Thank you, Carl, for the kind words of introduction and thank you all for the invitation, the opportunity to share some thoughts with you about what is happening or not happening in Latin America today. Perhaps what I'll do is spend 20, 25 minutes on the issue that I've been asked to address and then we can touch upon all the specific questions that I'm sure many of you may have on specific events, whether they relate to Mexico or elsewhere, of current events right now as we speak—almost.

I'd like to start out by saying that I think that it's worthwhile emphasizing how exceptional the last, I don't know, couple of decades have been in terms of the consolidation of democratic rule in Latin America. This is not something that has happened often. As a matter of fact, it has almost never happened and there are increasing signs, as election, after election, after election go by, that this seems to be finally a definite process. It is not a sufficient one, I'll get to that in a second, but certainly the fact that power today in Latin America is essentially fought for and obtained or lost at the polls, at the ballot box, is something which is very new for the region. This was not the case before. It was not the case before from the left or from the right, and this is a very exceptional and momentous series of events, of developments over the last couple of decades, which seem to be—I wouldn't want to be too categorical about it—but seem to be relatively irreversible. And I think this is something that is very, very important and very positive for the region because at the end of the day, if there's one thing we haven't been very good at in Latin America over the last now nearly two centuries, it has been transferring power or contending for power peacefully, regularly, democratically. And for the first time the
[inaudible] the case. So I think this is one very important feature that is worth underlining.

This year, if I'm not mistaken, 12 presidential elections took place in Latin America, and some worked out better than others but all of them, at least until yesterday, and we've got three more: the second round of the Ecuadorian election, the Nicaraguan and Venezuelan elections in November and December still coming up, and things could get a bit complicated there, but at least so far, in the nine that have taken place or nine and a half that have taken place, with the first round of the Ecuadorian election, these things seem to be working. And as I said, this is really something that is very important.

A second aspect that I would also like to emphasize before we get into the more complicated nuances of all of this, is that if you don’t just limit democracy to the question of holding elections and preferably free and fair elections, but you also want to include issues such as respect for human rights, or such as certain basic freedoms in this, there have also been very significant advances. It's not, obviously, that human rights violations have disappeared in Latin America. They haven't. I'm on the board of Human Rights Watch. We constantly have problems in Colombia, in Mexico, elsewhere in the region, and they are addressed by this organization as well as by others but not ideally. There are still many challenges ahead. But compared to the situation 20 years ago, just about in any country, in the southern cone, in Chile, Mexico, and Brazil, anywhere in Central America, the situation is truly much, much, much better from a strict human rights perspective. And while this may not necessarily seem that important to those that are reaching the stage of trying to contribute to the defense of human rights in Latin America, today, just right now, for those of us who are involved back from the 70's onward, the situation is extraordinarily different. The things we are witnessing today have really nothing to do with the problems that the entire region, with very few exceptions, was living through, was experiencing, as recently as the early 1980's if not more recently even. So on that front also there is a huge, very significant, improvement.

On the question of certain basic freedoms, I think also, the democratization process has begun to take root. Obviously, the type of freedom of the press that one would like in many Latin American countries is not what exists because the normal market forces, which operate as much in the United States and Western Europe as they do in Latin America, are exacerbated in Latin America by more monopolies, more concentration of wealth, more concentration of power by the media, and so all of the distortions that the market
brings inevitably to freedom of information in a free market economy are worse in Latin America than they are elsewhere. But again, there's an enormous difference between a huge television network, whether it's in Brazil, or in Mexico, or anywhere else, abusing the power they have, and what used to be the case very recently in Mexico, for example, just ten years ago, when that network was totally submissive to the government. Now, if anything, the government's submissive to the network. It's a little better, not much better, but it's a little better. [laughter] And the same is true in many other countries of Latin America. This also holds for freedom of organization for unions, for civil society, for all sorts of grass roots organizations, that have begun to spring up in Latin America in the post-antiauthoritarian struggle. Because all of the groups or most of the groups that emerged in the 70's and 80's subsequently tended to disappear, and it's only now that new groups, indigenous people, gender, other types of grass roots movements are emerging in the fight against authoritarian rule, as was the case in the southern cone and many other parts of Latin America, through the 1990s. So this is a third element that I would emphasize.

A fourth one, which I in particular consider perhaps the most important and the most lasting, is that increasingly, Latin America, the region par excellence of anti-interventionism has begun to engage international organizations on issues of human rights and democracy, has begun to accept the principle that it is better to have strong supranational instruments, legal instruments, that protect and defend human rights, basic freedoms, representative democracy, than not to have them. It's not a perfect world so you're not going to have perfect instruments, perfect treaties, perfect conventions, and they're not going to be applied perfectly, and there will be injustices, and there will be distortions, and there will be mistakes. But, by and large, today most Latin American countries prefer to have stronger international instruments defending human rights, defending democracy, defending basic freedoms in the region, than not to have them. It has been, for example, very encouraging to see how most Latin American countries have been very actively engaged in the new United Nations Human Right Council in Geneva, Mexico was elected as the first president of the council for the first year, and this is particularly surprising for Mexico, which was perhaps the most anti-interventionist country in Latin America on human rights issues, and now not only did we play a very important role in bringing about the creation of the council, with all its imperfections, with all its defects, but in addition we took the lead in bringing it to fruition and in presiding it for the first year. And similar things are true about many other countries in Latin America today. So I think this is also a very positive development.
Now what is this leading to?  Well it's leading to some very interesting developments, of course, in the social and economic configuration of the region. Why?  Well because as many people always said, including myself, but certainly I was not the only one by any stretch of the imagination, if you have more or less democratic rule in most of Latin America, and you have the inequality that has existed in the region for several centuries, and you don’t have the kind of economic growth that has not existed in the region for at least 25 years, at some point that democracy, and that inequality, and that economic stagnation, will bring a tilt to the left in the elections as they take place. It is inevitable. Some people can consider it to be desirable, some people can consider it to be not desirable, but I think most people would agree at some point this becomes relatively inevitable, and it did. Because the inequalities have not diminished at all. I'm not sure they’ve gotten worse but they certainly haven't gotten better. And the economic growth, with the exception of Chile has simply not occurred. And so, logically enough, you combine these three factors and you begin to have forces of the left of one sort or another winning elections. Some of them win them one way, others win another way. Some of them implement policies of one sort, others implement policies of a different sort, but in one country after another, either the left has been winning or the left has been gaining.

And perhaps the second aspect is more interesting than the first one. For example, in Mexico—we'll come back to this I'm sure in the Q & A—many people who voted for López Obrador were very disappointed that he didn't win. I can understand that, and a lot of those even think that the election was stolen from him. That I can understand [tape problem] but what's most important is that perhaps the fact that he got twice the vote that Cárdenas got in 2000 and in '94. Any time one party gets twice the amount of votes, percentage wise, that it got in the previous election, that is a very significant trend, regardless of the sentimental disappointment that that may entail for the supporters of that party or of that person. The same is true in Colombia. Everybody was looking at Uribe's reelection by a landslide and it was an impressive performance by a president, who on certain human rights issues, has perhaps been a little questionable. On the other hand, the left, the Polo Democratico, reached I think 23 or 24 percent of the vote, more than any left wing movement in Colombia had ever achieved. This is a country where people just don’t do that, and they did, for the first time, practically, in history.

Even in the case of Brazil, which is the one perhaps that distorts things most, if you look at the first round results, where Lula did not win but got 48-1/2, 48 point something or other percent of the
vote, this was his fifth first round. The fifth time he had been present in a first round of presidential elections in Brazil. The first time, in 1989, he got 16 percent of the vote, edging out Leonel Brizola by a point or two, which allowed him to go to the second round. This time he got 48 percent, three times more in 18 years. By historical standards this is an incredible advance for a left that, for many years in Brazil was banished for practical purposes from government, from municipal government, federal government, state government. So you do see this clearly happening and I think it's very important that it is happening, regardless of whether in any one given election that left wins or doesn't win, should have won, didn't win, lost unfairly, lost fairly, that's a different argument. Not an invalid one, but a different one.

Now what are the two challenges I see quickly in the future for this process of democratization. The first challenge I see is a conceptual one, which is one that we face, those of us who take these arguments to universities, to towns, to communities, to poor neighborhoods, to the media, in Mexico and everywhere in Latin America. The first challenge is that there is in my view a basic misconception that many people have about this entire process, but it's an understandable misconception. The misconception is what good is democratic rule if people are still poor? If the economy doesn't grow, if inequalities persist, if violence, even if not exercised by the state but by the drug cartels, or by the death squads, or whoever, continues, what good is democracy if children are still going hungry in school? Well, unfortunately, the only answer is it's really not much good at all from that perspective, but then it's not supposed to do that. That's not what it's for. It's for something else. It's in order to one day make the decisions, take the decisions, in a certain way, that some people think will solve those problems and others will not think they solve those problems.

But there is an issue in Latin America whereby many people are disappointed in the advent and the consolidation of democratic rule because it is not solving the age-old social and economic ills of the region. Well that is not what it's for, and it can't be blamed for not solving them. Many other factors can be blamed, from cultural ones, to imperialism, to the corruption of the elites, to the wrong decisions made by the people to fraudulent elections. You can choose whichever one you want but it's not the process that is to be blamed. Nonetheless, many people in Latin America do think that it's the process that has to be blamed and consequently there is a certain weakening, a certain lack of legitimacy, a certain lack of rooting, in many countries of Latin America, not all, but in many, that simply are saying what is the purpose of all of this if it is not getting us the objective, the goal, which is the fundamental one,
which is to improve living standards, or eradicate poverty, or reduce inequality systematically. That is a real problem and is some other countries do not very soon begin to achieve the type of growth that Chile has achieved over the past 20 years, this is going to become more and more of a problem.

It is very difficult to make the case, in Mexico for example, that under President Fox the average growth rate per year was only two percent, and that this is at the same time a period of consolidation and strengthening of democracy. It's a very tough point to make. It's a true one in my opinion but it's a very difficult sell. The same is true in Brazil. The fact is Lula was reelected with a landslide, and I think that's a very good thing, and I thought so before, but the fact is his first four years in office were not great. And forget the corruption issues and all that, they were just not great in terms of economic growth, or poverty alleviation, or just about on any front. The zero hunger policy was a complete disaster, and what worked, which was the Bolsa Familia, is a direct copy of Oportunidades in Mexico, which was a direct copy of Progres in Mexico, which was Zedillo's anti-poverty program. Period. I think it works, for what it's worth, but that's what it is. It's a typical sort of neo-liberal, Washington consensus, anti-poverty program, which works well because it's very targeted, because the money is given to women, because it's linked to children in school and to children in clinics and their vaccination certificate. But that's what we're talking about in the case of Lula. That's all he really did for four years. Hopefully, these second four years he can do much more. But he hasn't done more than that.

So this is another issue here. What can be done in these countries to promote economic growth, reduce poverty, reduce inequality? It's extraordinarily difficult. Even the Chileans, who have been growing for 20 years now at six percent per year, who have reduced poverty very, very significantly, have not been able to reduce inequality almost at all, and if they have it's been really by such a small margin that it's not clear that it's significant or that it wouldn't have happened anyway. With democracy, without democracy, with growth, or without growth, it's not clear that that would have happened under any circumstances. So there is a real issue there in the perception and in the reality. How long can this democratic consolidation, whatever you want to call it, last, absent economic growth, absent some form of reduction of inequalities, absent some form of significant reduction in poverty? I think this is one huge challenge.

And then there are two specific challenges on the horizon, which can go in either direction, and they're complicated one because they
involve the United States, and anything that involves the United
States in Latin America is always complicated. There is never a
good solution [laughter] when the United States is involved. There
are better or worse solutions but never a good one. [laughter] And
the two 800 pound gorillas in the room are, of course, Venezuela
and Cuba, and there are two very significant issues or challenges
there.

If the election in Venezuela goes more or less all right, then that
one will be solved. That one will not become a major problem. If
the margin that Chavez has, that the polls are still giving him today,
of 15 to 20 points remains very high, no matter how much the
opposition cries foul and no matter now much it may be right in
saying that [tape damage] tampering, the tampering would not have
made the difference. And that has become a fundamental sort of
tenet of these election observation processes by the OAS, and the
UN, and the Carter Center, and the Europeans, and everybody and
their cousin who likes to go and observe elections in Latin America.
It's really this really very intangible issue of did the tampering make
a difference. Well if Chavez retains this 15 to 20 point difference
that he has now, advantage that he has now, I don't think whatever
kind of tampering could take place, if it does take place, would
make a difference, and then it will blow over.

The problem becomes, if, for a series of reasons, the fall in the price
of oil, the defeat at the United Nations that Carl Gershwin was
mentioning, just a little bit of wear and tear on Chavez's part, a
series of problems reduce his current lead and he ends up winning
by four, five, six points, which is a very good and comfortable
margin anywhere else but in such a disputed election regarding its
grounds, then you have a real problem. And you have a real
problem because you will have two sides to the issue, both of which
will have huge merits on their side. You will have one side saying
the election was rigged and stolen, and there will be evidence to that
effect, and there will be grounds for saying it was stolen, and
rigged, and made a difference. That's why he won. And
consequently, all of the international mechanisms, the Inter-
American Democratic Charter, the Inter-American Human Right
Commission, the United Nations, the European Union, sanctions,
etc., all of those mechanisms will be set in motion, and the United
States will finally have what it hasn't had since 1998, which is a
song to sing in relation to Chavez because whatever else the Bush
Administration, and before them the Clinton Administration for that
matter—Clinton coincided with Chavez for two full years and the
Clinton and Bush policies are basically identical—the United States
has not had so far the fundamental pretext for truly aggressive
policies against Chavez, which is that he is a dictator, blah, blah,
blah, blah. Every time they try to do anything they always run into the problem that Chavez is a democratically elected president of Venezuela, period, and there's not much you can do about it.

When I was in with Fox in San Jose de Costa Rica, at the Rio Group Summit in April of 2002, and President Lagos of Chile came with the news that there had been a coup in Venezuela, that's why Chavez hadn't arrived, and that he was being overthrown, etc., basically it was the Chileans and us, the Mexicans, who fought back the attempt by the Colombians and the Salvadoreans, pretty much induced in that direction by the United States and the Spanish, to recognize the Carmona regime and to not object to the coup. And what we basically said—not even basically, we said it explicitly—is whose ever fault the coup is, and whatever responsibility Chavez may have in having brought this upon himself, we cannot support any breakdown of institutional rule in Latin America, because if we start doing that with this government we'll have to do it with so many others later on. At the end of the day you support constitutional rule in Latin America, regardless of who it is and how they're doing it. You can't just support some and not others. So far, that has been the case. It's not clear what would happen if there were to be the appearance, or the reality, or a combination of both, of a stolen election in Venezuela.

The second challenge, of course, is Cuba. And this is a much more complicated one because anything that has to do with Cuba and the United States is even more problematic in Latin America than things that just have to do with the United States. This has been a problem, as you all know, an issue now in Latin America for roughly half a century. So it's been around for a while, and the problem obviously is probably approaching some form of denouement. What do I mean by that? What I mean is that the international community, at some point, in a week, in a month, in six years, six months, will have to decide whether it wants to stick with what it has said but perhaps doesn't mean or whether it will not want to stick with what it has said but in fact stick with what it has really meant, which is that, at the end of the day, if Raoul Castro wants to remain in power as long as he can or wants to, and he doesn't want to have elections, that is the Cuban's business, and that a normalization of relations should take place with Cuba by the European Union, by the United States, regardless of whether there are elections in Cuba, whether human rights, by the definition that everyone generally understands are respected or not, whether there is a democratization in Cuba after President Castro's passing, or not. And there will be many voices in the United States saying no. As a matter of fact, it's in the law in the United States. It's in the Helms-Burton Cuban Democracy Act.
On the other hand, most of the sounds from Washington since Fidel's illness was announced in July, have been in the opposite direction. Let's forget about all that stuff. Let's make a deal and we'll see—partly out of realism, partly because they have figured out apparently that this notion of trying to push, quote unquote, for democracy everywhere in the world, is not working out that well, [laughter] and partly because they have a real fear, as we in Mexico do, of a new boatlift, which is not a minor affair. I mean, a civil war or bloodshed in Cuba spills over to Miami and to Yucatan overnight. It doesn't take a whole long time. So there are pros and cons to the issue but at the same time there are real questions of substance here.

So there are challenges, real challenges, but I think at the end of the day, the panorama, the perspective, is really a very positive one. For the first time, practically, in Latin American history, at least the basic simple tenets, the basic trappings of democratic rule, of representative democracy, are present almost everywhere in the region. We have never seen this before and regardless of the challenges, and regardless of the way they are met, this is a much better situation than the one we had before. I'd rather have the challenges of defending democracy as it exists than the challenges of building it under very adverse, dictatorial circumstances.

Thank you very, very much.