

VIII Free Trade Area of the Americas Ministerial Plenary Session
Opening remarks by U.S. Trade Representative Robert B. Zoellick
10:30 am
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On behalf of President Bush and the United States, I'd like to welcome my ministerial colleagues, all the members of your delegation, business leaders, members of our civil society, and all the many other guests that have joined us here in Miami; and I want to thank the people of Miami and Florida, who, as always, have been very warm and gracious hosts. They make all of us feel extraordinarily welcome. I know they've spent a lot of time in meticulous preparations, and it helps all of see why Miami is truly the "Gateway to the Americas" for my country.

Some nine years ago, right here in Miami, the process to forge FTAA, or ALCA, was first launched. And so it's fitting that we return here to get these negotiations on a serious track.

I'd like to share with you a little bit of how I see where we stand, and where I hope that we might go. And I'll be frank with you in an informal fashion.

The broad goals that were outlined some nine years ago here in Miami were just that. They were broad goals. They need definition and they need focus. Now, they are a very important reference point. And it's the reference point that has drawn all of us together and moved us to this point. My sense was that, after the meeting that our leaders had in Quebec City in 2001, we started to focus more intensively on the real work at hand by setting up the negotiating groups, the chairs, deadlines, offers, counter-offers, responses, requests, and at least for me, this led to facing the reality that -- not surprising, but with 34 very different countries, we had different concepts, different approaches to what is a common task. As I've shared with you on other occasions, I think that this isn't a real surprise, in that the economics of the hemisphere and the world are different in early 2000 than they were in early 1990s. We've had changes of government. So, the important news is that there's a common will and perception but, understandably, a need to determine how we achieve these goals. And we had to decide whether to get serious or not, whether to take the ALCA and make a serious drive to negotiate to achieve real results. Now about the same time, we finished the Quito meeting chaired by our Ecuadoran friends, and the United States and Brazil became co-chairs. I always saw this as an opportunity -- two large countries in North and South America, and also a question of a new government. Now, we both recognize that we have some 32 other members of this process, that all have important views, but I thought with the new inauguration that I went down to Brazil to try to meet President Lula and his team. As Celso knows, I then visited in the spring where I thought that we might be a catalyst. I know how it is with new administrations.

They have a very full agenda -- it's true for us - to try to discuss where we go with the ALCA. And what I hoped we could do and I'm pleased we have been able to do this, is explore how we as co-chairs might move the negotiation not only forward but on a track that combined realism, ambition and mutual buy-in. That's why we had an informal meeting of ministers shortly after that in Maryland. I thought we had some useful exchange. And then we had, as all of you know, two meetings of vice-ministers, the TNC meetings. And again I think we had to face a reality that, at the vice-ministerial level, it was difficult to move it forward. We needed to get ministerial engagement. So, we had a second informal ministerial. And now I believe we've developed a framework and we have a reasonable shot at getting the ALCA on a track to be a reality for all of us, for all 34 democracies, and to be a boost for the hemisphere. When Celso and I left the Americas Business Forum yesterday, we were walking in the hall and he made a point that I think I want to share with all of you. He said, "You know we need to be ambitious; we also need to have balance. We have to try to strike that combination." I think he's exactly right.

We're targeting a comprehensive effort. And working together, we're trying to develop a common and balanced set of rights and obligations applicable to all. This is not just a question of picking and choosing. It's an aspect of trying to integrate to create free trade for all the hemisphere. I think it's important, at least from my perspective, to note what the incredible gains from this can be.

Celso has often said to me, and I think he's exactly right, that people underestimate the importance of the market access gains. When you look at the discussions of free trade agreements around the world, many that I see reported in Asia and elsewhere frankly are not even total market access. They are a couple of sectors and people call it a free trade agreement. And my sense is that market access openings among our countries could be very economically significant in part because throughout Latin America there are barriers that can be quite significant and if we can reduce them, they're important for all of us. And the same with non-tariff barriers. So whether it be goods or agriculture or services, this is a very important part that one should not estimate and all of us know how hard it will be to negotiate. But I'm pleased that we also have a list that includes intellectual property rights, investment, government procurement, competition, anti-dumping/countervailing duty subsidies, dispute settlement and speaking for my country and I know others have this view too, we'll seek a very strong package.

So how far can we go? Well, we need to hear from all of you, all of us, over the course of the next two days, to get a better sense of that. And it'll be frankly up to all of us to determine the answer to that question in the coming months.

We each have sensitivities. We're all aware of that. We each have politics we have to deal with.

But I see this step as a very important opportunity. I view this as doors being opened -- certainly not being closed. And as I mentioned to the Business Forum yesterday, part of our ultimate success will depend on the engagement of others - our business communities, cross borders, public policy interests, our legislative branches, civil society engagement. So, I believe we are opening a door to an opportunity to employ stronger regional integration to help deal with the global competitive environment. As many of you know, we are also encouraging and working with many of you individually or in small groups, as are others, through bilateral or regional trade agreements or subregional agreements. As Celso has said to me, we have trade-offs ahead. And when we met in Washington before the Lansdowne meeting, I made a point that I think in some ways hits the nail on the head is that, in all negotiations, benefits are commensurate with obligations. So that's the work we have to define ahead of us.

People have used various food metaphors. For my part, I view this as a nine-course sit-down dinner with a very full plate ahead of us. But countries are still considering the appetite that they have for each serving. I believe we are also doing something else that I'm very pleased about, which is I think we're developing a spirit of a serious push to try to achieve results, not just have meetings. And the goal for all of us is a win-win package, and to try to achieve it with a practical spirit.

I just want to emphasize a point that I've shared in another context with you this morning. I don't think it should be surprising that this is a hard task, as are those that will follow. Hemispheric free trade is a huge ambition. We've got some of the smallest countries in the world and we've got some of the largest economies, in the world. We've got countries that are developed; we've got countries that are developing. Our task is really to unite this new world through free trade. For the United States, as I mentioned at the breakfast this morning, this has been a dream since the 1820s. I referred to Henry Clay, and I didn't mention this with Pierre because I know he has a sensitivity.

Henry Clay was noted for many things. One of them was he was a warhawk in the War of 1812, when Canada was still the Dominion. But he also had the view that the newly independent republics of Latin America and the United States could share bonds that they could draw together through trade. And as I also mentioned, Brazil perhaps had even a bigger perspective because they said, well, let's bring the empire over here to Brazil as opposed to break away from the empire - something perhaps we should have thought of. But that vision, as many others did, drifted away.

And as I mentioned at the meeting we had with the leaders' group this morning, there was a similar

reference - various inter-American conferences in the late part of the 19th century - a very important one in Rio in 1906. And on behalf of my country, we've worked with different visions -- Franklin Roosevelt's Good Neighbor policy; John F. Kennedy's Alliance for Progress. And over the past 20 years, we've been trying to move forward this reality, starting with Ronald Reagan and President Bush's father with the Enterprise for the Americas Initiative, Bill Clinton, and so, while we have the attention to the day-to-day strains and struggles of our work, I think it's important to step back and realize its significance, and I'll share one personal note on this.

As some of you know, I had the good fortune to represent my country in government service at the very end of the Cold War; so I was involved with aiding the process for German unification and many of the aspects that freed the countries of Central and Eastern Europe in the '89,'90, '91 period. It's my belief that achieving this ALCA would be equally historic with those events. One series of events involved overcoming the division between East and West, ending the twilight struggle that defined forty-plus years of a Cold War. Well this endeavor, in my view, involves overcoming the division between North and South, with this hemisphere, the New World, offering the new light of trade and development and democracy and opportunity and hope. Now, there are many dimensions of this challenge, and we'll be talking about a number of them today, one that I think -- again, I'm very pleased this hemisphere is taking the leading role, is trying to get the connection between trade and aid more developed, and here the Inter-American Development Bank and many of our colleagues have played a key role in demonstrating through the Hemispheric Cooperation Program - I know our CARICOM friends and others have issues we need to discuss about this. But this is an important dimension of this historic goal. We've got small island economies; we've got poor economies; we've got landlocked economies like Paraguay and others and how do we integrate them into this system. And as we discussed in the forum, I thought was very useful the question of how civil societies integrate with our democracies, opening up issues related to education and cultural ties. So, the challenge is how to move forward, together, 800 million strong, a \$13 trillion marketplace. I believe today and tomorrow that we can take some very good, practical steps forth and I also believe we're developing the spirit to take those steps together and then to keep moving, and I want to thank you for all your efforts and that of your delegations as we reach this point. So, thank you.

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