

An hourglass-shaped graphic with a globe inside. The top bulb is dark blue, and the bottom bulb is light blue. The globe is centered in the narrow neck of the hourglass. The text is centered within the hourglass.

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*SUMMIT OF THE AMERICAS II, APRIL 18-19, 1998:
BACKGROUND, OBJECTIVES, AND EXPECTATIONS*

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Abstract. The 1998 Santiago Summit focused on four major items: (1) promoting education; (2) strengthening democracy and human rights; (3) promoting economic integration; and (4) eradicating poverty and discrimination.

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Summit of the Americas II, April 18-19, 1998: Background, Objectives, and Expectations

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Summary

President William Clinton will attend Summit of the Americas II in Santiago, Chile, on April 18-19, 1998, with 34 democratic Presidents and Prime Ministers from Latin American and Caribbean countries expected to attend. This is a follow up to Summit of the Americas I hosted by President Clinton in Miami in December 1994. The 1994 Miami Summit created a Plan of Action with 23 initiatives in four major areas. Under the leadership of various countries and organizations, these initiatives have been advanced, and major agreements have been concluded and are in the process of being implemented. The 1998 Santiago Summit will focus on four major items: (1) promoting education, including programs for children, adults, and disadvantaged groups; (2) strengthening democracy and human rights, including cooperation against illicit drug trafficking; (3) promoting economic integration, including procedures for negotiation of the Free Trade Agreement of the Americas (FTAA); and (4) eradicating poverty and discrimination, including programs to protect women and indigenous populations. The United States Congress may be particularly interested in plans to launch FTAA negotiations, proposals to strengthen multilateral drug control efforts, and cooperation initiatives to promote educational and socioeconomic reforms.

CRS products related to this topic include: *Trade and the Americas*, CRS Issue Brief IB95017, by Raymond J. Ahearn.

Background

The Santiago Summit of the Americas to be held in mid-April 1998 is a follow up to the Miami Summit of the Americas held in December 1994. The 1994 Miami Summit was held at a point when the leaders of Western Hemisphere countries seemed to be developing a shared sense of values, and it was felt that the countries should join together to consolidate and strengthen the commitments to advance democracy, free trade, and sustainable development. Conceived shortly after legislative approval of the North American Free Trade Agreement (NAFTA) between Mexico, Canada, and the United States, the countries were particularly interested in seizing upon U.S. initiatives to advance free trade

in the hemisphere, which had included President Bush's Enterprise for the Americas Initiative and President Clinton's similar initiatives.¹ After extensive consultation and development of proposals, the hemispheric leaders agreed at the Miami Summit on a Plan of Action with 23 separate initiatives under four major themes. With regard to the central issue of promotion of free trade, the countries agreed to complete negotiations for a Free Trade Agreement of the Americas (FTAA) by the year 2005.² Subsequently it was decided that three sets of the initiatives should be implemented jointly, effectively leaving a total of 20 initiatives.

Progress on Summit Initiatives under Four Major Themes

Since the 1994 Summit, the responsible countries and organizations have been advancing the initiatives in a variety of ways, with varying results, as indicated below.

I. Preserving and Strengthening Democracies — (1) Strengthening Democracy/(2) Promoting Human Rights: Under these two combined initiatives, the Organization of American States (OAS) strengthened the Unit for Promotion of Democracy substantially, with major efforts on electoral processes, improved governance, and conflict resolution; the Working Group on Human Rights and Democracy that met at the OAS in December 1996 approved administration of justice as a main priority, especially training for police and judges; **(3) Invigorating Society/Community Participation:** Governments are encouraging citizen participation, especially by members of marginalized groups, with assistance from international donors; **(4) Promoting Cultural Values:** Cultural exchanges between countries have been facilitated through the OAS and the Inter-American Development Bank (IDB); **(5) Combating Corruption:** Under auspices of the OAS, countries negotiated the Inter-American Convention Against Corruption in 1996, which entered into force in 1997, with seven of the 23 signatories having ratified it; **(6) Combating Illegal Drugs and Related Crimes:** Working through the OAS' Inter-American Commission on Drug Abuse Control (CICAD) countries approved the Anti-Drug Strategy in the Hemisphere in December 1996; countries are also implementing the Buenos Aires Communique of December 1995 to strengthen laws and to share information to combat money laundering; countries signed the Inter-American Convention Against Illicit Arms Trafficking in November 1997; **(7) Eliminating the Threat of National and International Terrorism:** At the OAS Conference on Terrorism in April 1996, the countries agreed to improve intelligence exchange and enforcement cooperation; **(8) Building Mutual Confidence:** At the OAS Conference on Confidence- and Security-Building Measures (CSBMs) in November 1995, the countries agreed to eleven CSBMs, including advance notice of military exercises and exchanges of defense information; additional measures are to be taken by the newly created OAS Committee on Hemispheric Security.

¹ For background on the Miami Summit, see *Summit of the Americas, December 9-11, 1994: Background, Plans, and Hemispheric Expectations*, CRS Report 94-911 F, by K. Larry Storrs.

² For complete information on the 1994 Summit, see *Summitry in the Americas: A Progress Report* (Washington, D.C. Institute for International Economics, 1997). For information on the 1994 Summit and action leading to the 1998 Summit, see the AmericasNet homepage maintained by the Summit of the Americas Center at Florida International University at <http://summit.fiu.edu>.

II. Promoting Prosperity Through Economic Integration and Free Trade — (9) Free Trade in the Americas: With support from the Tripartite Committee (OAS, IDB, ECLAC³), hemispheric Trade Ministers, acting through four trade ministerials (Denver in June 1995; Cartagena, Colombia in March 1996; Belo Horizonte, Brazil in May 1997; and San Jose, Costa Rica in March 1998) reaffirmed the commitment to achieve a FTAA by the year 2005, and to make concrete progress by the end of the century; **(10) Capital Markets Development and Liberalization:** Through meetings of Ministers and Deputy Ministers of Finance, countries created the Committee on Hemispheric Financial Issues that developed a survey of national financial systems and plans for combating financial crimes and for training banking and securities regulators; **(11) Hemispheric Infrastructure/(13)Telecommunications and Information Infrastructure⁴:** Governments and multilateral development banks are acting to encourage private investment in infrastructure, particularly telecommunications infrastructure; with advance support from the OAS' Inter-American Telecommunications Commission (CITEL) the Senior Telecommunications Officials Meeting of September 1996 adopted hemispheric guidelines for future negotiations to promote telecommunications services; **(14) Cooperation in Science and Technology:** Acting through Science and Technology Ministerials in 1995 and 1996, the countries agreed to promote hemispheric cooperation, utilizing new telecommunications and information technology; **(15) Tourism:** The Inter-American Travel Congress in April 1997 encouraged cooperation and implementation of 1996 Regional Plan of Action for Tourism Development.

III. Eradicating Poverty and Discrimination — (16) Universal Access to Education: Governments have been acting to achieve the 1994 goals, namely 100% primary school enrollment and 75% secondary school enrollment by the year 2010, with special attention to unmet needs of women, indigenous peoples and other disadvantaged groups, with \$1.5 billion in assistance from the IDB for education and health services; **(17) Equitable Access to Basic Health Services:** The Pan American Health Organization (PAHO) is implementing a regional plan, including campaigns against measles and unsanitary conditions; Inter-American Conference on Hunger in 1996 committed countries to work to eliminate hunger and malnutrition; governments are implementing country plans to meet 1994 goal to reduce child mortality by one-third and maternal mortality rate by one-half by the year 2000; **(18) Strengthening the Role of Women in Society:** Governments and organizations are working to advance women's rights through the U.N. Fourth World Conference on Women in 1995, and through the hemispheric Conference on Women in April 1997 that established a system of indicators to monitor progress on the role of women; **(19) Encouraging Microenterprises and Small Businesses:** The IDB committed \$500 million for these purposes and convened a hemispheric conference in November 1995 to review problems and ways to encourage private investment; **(20) White Helmets/Emergency and Development Corps:** Plans are being developed, in regional and global forums, to support the establishment of a corps of volunteers to deal with natural disasters and developmental emergencies.

IV. Guaranteeing Sustainable Development and Conserving Natural Environment—
The following three themes were addressed at the Summit for Sustainable Development

³ The U.N. Economic Commission for Latin America and the Caribbean.

⁴ Initiatives 11 and 13, 1 and 2, and 12 (Energy Cooperation) and 21 (Partnership for Sustainable Energy Use) are being implemented jointly.

at Santa, Cruz, Bolivia, in December 1996, with the countries agreeing to take measures to protect the environment and to promote cooperation; the World Bank and the IDB have committed over \$21 billion for sustainable development projects; the OAS is coordinating followup on the 1996 Summit commitments, particularly through the newly created Inter-American Commission on Sustainable Development; **(21) Partnership for Sustainable Energy Use/(12) Energy Cooperation:** The Fourth Meeting of the Hemispheric Energy Steering Committee in 1997 reaffirmed efforts under these jointly implemented initiatives to promote clean energy options, regulatory cooperation, opportunities for natural gas, efficient use of energy, and rural electrification; **(22) Partnership for Biodiversity:** Governments working to protect biodiversity within the framework of existing international agreements, including commitments in the 1996 Sustainable Development Summit; **(23) Partnership for Pollution Prevention:** Governments are working, with help from PAHO, the World Bank and national agencies, to improve water quality and to phase out leaded gasoline in the hemisphere.

While progress has been made in nearly all areas of a massive plan of action, the amount of progress has varied considerably, depending upon the priority of the issue and the resources committed to the task. The Leadership Council for Inter-American Summitry, a group of 16 businessmen, academics, and former policy-makers suggests that progress has been “modest” in most areas — democracy/human rights, anti-corruption, narcotics and money laundering control, trade, education, and sustainable development. They rate progress on promotion of civil society and capital market liberalization as “good,” and progress on promotion of health as “very good.”⁵ To revitalize the summit process in the Hemisphere, the Leadership Council recommends that the Santiago Summit take the following initiatives: (1) Accelerate to 2002 the target date for completing negotiations on a FTAA; (2) Create an Inter-American Financial Council to deal with financial crises; (3) Form an independent Inter-American Commission on Corruption to implement the Anti-Corruption Pact; and (4) Hold summits every two years to focus attention on the region and on implementation of the action plans.

The Agenda for the Santiago Summit

Given the action in various areas of the original Miami Summit agenda, particularly the emphasis given to sustainable development topics in the 1996 Summit on Sustainable Development in Bolivia, the Summit Implementation Review Group (SIRG)⁶ developed the following agenda for the Santiago Summit, with certain countries designated as Responsible Coordinators. This agenda emphasizes education as an overall theme, places

⁵ The Leadership Council for Inter-American Summitry, *From Talk to Action: How Summits Can Help Forge a Western Hemisphere Community of Prosperous Democracies* (Coral Gables, Florida: North-South Center, 1998), p. 11.

⁶ The Summit Implementation Review Group (SIRG) is a policy-level body of representatives from each of the hemispheric governments which meets regularly, under the authority of the countries’ Foreign Ministers, to review implementation of the Summit Plan of Action and to make plans for future summits. Thomas “Mack” McLarty, the White House Special Envoy for the Americas, has usually represented the United States at these meetings. The key mechanism for developing the various initiatives is the Responsible Coordinator System, under which selected hemispheric governments or institutions have volunteered to take the lead in each of the areas.

sustainable development topics in a category for review but little major action, and emphasizes certain topics, such as free trade and labor issues, within each of the major themes.

1. Education, to include action items on exchange programs, distance education, new technologies, adult education, and worker training and skills improvement.

Mexico, as Responsible Coordinator, and Argentina and Chile, as Co-coordinators, are preparing proposals to promote education-for-living programs, with short term goals, targeted for children and adults. Special attention is to given to vulnerable and disadvantaged groups (females with educational deficiencies, indigenous peoples, handicapped persons, economically marginal groups, refugees, etc.) and to programs to prevent drop-out and failure, such as preschool programs with involvement of mothers, and electronic media programs. The OAS' Inter-American Council for Integral Development (CIDI) would be the principal promoting entity. The U.S. government is committed to supporting educational initiatives, primarily through AID's Partnership for Education Reform in the Americas (PERA) project.

2. Preserving and Strengthening Democracy and Human Rights, to include action items on education for democracy and human rights, protecting the rights of migrant workers, public participation, municipal and regional governments, anti-corruption, counternarcotics, anti-terrorism, confidence and security building measures, judicial systems, and modernization of the state in relation to labor matters.

Brazil and Canada, as joint Responsible Coordinators, have presented proposals to promote a culture of democracy and respect for human rights, especially for disadvantaged groups; to strengthen electoral processes; to strengthen justice and related sectors (judiciary, public defenders, prisons, police); and to develop a more responsive and professional public sector. The United States, as Responsible Coordinator, with support from Argentina, Bolivia, Colombia and the OAS is preparing proposals to strengthen multilateral drug control efforts based on the Anti-Drug Strategy in the Hemisphere.

3. Economic Integration and Free Trade, to include action items on advancing the FTAA, capital markets development, science and technology, regional energy cooperation, and hemispheric infrastructure in transportation and telecommunications.

The Trade Ministers of the Americas, as Responsible Coordinators, agreed, in the March 1998 meeting in Costa Rica, to launch FTAA negotiations at the Santiago Summit. They established nine negotiating groups to deal with the substantive issues (market access, investment, services, government procurement, dispute settlement, agriculture, intellectual property rights, subsidies/anti-dumping/countervailing duties, competition policy). They specified that negotiations will rotate from Miami to Panama City to Mexico City, and designated certain countries as chairs and co-chairs of the negotiation process for various periods of time, with Brazil and the United States as joint co-chairs in the final phase of the negotiations.

In accordance with the agreement of the Hemispheric Ministers of Transportation, the Western Hemisphere Transportation Initiative (HTI) will be considered.

4. Eradication of Poverty and Discrimination, to include action items on microenterprises and small- and medium-sized businesses, health, hunger, women, indigenous people, effective systems of property registration, and promotion of internationally accepted labor norms.

Responsible Coordinators will be making proposals in the mentioned areas, with attention to education in several of the areas, such as educational programs for women, indigenous people, and vocational training.

Congressional Interest in the Santiago Summit

Congress may be particularly interested in plans to launch FTAA negotiations, proposals to strengthen multilateral drug control efforts, and plans for bilateral and multilateral cooperation to promote educational and socioeconomic reforms.

Despite the Clinton Administration's failure in November 1997 to obtain fast track authority from Congress to negotiate free trade agreements, the hemispheric Trade Ministers agreed to launch FTAA negotiations at the Santiago Summit, with the understanding that negotiations would not be completed until the U.S. executive has obtained fast track authorization.⁷ U.S. Trade Representative Barshefsky argues that the United States will play a major role in the negotiations, with Miami as the designated site for the first three years of negotiations, and with the United States and Brazil jointly co-chairing in the final phases of the negotiations. Others argue that the United States was less successful than it would have been if it had gone to the Costa Rica ministerial with fast track authority. They note that agriculture was one of the main negotiating groups, that environmental and labor issues were relegated to input to a committee without authority, and that the go slow approach to integration will have a powerful voice with Brazil as a joint co-chair at the end of the negotiations.

Efforts to strengthen multilateral drug control efforts may be watched closely since Congress has been unwilling to modify the threat of aid and trade sanctions under the U.S. drug certification process⁸, although Administration spokesmen have stated that multilateral efforts will not affect existing U.S. legislation and procedures.

Cooperation for educational and socioeconomic reforms will be watched closely to the extent that U.S. resources are committed or required for bilateral or multilateral programs to meet obligations undertaken by hemispheric leaders in the Santiago Summit.

⁷ See *Trade and the Americas*, CRS Issue Brief 95017, by Raymond J. Ahearn.

⁸ See *Mexican Drug Certification Issues: U.S. Congressional Action, 1986-1998*, CRS Report 98-174, by K. Larry Storrs, for examples.