

PREPARED STATEMENT OF DR. RICHARD L. BERNAL, AMBASSADOR FROM JAMAICA TO
THE UNITED STATES

I. INTRODUCTION

Thank you for providing me an opportunity to submit a statement on the status of US/Caribbean economic relations.

In 1996, the Caribbean Basin is confronted by several fundamental, yet often conflicting, trade trends. First, the Caribbean Basin is witnessing an erosion of its historic market access with the United States because of preferential trading regime that has been granted Mexico under the NAFTA. Second, and conversely, the NAFTA has signaled a new area of hemispheric cooperation, which will hopefully culminate in the creation of a Free Trade Area of the Americas (FTAA) by the year 2005. Third, the United States and the Caribbean Basin countries—along with countries in Central and South America and Europe—are enmeshed in a discussion over access to the European banana market. Finally, Congress is now working on a proposal to repeal the Section 936 tax credit program, which has acted as one of the largest sources of low-cost funds for Caribbean economic development. Before examining each of these issues, it is imperative to understand the current US/Caribbean Basin framework.

II. CURRENT US/CARIBBEAN BASIN FRAMEWORK

In August 1995, the Caribbean Basin Initiative (CBI) marked its 12th anniversary. In the dozen years since it was established, the CBI has emerged as an important framework for the regional trade relationship and a stimulus of economic development in the Caribbean Basin and of trade linkages throughout the region. Although many see the US/Caribbean relationship as altruistic or one-sided, it is truly a mutually beneficial relationship. Statistics on regional trade and investment flows underscore this point.

- Presently, the US/Caribbean commercial relationship supports more than 300,000 jobs in the United States and countless more throughout the Caribbean. During the past decade, the US/Caribbean Basin relationship has created more than 18,000 jobs a year in the United States. See Table I.
- The Caribbean Basin is in aggregate now the tenth largest export market for the United States, surpassing countries such as China and Singapore.
- The Caribbean Basin is one of the few regions in the world where US exporters maintain trade surpluses. In 1995, the tenth consecutive year for which the United States recorded a trade surplus with the Caribbean Basin, that surplus equaled \$2.6 billion. See Table II.
- In 1995, US exports to the region passed \$15.3 billion, resulting in a 160 percent increase in US exports during a ten year period. Although the benefits have been concentrated in Florida and other coastal areas, every state in the union has benefited from this relationship.
- In 1995, US imports from the region reached \$12.6 billion, completing a ten year growth rate of nearly 100 percent.
- It is estimated that between 60 to 70 cents of each dollar spent in the Caribbean Basin is spent back in the United States compared with only 10 cents of each dollar spent in Asia.
- During the past ten years, the US/Jamaican trade relationship has tripled, triggering an annual increase of US exports to Jamaica of more than 14 percent. See Table III.

The basis of this healthy and balanced trade relationship is a complementarity between the CBI economies and the US economy. While the US economy is highly industrialized, the CBI countries tend to emphasize more agriculture, raw materials, tourism, and, increasingly, labour-intensive manufacture. These economic patterns are natural catalysts for the trade based-economic growth. For example, apparel has become Jamaica's leading manufactured export and has grown very rapidly. It has grown because of a complementarity involving the combination of US capital goods and raw materials being produced with Jamaican labour for US companies. The result is the creation of jobs in the textile and shipping sectors both here and in Jamaica. In addition, this integrated transnational process of production draws upon the strength of both economies to manufacture a final product that can be competitive in the US and global market. This equation again adds up to jobs, especially through the preservation of jobs and corporate entities in the United States which could not survive by producing goods entirely in the United States.

Despite these successes, several developments now threaten to stall or slow down the process of economic growth and trade liberalization in the region.

III. THE CASE FOR NAFTA PARITY

Perhaps the biggest issue facing the Caribbean Basin is the lack of parity of market access with Mexico. The CBI has provided a good foundation, particularly in the era when aid from the United States is declining. It has been a good strategy of trade, and not aid, which has proved more beneficial in the long run. But the CBI has several built-in limitations. One problem is that, while it liberalize 90 percent of the trade categories, the CBI does not liberalize 90 percent of the actual trade flows, primarily because the very goods—such as apparel and footwear—in which the CBI has a comparative advantage are the goods that tend to be restricted by US import laws.

As a result, the CBI has not been immune to several recent changes in US trade law. Under NAFTA, for example, Mexican exports now enjoy access to the US market exceeding that accorded to Caribbean exports. The GATT bill has exacerbated these effects by calling for the phase-out of a program that regulates the importation of textile and apparel products from low-wage countries in Asia.

As a result, Caribbean countries are now forced to compete in their largest market at a substantial competitive disadvantage with one of their largest competitors. In the two years that NAFTA has been in effect, Caribbean economies have already recorded a steady diversion of trade and investment away from the Caribbean Basin nations. In the textile and apparel sector alone, Mexico has displaced other Caribbean countries and is now the single largest source of US garment imports from this hemisphere. During 1995, Mexican exports of textile and apparel products to the United States grew at three times the rate as similar Caribbean exports. Such diversion has begun to erode US/Caribbean trade relations, weakening the employment base of hundreds of thousands of Americans who depend upon strong US/Caribbean trade links.

Over the past three years, various bills have been introduced to rectify this problem. Despite assurances by the Administration and often warm receptions from the Congress, none of these measures have been enacted. Currently, a bipartisan coalition in Congress is pushing legislation that intends to put Caribbean countries back on equal footing with Mexico. Known as the *Caribbean Basin Trade Security Act*, this proposal enjoys widespread support, and has been endorsed by many Caribbean heads of government and countless business and community leaders, both in the United States and in the Caribbean.

As currently envisioned, the proposal will insure that Caribbean and Mexican exports enjoy equal access to the US market during the next ten years. During this transitional period of "NAFTA parity," Caribbean countries will be required to take reciprocal steps to expand market access for US products, strengthen investment guarantees, expand worker's rights, and improve intellectual property protection. By the end of the ten-year period, the United States will have strengthened its commercial relationship with the Caribbean region while the CBI countries will be in a better position to join a hemispheric-wide trade agreement.

NAFTA parity will build on the established US/CBI framework as elevated trade levels generate thousands of new jobs each year in the United States and the Caribbean. Specifically, it will enhance international competitiveness of the US textile and apparel industry by building on the existing, productive relationship enjoyed by US and Caribbean firms. Since Caribbean garment exports rely upon US components and labor for as much as 70 percent of their value-added production, any expansion of the Caribbean garment industry directly benefits US firms and workers. In addition, many Caribbean governments already operate programs that successfully fight illegal textile transshipment from East and South Asian countries, so NAFTA parity will strengthen a framework that protects the domestic industry from a flood of illegal, low-cost imports. Finally, as Caribbean governments take steps to strengthen their intellectual property and investment regimes—as Jamaica has already done—many other US industries will gain.

In this context, NAFTA parity has emerged as a cost-effective economic and foreign policy instrument to promote regional development. Increased trade activity will provide many additional commercial opportunities, which are so crucial for healthy economic growth in urban cities and rural areas throughout the United States. Stronger trade links will inevitably lead to better cooperation in other areas, such as narcotics interdiction, anti-corruption activities, and efforts to fight terrorism and international crime. Moreover, as Caribbean economies prosper, they will become less dependent on US foreign aid at a time when foreign assistance levels are declining. Table IV shows how aid to Jamaica for FY 1997 equals about 12 percent of the FY 1985 levels. In many ways, therefore, NAFTA parity represents a tangible extension to the "trade, not aid" approach, which has taken on new importance in light of the US budget debate.

IV. NAFTA ACCESSION

A related issue is the concept of NAFTA accession, which takes on added importance with each delay in enactment of NAFTA parity. It also provides an important long term framework for the CBI, especially since the CBI exists now as the product of a legislated action by Congress, and not as the product of a reciprocal trade negotiation.

Although there are quite a few countries in the region that are close to meeting the requirements of joining NAFTA, there is a perception that only a handful of big emerging markets—such as Brazil and Argentina—should be considered for NAFTA accession once Chile has joined. It may, however, make sense to look to smaller Caribbean economies for the next stage of NAFTA expansion. First, most Caribbean economies would be complementary, not competitive, with the US economy. Second, because Caribbean economies are small, they are unlikely to disrupt the US economy. Third, there may be no better way of securing the long-term economic development of the Caribbean than by forging a close link based on reciprocity with the United States. Finally, the Caribbean is the logical place to start since many Caribbean economies have already implemented the kind of trade liberalization and economic reforms that would be called for under NAFTA accession.

Regardless of the accession queue, it is vitally important for the US Government to establish a transparent process in which there are clear eligibility criteria. Without clear guidelines, countries are focusing on political jockeying to compete to see who should come in next, rather than focusing on meeting specific criteria that is a more appropriate measure of readiness.

V. BANANAS: ITS MORE THAN A SLIPPERY ISSUE

A growing source of friction in the region revolves around the troublesome banana trade conflict.

What was once seen as a seemingly insignificant trade dispute—involving market access for Latin American bananas in the European Union—has emerged as one of the more contentious matters facing US trade policy. Not surprisingly, the solutions to this problem can be found in the origins of the dispute itself—the importance of Caribbean economic development and stability.

At issue is a trading regime established by the European Union (EU) to support banana-dependent economies in former colonies in Africa and the Caribbean. Because bananas sourced in Latin America are cheaper to grow than those sourced elsewhere, the regime provides a series of incentives for producers and banana traders to purchase a small percentage of their bananas in Africa and the Caribbean. Admittedly, this regime is somewhat complicated and relies upon import restrictions and quotas that are no longer in fashion. However, for the past twenty years, the EU banana program has succeeded in supporting economic development throughout the Caribbean, particularly in those countries—such as Dominica—where banana exports account for about 80 percent of all exports. Moreover, the regime will be phased out in the year 2002, after which the EU banana market will be completely deregulated.

The United States has gotten involved because a single US-based company—Chiquita Brands—feels that the regime prevents it from increasing its 50 percent share of the EU market. Unfortunately, Chiquita, has concentrated its investments in Latin America and so is currently poorly prepared to benefit from the EU's Caribbean banana production incentives. But what should be dismissed as a bad investment decision on the part of one company has instead been trumpeted by the US Government as an example of an unfair trade practice. Although no US jobs and no US exports are at stake, and although the banana regime does not discriminate against US firms, the US Trade Representative and some Members of Congress have aggressively pushed the case.

To be sure, European consumers, who would be able to enjoy slightly cheaper bananas, stand to gain from US efforts to liberalize the EU banana market. The big losers, however, would be the Caribbean countries and, ironically, the United States, which will sacrifice an important export market if the Caribbean economies are damaged by their decreased access to the EU banana market. As noted above, the Caribbean region has emerged as a strong market for US goods and services.

But if Caribbean export dollars dry up because the United States succeeds in changing the EU export regime, those impressive trade statistics will deteriorate. In the United States, the repercussions will be felt most heavily by the thousands of US firms and communities that depend upon the export of goods and services to a vibrant Caribbean market. In the Caribbean, where thousands of small banana farms will be affected, the reverberations will also be painful. Without a realistic alternative to bananas, many smaller Caribbean economies will be seriously under-

mined, threatening stability and democracy throughout the entire region. As US foreign policy makers know too well, such instability is often accompanied by waves of immigrants and increased drug trafficking putting pressure on US borders.

The United States and four Latin American nations have recently filed suit against the European Union in the World Trade Organization. That suit was filed just one day after the US Trade Representative opened talks with interested parties to discuss and work out an amicable solution on bananas. While the WTO may ultimately be necessary to resolve this issue, and is certainly preferable than US unilateral actions under Section 301, the WTO should only be involved after all other diplomatic means and discussions have been exhausted.

The long-term solution, quite simply, is for Caribbean countries to diversify away from bananas. Many Caribbean countries have already undertaken such efforts by developing non-traditional exports such as apparel assembly for the US garment industry. Additional resources and support—especially from the United States—can greatly expedite this process. Instead of wasting resources in attacking the regime now, the US Government should instead help Caribbean countries prepare for the day—through the provision of technical training and the strengthening of the regional trading relationships—when the regime is dismantled automatically. This is in the US own self-interest since any supportive efforts in the Caribbean will ultimately bolster a strong US export market.

VI. THE FTAA: CARTAGENA'S UNFINISHED AGENDA

In March, the Trade Ministers of the 34 democratically elected governments of the hemisphere met in Cartagena to advance discussions on erecting a Free Trade Area of the Americas (FTAA). Many have cautioned that the meeting failed to resolve a number of issues and that, as a result, the process of establishing the FTAA is in danger of losing momentum.

At first glance, the FTAA participants appear to have made substantial headway in laying out the basic framework under which an FTAA can be forged. Since the Denver Trade Ministerial last June, seven working groups have been active in exchanging information, compiling inventories of trade and business practices, and making preliminary recommendations for priority action. The operation of the working groups has proved an important step in forging broad principles as a basis for negotiations, and developing the cooperative spirit that will be crucial for sustaining momentum as talks progress. Indeed, as was envisioned in Denver, the Cartagena Meeting expanded the scope of these discussions by creating four working groups in the areas of competition, government procurement, intellectual property rights and services.

But despite this progress, a number of fundamental questions remain unanswered. As the hemisphere's trade Ministers and their teams continue their work on the goal of hemispheric free trade, ten key steps must be taken to help the FTAA become a reality.

1. The Ministers must decide how fast to proceed to negotiations and when to complete them—before, on, or after 2005. Although there was a renewed commitment in Denver to complete negotiations by 2005, there are now different perspectives. Canada is pushing to complete well before 2005, while the MERCOSUR is cautioning that internal reform and regional trade initiatives need to be consolidated before 2005, possibly delaying the target date.
2. The Working Groups must interact with each other to create a holistic approach that will integrate all aspects including the coordination of trade and financial issues.
3. The Working Groups must complete the process of collecting and analyzing information, and make recommendations to the Ministers on objectives, process and timing.
4. The Ministers should begin to address ways to ensure that the different paths for regional integration are fully compatible with the commencement of negotiations for the FTAA within the time period specified.
5. The Ministers should explore liberalization measures that can be taken before negotiations begin to stimulate trade in goods and services and facilitate investment flows. These measures would create the atmosphere for progress in the negotiations, and could lead to a widening and deepening of existing sub regional agreements rather than the proliferation of new bilateral agreements.
6. Participating governments should establish some form of regular consultations with the private sector on a national and on a hemispheric basis. Hemispheric consultations must be institutionalized and be representative of different sectors and sub regions within the hemisphere.

7. Governments should insure that their own countries' internal macroeconomics policies promote stability and continued liberalization.
8. The Ministers must decide if a small Secretarial function should be established in one of the existing hemispheric organizations to ensure some form of continuity as the chairmanship of the process moves from country to country.
9. The Ministers must integrate the special needs of small developing countries—which constitute two-thirds of the countries in the hemisphere—in all their work, rather than confine these concerns to the Working Group on Smaller economies.
10. The participants should determine a way to provide "early harvest results," which would allow business to immediately begin to reap the benefits of the process.

The next year's work under the FTAA umbrella will be critical in determining the future of the FTAA, and the success of the meetings in Belo Horizonte, Brazil and beyond. The extent to which Working Groups and Ministers can resolve these issues will determine how smoothly the cause of hemispheric trade can be advanced over the next decade.

Of course, a big question-mark concerns the role of the United States in advancing the FTAA agenda. Ironically, while the attention has been focused on the trade ministers in Cartagena, the United States Congress is probably in the best position to make the single largest contribution to the FTAA process. During the last twelve months, US presidential politics have frozen US trade policy as protectionists have sounded out their populist appeals. At the same time, Congress and the Administration have been unable to agree upon a formula by which the President will be granted authority to negotiate free trade agreements. Without such authority, the United States is not able to conclude, and therefore not faithfully participate in, the kind of trade liberalization talks necessary for the FTAA process.

If the US Congress can manage to pass an extension of fast track trade negotiating authority, however, it can signal a start to full FTAA negotiations. Moreover, if the trade negotiating authority can be extended for a sufficiently long time—such as ten years—the Congress can ensure that actual negotiations are not held hostage by future Presidential election cycles while guaranteeing the active and enthusiastic participation of the largest consumer and supplier in the Hemisphere.

VII. SECTION 936 AND THE CARIBBEAN

Finally, the Caribbean Basin faces a challenge as a result of Congressional efforts to repeal the Section 936 program, a provision of US tax law that provides credits for firms investing in Puerto Rico and the Caribbean. Any action to dilute this program could dampen Caribbean economic development.

Although the program initially targets Puerto Rico growth and development, it has been structured to support economic growth and development in the Caribbean as well. Currently, the Section 936 code contains a provision allowing a tax credit on the income derived from investments in the Caribbean using profits from Puerto Rican operations. Jamaica and several other CBI beneficiaries benefit from the application of this credit to the Caribbean.

Jamaica is concerned about the elimination of such a program for several reasons. First, the program provides a substantial source of private sector funding for Jamaican and Caribbean development programs. Since the mid 1980's, when Jamaica became eligible for the program, Section 936 funds have supported over \$500 million worth of investments in development projects, including the privatization of the tourism industry. Throughout the Caribbean, Section 936 funds have supported more than \$2 billion worth of investment (See Table V). Because investors earn tax free income on their investment income, they are able to make the funds available for development projects in the Caribbean at relatively low rates—sometimes as much as one to two percentage points below market rates. This makes the Section 936 program a particularly attractive and appropriate source of funds for Caribbean countries, who have difficulty raising capital on international markets.

Second, as foreign aid dollars decline, Jamaica is looking increasingly toward private sector sources of financing such as the Section 936 program. If the Section 936 program goes as well, the increased pressures on the private capital markets from all Caribbean countries will drive up interest rates, making future development projects prohibitively expensive. This would undermine the past decade of success with the Section 936 program as well as the entire CBI program.

Third, eligibility of access to CBI funds depends upon successful implementation of a Tax Information Exchange Agreement (TIEA) with the United States. To date, the following countries have signed Tax Information Exchange Agreements: Bar-

bados (1984), Jamaica (1986), Grenada (1987), Dominica (1988), Dominican Republic (1989), Trinidad and Tobago (1990), St. Lucia (1991), Costa Rica (1991), Honduras (1991), and Guyana (1992). At the time these agreements were signed, the understanding was that 936 funds would be available for investments in the Caribbean. Elimination of the Section 936 program calls into question a fundamental US commitment supporting this treaty obligation.

As little as three years ago, Congress considered and rejected a move to modify the Caribbean element of this Section 936 tax credit. Dilution of this important program for the Caribbean made little sense in 1993. It makes even less sense now.

VIII. CONCLUSION

Countless studies have shown that strong regional economic links are crucial, not only in creating economic opportunities throughout the United States and the Caribbean Basin, but also in supporting stable and mutual beneficial security relationships. In keeping a healthy commercial relationship with the Caribbean—through passage of NAFTA parity, through the FTAA, through a retention of the Section 936 Caribbean program, and through a realistic policy on bananas—the United States can support its national security interests in the region.

Table I.—Number of US Workers Dependent on Trade With the Caribbean Basin Nations

Year	Total number of US Workers *	Number of new US jobs created per year
1985	118,840	—
1986	127,240	8,400
1987	138,120	10,880
1988	153,800	15,680
1989	165,800	12,000
1990	191,380	25,580
1991	200,260	8,880
1992	225,262	25,002
1993	248,552	23,290
1994	268,814	20,292
1995	306,120	37,306

Average Annual Job Creation: 18,731

* Assuming that \$1 billion in US exports creates 20,000 US trade-related jobs.

Source: US Department of Commerce, US International Trade Commission, Updated: April 22, 1996.

Table II.—US/CBI Trade Statistics (1985–95)

(Millions of US dollars)

Year	US imports	US exports	Annual export trade growth (percent)	Balance
1985	6,687	5,942	—	-745
1986	6,065	6,362	7.1	297
1987	6,039	6,906	8.6	867
1988	6,061	7,690	11.4	1,629
1989	6,637	8,290	7.8	1,653
1990	7,525	9,569	15.4	2,044
1991	8,372	10,013	4.6	1,641
1992	9,627	11,263	12.5	1,636
1993	10,378	12,428	10.3	2,050
1994	11,495	13,441	8.1	1,946
1995	12,673	15,306	13.8	2,633

Average Annual US Export Growth: 9.96%.

NOTE.—1995 marked the 10th straight year of US trade surpluses.

Source: US Department of Commerce, US International Trade Commission, Updated: April 22, 1996.

Table III.—US/Jamaican Trade Statistics (1985–95)

(Millions of US dollars)

Year	Annual US imports	Annual US exports	Export growth (percent)	Trade balance
1985	267	404	—	137
1986	298	457	13.1	159
1987	394	601	31.5	207
1988	441	762	26.8	321
1989	527	1,006	32.0	479
1990	564	943	-6.3	379
1991	576	963	2.1	387
1992	599	938	-2.6	339
1993	720	1,113	18.7	393
1994	747	1,066	-4.2	319
1995	847	1,421	33.3	574

Average Annual US Export Growth: 14.4%.

NOTE.—US trade surplus in 1995 is the 11th straight year of trade surpluses.

Source: US Department of Commerce, US International Trade Commission, Updated: April 22, 1996.

Table IV.—US Foreign Assistance to Jamaica (1985–96)¹

(Millions of US dollars)

Year	ESF	DA	PL 480 ²	MIL	Narc	Peace Corps Prog	Total
1985	81.0	34.3	40.1	7.6	—	2.4	165.6
1986	58.6	26.1	37.6	8.0	1.5	2.6	134.3
1987	26.0	18.1	39.9	3.4	3.3	2.5	93.1
1988	0.5	39.2	35.7	0.3	1.9	3.0	80.7
1989	12.9	51.8	47.1	3.8	1.0	3.0	119.6
1990	13.2	14.0	44.2	1.3	1.0	2.3	76.6
1991	10.0	17.2	44.7	1.9	1.4	2.4	77.6
1992	15.9	22.3	32.6	3.2	1.0	2.1	77.0
1993	2.0	13.7	30.0	0.4	1.3	2.3	49.7
1994	0.0	8.9	14.0	0.5	0.6	2.2	26.2
1995 ³	0.0	12.6	10.0	0.2	0.6	2.2	25.6
1996 ³	0.0	15.9	0.0	0.5	1.0	2.3	19.6

¹ 1996 request levels equal 11.8 percent of 1985 actual levels.

² PL 480 includes Titles I, II & III. As of FY 1993, Jamaica had graduated from the Title II program.

³ Figures may not total exactly due to rounding. Figures for FY 1995 are estimated. Figures for FY 1996 are based on request levels. Initial reallocation level for Development Assistance for FY 1996 equals \$11.1 million, representing a 30 percent cut from request levels. Initial reallocation levels for narcotics equal \$700,000, a 30 percent increase from the \$1 million request level.

Source: USAID, *Obligations and Loan Authorizations FY 1946–FY 1992 Congressional Presentation*, FY 1995, FY 1996.

Table V.—Section 936 Investment Activity in Eligible Caribbean Basin Countries¹ (1988–95)

CBI country	Date eligible	Qualified loans ²	Total investment ²	Number of projects	CBI jobs created
Barbados	1984	51.1	52.1	7	249
Costa Rica	1991	70.3	231.7	44	11,618
Dominica	1988	2.1	2.1	1	50
Dom. Republic	1989	168.7	273.9	75	19,524
Grenada	1987	12.0	17.8	6	273
Guyana	1992	0.6	0.9	1	N/A
Honduras	1991	168.3	215.2	16	3,633
Jamaica	1986	434.8	577.9	19	1,194
St. Lucia	1991	1.5	2.0	2	30
Trinidad & Tobago	1990	367.0	709.0	7	223
Totals		1,276.4	2,082.6	178	36,794

¹ Eligible Caribbean Basin Initiative (CBI) countries are countries who have signed a Tax Information Exchange Agreement (TIEA) with the United States.

² Figures for Qualified Loans and Total Investments are calculated in millions of dollars.

Source: Statistical and Graphic Summary (as of September 1995). Caribbean Development Program, Bureau of Caribbean Basin Affairs.

PREPARED STATEMENT OF SHARON HATHAWAY FORREST FOR NANCY CADIMA IRIGOYEN, COORDINATOR, MODEL OAS GENERAL ASSEMBLY, DEPARTMENT OF PUBLIC INFORMATION

In acknowledgement of the continuing threat of drug trafficking not only to the development of trade and democracy in the Americas, but also to the children of the Americas, the Model Organization of American States General Assembly would like to invite you to participate in the education of students throughout our hemisphere about this threat, through your participation in the upcoming Model OAS General Assembly to be held in Santa Cruz, Bolivia on December 9–13, 1996.

In this multilateral simulation of the General Assembly of the Organization of American States (OAS), students from all over the Americas will have the opportunity to present resolutions, debate their positions, and urge their fellow students from the Americas to combat the dangers of illegal drugs and related crimes, and in doing so, promote and enhance the health and stability of democracy in our Hemisphere.

In cooperation with Georgetown University's CIBER (Center for International Business Education and Research) satellite program in place in Colombia and Ecuador, and soon in all OAS member states, the Model OAS Foundation for Inter-American Studies will sponsor a series of programs documenting debates of the students and their interactions with government officials on this very important topic to the economic and spiritual success of a new generation in our hemisphere. During this week, soon after the Summit of the Americas on Sustainable Development to be held from December 5–7, 1996 in Santa Cruz, Bolivia, there is planned interactive educational forums and a congratulatory dinner with Congressional participation from the OAS headquarters, Washington, D.C. We invite you to be involved.

As stated in testimony today by U.S. Senator Paul Coverdell and General Barry McCaffrey, we believe that a comprehensive effort against illegal drugs and related crimes must include the education of all the students of our hemisphere. We also believe that, through our efforts at the Model OAS Assembly in Santa Cruz, we are investing in the present to protect the future, and that we must reverse those processes that are jeopardizing the well-being of present and future generations through drug trafficking. We thus seek to broaden the knowledge of the students of our hemisphere. We hope you will join us!