growing discontent in many countries with the results achieved by democratic governments. He didn't mention what eventually would be the implications of this unhappiness with democracy, but in my view that is probably one of the explanations, eventually the main one, for this growing tendency toward authoritarian regimes in the region.

I won't expect that very delicate matter to be openly discussed in the Summit, but I do believe the authoritarian tendency in the region is going to be a very crucial topic in the years ahead for the Obama Administration.

Some comments from you would be very highly appreciated.

MR. CÁRDENAS: Thank you. Jorge Humberto Botero was Minister of Foreign Trade for Colombia for more than four years. So I am sure you attended a few of these summits, so you probably know what happens there.

Yes, sir, and then we'll go back to the lady with the black shirt.

QUESTIONER: Yes, Chia Chen, freelance correspondent.

The theme that is common is prosperity and the stability. Dr. Cárdenas, I have two concerns, as you, but I would like to go one step further as to trade.

The Congress has put protection in the act, and I think what he needs to say is how he is not going to implement. Also, the Chapter 7 talks about drugs. It said that the U.S. is the single largest drug-consuming country in the world. So, in any country, most organized crime is related to the drug trafficking. The demand ensures the supply.



So I think the U.S. has a bigger responsibility to deal with the consuming, and I think he should say something about what he will do to reduce the demand. Thank you.

MR. CÁRDENAS: Thank you very much.

In the back, yes, the lady with the black shirt.

QUESTIONER: Thanks. My name is Mirte Postema. I work at the Due Process of Law Foundation.

I wanted to Mr. Casas-Zamora what he makes of the criticism of local organizations, especially in Mexico and Colombia, on the Mérida Initiative and Plan Colombia, that it will be counterproductive in terms of human security because it provides more resources to military and policy that themselves have high levels of corruption and cooptation with the narco and who themselves perpetrate human rights violations.

And, Mr. Piccone, I wanted to ask if you could be more specific about which human rights could be trumped in terms of improving U.S. relations with some countries, especially in the light of Mr. Casas-Zamora's presentation that underlines how important human rights are for the rule of law and stability in a country.

MR. CÁRDENAS: Let me take one more.

QUESTIONER: I just wanted to go back to the issue of Cuba, and I wondered whether you had any reason to believe that there was an

appetite in Latin America -- given its historic concern about interference, particularly U.S. interference, in internal affairs -- whether there was an appetite in Latin America to use either sanctions or incentives to encourage democracy in Cuba and how that might be done.

MR. CÁRDENAS: Thank you.

Okay, let's give the floor back to the panelists. I would ask Ted, if you want to begin.

MR. PICCONE: Sure. I think the implications of dissatisfaction with democracy. I mean I think there certainly is a tendency toward populist types of responses and a tendency towards centralizing power, and we are seeing that in some countries.

There's also clearly a tendency in the hemisphere to do away with term limits, which you know there was a practice that was pretty well entrenched in the hemisphere after the years of military governments, of just one-term limits for presidents. That gradually has been expanded to two terms, and now really the trend is toward unlimited terms. I think that's a dangerous trend. I think that's one that allows presidents to use the powers of their offices to sustain themselves in power, to use the full resources of the state, and, over time, the rewriting of constitutions has become another mechanism for strong executives to extend their control over other institutions of government.

They're doing it in a way that is legal. I mean there is a constitutional process. A number of them have gone through referendum, getting plebiscite, popular support for these changes.

It's been very positive in terms of being more inclusive of other populations in society that have tended to be marginalized or excluded. So it's not all bad, but I think there's a swinging of a pendulum. Right now, just from a point of view of wanting to see stable democracy with checks and balances, the pendulum needs to come back a little bit towards the middle on this.

I think the other thing of concern is the economic crisis' impact on fiscal capabilities of the state to have a strong governing capability. You're going to see budget cuts in some area or some austerity measures, just give the severity of the economic downturn. Now some governments are taking steps, countercyclical steps to address that, but that is a concern.

I'm not sure I got the question on which human rights can be trumped, but I think with Cuba and in other cases it shouldn't be a tradeoff kind of situation, and I didn't mean to convey that in my comments.

But I think that the Obama Administration is going to have a very difficult time in figuring out how to take what they clearly signal is a pro-engagement policy. We should talk to our enemies. How do we do that in

a way that doesn't undermine the forces for change in those societies? And so, we have to be very attentive to what they're saying and what they're asking for.

I think in the case of Cuba there's no question that some of the activists on the ground have really been hurt by the tighter restrictions over the last several years, and they have asked for this kind of change. I think you're seeing that in other countries as well, a rethinking of a policy of isolation, both here in Washington but most importantly from the drivers of change in those societies. So we have to really lead with that. We have to listen very hard to those that are on the forefront of change.

In terms of the Latin America appetite to use sanctions or incentives and how to do it, I think you put your finger on really the critical question because there has been a tendency to avoid that kind of approach in the region.

Now, the inter-American process does allow a number of steps, and I think it would be important to start a process of engagement that begins with not only the government leaders but really with civil society groups, religious groups, et cetera, on the ground and giving them the tools to actually be able to organize and express themselves. Maybe, it also a lot more exchanges. I think that would be constructive, and not just coming

to the United States. I mean really exchanges with other democratic countries in Latin America would be a good next step.

MR. CÁRDENAS: All right. Thanks, Ted.

I think there was one question related to trade, Leonardo.

MR. MARTINEZ-DIAZ. Yes. One of the issues that has come up is this issue of Buy American or Buy Ecuadorian or Buy Mexican provisions which will be part of the stimulus packages. After all, the main point of having a stimulus package is to support jobs in your own country. Therefore, if there's a perception that some of these stimulus package resources are being spent on contracts for companies from other countries, you have a political problem. Right?

So I think the stimulus packages will create yet another obstacle or another difficult question for the open trading system, one that is more subtle than tariffs and some of the issues that I discussed in the presentation. But they will have to deal with them, nonetheless, and it will come in two ways.

The first is subsidies. Under the WTO, there are many provisions that bar large amounts of government support to certain industries. Well, a lot of the stimulus package resources are exactly intended to do that, to bail out car makers or banks or factories in different kinds of industries.

How will that conflict with the treaty obligations of many of these countries, not just WTO but also regionally, MERCOSUR or NAFTA, et cetera?

The second one is going to be about procurement. Who is going to be allowed to compete for government contracts under these different stimulus packages? Obviously, each country will want to favor their own companies as a way of spreading the money to their own workers and stockholders, but this obviously could contradict some of the promises and obligations they have contracted under trade.

So, I expect a lot more to come out of these kinds of questions.

MR. CÁRDENAS: Thank you.

Let me add on that line to answer your comment about protectionism. I really hope. I don't know if the new U.S. Trade Representative is joining President Obama in Trinidad and Tobago. He was just recently confirmed. But it would be very good that he goes to this Summit, not only to listen to these concerns about protectionism, as you mentioned, but also to help him build a more balanced view on the importance of trade.

I am a bit worried about his most recently statements where he is basically saying that President Obama's trade policies are not going to be President Bush's third term, implying that whatever was being conducted

in the past few years in terms of trade engagement with the region was going to be rethought.

So I hope that he goes because I think it will be good for the administration to have a more balanced view on this issue of trade which, in my perspective, is listening just to one side, and we have to look at it with the foreign policy, international dimension, hemispheric integration aspects related to it.

Kevin, and then I'll give a word to the Ambassador.

MR. CASAS-ZAMORA: Well, thank you for the questions.

The first one about the Colombia free trade agreement and crime, I think they are grossly overselling the agreement if they are arguing that. I think it would be a very grave mistake not to ratify the free trade agreement with Colombia but for other reasons.

The effect that it can have on crime rates is likely to be absolutely marginal for a number of reasons. I mean one of them being that free trade in general does great things for economic growth, but, by itself, it does very little for income equality. It needs to be complemented with other things. One of them and one particularly crucial one in Latin America is that it needs to be complemented with state policies based upon a solid tax revenue, and that's a major issue in Latin America.

The other thing is that you can also look at examples. I mean Central American and Caribbean countries tend to very open economies just because they are so small, and yet they have the highest crime rates in the world. So, economic openness, by itself, does very little to lower crime rates.

About the issue of drugs and the importance of stressing the reduction of demand in the U.S., I could not agree more. That is exactly what Secretary Clinton tried to do in Mexico a few days ago. I think it reflects on the poor state of our discussion on drugs in this country in particular that the statement made by Secretary Clinton could be so maddeningly obvious and yet so groundbreaking. But I think it's a step in the right direction, and I couldn't agree more with that approach.

The third question about Mérida. That's an interesting one. That's an interesting one. I'm a little bit torn when it comes to this because, on the one hand, I'm very worried about the tendency to militarize law enforcement in Latin America. That's a dangerous trend.

At the same time, I fully understand that in particularly dire cases, when the state territorial integrity is at stake, there's very little else you can do but to call the armed forces because the problem, in the case like in Northern Mexico or in Colombia in the past, is simply far exceeds the capacity of normal law enforcement agencies. So I do understand that.



Does that create risks for corruption in the armed forces? Of course.

Does that create risks for human rights abuses? Of course.

And, that's why it has to be a very well thought-out and an utterly exceptional measure and subject to very strict rules of civilian oversight and be very mindful that the fact that you're calling the soldiers to deal with the problem doesn't change the essentially civilian nature of the challenge. So you have to be very aware of all those things.

At the same time, this is one of the things that need to be done because there are plenty of other things that need to be done. I'll put one example. If you want to complement whatever the soldiers are doing with things like alternative development strategies for people that are growing illicit crops in Latin America, you need an effective state. You need a state that has effective control over the territory.

So my point is that if you want to do these other things, you need to secure state control over the territory, and sometimes in dire circumstances that calls for the intervention of the armed forces.

MR. CÁRDENAS: Thank you, Kevin.

Ambassador.

AMB. SHIRLEY: Thank you. First of all, let me thank you very much, Mr. Cárdenas, for giving a concession this morning to the fact that

not only Jamaica but El Salvador, Trinidad and Tobago, U.S. Virgin Islands, Costa Rica are gaining tremendous amount of benefit from exporting ethanol to the United States and to say that we are in partnership with Brazil. So we don't think there is any difficulty there, and we hope our ethanol business will expand.

I wanted to add something, however, and one is to ask for consideration of small arms legislation because that hasn't been mentioned, and there is a problem where I think we found like -- I don't know the number -- several thousand small arms were seized by our conventional forces in Jamaica in one year. All of them, we believe, came from the United States. So there is a problem because it's very easy apparently to get small arms into the Caribbean, and something needs to be done about that.

Second, there has been some in my opinion, and I don't like to use words like confusion, but unfortunate mixing-up of offshore financial centers, which in fact serve an economic purpose, and tax havens. It is not all people who keep their money overseas for one reason or another, who necessarily are tax dodgers or who intend to dodge taxes.

If what seems to be happening does go through, there will be 14 countries in the Caribbean region alone which are going to have severe fiscal problems by having, in effect, their financial systems closed down

because the offshore financial centers came in and took over the local banking system and also had other businesses such as accounting, legal services and so on, forming of new companies and so on in the region. They are greatly threatened by a broad-brush approach to say that everyone who is operating offshore is, in fact, a rascal because it's not so.

So I hope some effort is made to understand this and perhaps to give some assistance to these countries to sort out where there are problems with current legislation or current regulations with which they might not be compliant because I think most of them have signed agreements to be compliant. They don't wish to be tax dodgers.

And, third, I would ask for some assistance to maximize conventional energy uses and storage. A large number of refineries still flare off gas, and the gas that they're flaring off is methane. Methane is natural gas, and that's what people use. But some firms, for one reason or another, continue to flare even in poor countries like Jamaica. and it's due to lack of financial resources or due to lack of an understanding.

The use of solar energy, food energy and wind energy, which there are tremendous resources in Latin America, are largely unused. That calls for some sort of a business plan which would allow the current utility companies to be involved.

What is happening is they are currently at variance with utility companies. Utility companies are interested in a big refinery and selling energy and sending you a bill at the end of the month.

The other resources could be done for communities, could be done for firms, could be done for households, and very little use is being made of that, despite the obvious advantages. So I add that to the mix.

Thank you.

MR. CÁRDENAS: Thank you. Thank you very much, Mr. Ambassador. Those are three very good points.

I should say that we have to keep in mind that in December on this year the Copenhagen Summit on Climate Change is going to meet. In preparation for that summit, the leaders of this hemisphere should agree to forming a bloc of countries that will begin a negotiation and begin a discussion on these issues. Of course, the third recommendation you just mentioned, which is a control on the emissions associated with the more traditional sources of energy, including refineries but also including transportation and land use should be reached because, ideally, the Americas should come with a common voice to the Copenhagen Summit.

On the second issue which is the one that is related to you avoided the term, tax havens, but I would say it, which is an issue that was raised and that generated a lot of attention during the meeting of the leaders of

the G-20. Of course, there is sensitivity on the part of the countries of the Caribbean and some Central American countries that have developed for years an industry based on financial intermediation, legal advice, et cetera. This is, as you mentioned, something that has to be dealt with in a very careful and conscious way.

And, the first element in your comment, which goes back to the topic that Kevin was discussing, is illegal gun trade. This is something that has had a tremendous impact on countries like Mexico because of the proximity to the U.S. and the ease of the flow of illegal arms from the U.S. to Mexico but also for countries in the Caribbean like Jamaica that you just mentioned. For that, what we're proposing is that the U.S. finally adhere to the United Nations Treaty on Illegal Gun Trade and that this creates the mechanisms for really creating obstacles for this trade.

We know what's happening with gun trade being what it is, especially in the border states. It is very easy, and that's why the Mexican authorities have complained about 2,000 illegal weapons crossing the border each day from the North to the South of the Rio Grande, and that only exacerbates conflict and crime in Mexico. So this is a delicate and important issue that I hope, as you mentioned, is raised again in Trinidad and Tobago.

So, with that, I'm going to close by thanking all of you for having joined us here today and thanking the panelists as well. I think it has been a very interesting discussion, and we look forward to seeing you in our future events. Thank you very much.

(Applause.)

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