

Testimony of The Honorable Otto J. Reich

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Hearing on "The Summit of the Americas: A New Beginning for US Policy in the Region?"

Mr. Chairman and Members of the Committee. Thank you for affording me this opportunity to comment on US policy toward the Western Hemisphere.

At this time when the world seems to be going back to basics, it is important to restate some obvious facts:

1. A summit meeting of leaders from our hemispheric community of nations presents opportunities as well as risks for the United States.
2. Not all the countries in this hemisphere are good neighbors. Some undermine democracy at home and abroad and threaten regional peace.
3. The US should actively help the good neighbors, reject the destructive and persuade the ambivalent to rejoin the community of democracies. But we should not delude ourselves: we must deal with the world the way it is and work to improve it, not think that all leaders are good for their people.

The forthcoming summit is an opportunity for our president to get to know his colleagues, to listen to our neighbors' concerns, to explain our policies, but most importantly, to restate what the United States stands for. A social, superficial meeting will yield nothing; a president stands for a nation. And our nation stands for freedom and democracy. And therein lies a risk.

There is a risk that the summit may descend into chaos, as it did in Mar del Plata, Argentina in December of 2005 when a small group of undemocratic leaders, even if they were democratically-elected, decided to define their identity by attacking the United States. Because democracy is not currently the common denominator of each hemispheric nation, there is a risk that the Trinidad summit will become another forum for irresponsible populists to appeal to their basest instincts and to incite the mobs at home.

It is obvious that not all neighbors are good neighbors. Even in the best of neighborhoods there are some who are perhaps too loud, drink too much, are somewhat dishonest, abusive, or violent, even fatally so. In some cases there are drug traffickers, thieves, and murders in our midst. Why is it that we understand that reality exists when we lock the doors to our homes at night but do not acknowledge it in our foreign relations? There are leaders of this hemisphere who have aided and abetted drug trafficking, massive corruption, and hideous human rights violations. Some are still in office. *They* know who they are, and several agencies of the US Government also know who they are. More than one

of them will be present in Trinidad for the Summit, and others have been at previous meetings.

Does that mean that the President of the United States should not go to Trinidad? No, he does not have that luxury. He must go, but under no illusions. He will have to sit and listen to the good, the bad, and the ambivalent.

We should listen to our neighbors when they make sense and when they uphold the values we have in common. But we should not listen when they put expediency or monetary interests ahead of principle, when they use a summit to embrace a military dictator, as they did with Cuban General Raul Castro in the so-called Rio Group summit in Brazil this past December. There is no excuse for a group of elected presidents lowering themselves to the level of a man whose family has controlled a country by fear and force, with Soviet-style one-party elections, for 50 years. There is no excuse, but there are two logical explanations: gratuitous anti-Americanism and pecuniary self-interest. The US should take both into consideration when formulating a response, but not be provoked by sordid motives.

Warning signals of the risks at Trinidad abound. Two weeks ago, Hugo Chavez said he was totally indifferent about meeting US President Barack Obama at the Summit in Trinidad and Tobago. "The reason I'm attending the summit is not that Obama's there. I couldn't care less if he is there or not, if we see each other or not," Chavez told reporters at a public event in Caracas. Chavez said he would go to the upcoming summit to "defend the integration of the Caribbean and Latin America and demand that the empire Obama leads lift its blockade of Cuba, abide by UN resolutions and condemn Israel."

As a participant at the summit, that is Chavez's prerogative, but it does not augur well for a new beginning in the hemisphere. Chavez is attempting to replace democracy with what he calls "21st Century Socialism" in Venezuela. He is willing to inject hatred of Israel into a hemispheric dialogue where it has no place and to tell the United States how to conduct its relations with a military dictatorship 90 miles from our shores. Chavez's 21st Century Socialism is reminiscent of the failed socialist experiments of 20th Century Italy, Germany, Russia and others that destroyed so many societies.

President Obama should reach to all our friends in the hemisphere but must not ignore Chavez or his acolytes. This is an opportunity for President Obama to restate US support of democracies - real democracies - not those who claim the title simply because the leaders were, at some point, democratically elected. The Latin American continent has a long history of leaders who were democratically elected only to later become drunk with power and rule despotically: Argentina's Peron, Cuba's Batista, Peru's Fujimori, Haiti's Aristide, to name just a few. Should we now expand the list to include Venezuela's Chavez, Bolivia's Morales and Ecuador's Correa?

A summit is an instrument of policy; it is not an end in itself. It can lead to a constructive outcome, as the 2002 UN Summit on Financing for Development led to the Millennium Challenge Fund. Or it can be destructive, like the Mar del Plata summit in Argentina in 2005, which is remembered by scenes of Hugo Chavez hatefully spouting anti-US slogans to the crowds in a stadium lent to him by the host of the summit, President Nestor Kirchner.

It is noteworthy that we can remember no productive outcome from Mar del Plata, only tear gas in the streets and arguments in the halls. So at least one summit allowed the radical minority to upstage the responsible majority. This time, in Trinidad, Chavez will be reinforced by other anti-Americans who relish expelling US diplomats, confiscating US companies, harassing private enterprise, and then blaming the US for their lack of economic and social progress. When countries expel another country's diplomats for no good reason, they are usually not interested in genuine dialogue. As I said earlier, not all neighbors are good neighbors.

On the other hand, the US has many good friends in Latin America and the Caribbean, some centrist and some left-of-center, countries that practice democracy and do not allow anti-Americanism to guide their foreign policy, countries such as Mexico, Colombia, Peru, Chile Uruguay, and most of the Caribbean and Central American nations. President Obama should make a very public demonstration of support for those nations in Trinidad. I have attended several summits, one hosted by the UN, one by APEC, one Summit of the Americas, one OAS, and several regional summits in South and Central America. Believe me, the other presidents and their delegations watch very carefully the body language as well as the words of the leader of the United States. Trinidad offers a unique opportunity for our new president to send a signal that he knows the difference between despots and democrats, statesmen and demagogues.

The president should extend a warm hand to Mexico and Colombia. They are under attack by our common enemies, such as narcotics traffickers and organized crime, and by terrorists such as the FARC, the ELN and paramilitaries in Colombia and the Zapatistas in Mexico. In the case of Colombia, the two Marxist guerrilla armies have been aided and abetted by Venezuela and Cuba. Mexico and Colombia are fighting for their survival while trying to uphold the rule of law. These friends now face the added burden of the global financial collapse and it is very much in our interest to help them succeed. Mexico and Colombia deserve special attention because they are freely-elected governments ruled by honest reformers that support the policies that the United States espouses: civil and political rights, individual freedoms, free enterprise and free markets.

Recently we have heard Mexico described as a failing state. I think I know Mexico and I disagree. In 1967, as a brand new US Army lieutenant, I drove the entire length of Mexico by car on my way to my permanent post in the Panama Canal Zone. I have been in Mexico in four different decades and I can tell you that Mexico is *not* a failing state, but it *is* under attack. When a friend is under attack

one comes to its aid, as we have with Plan Merida. We should not issue thoughtless statements that a friend is failing when it is not, because it hurts our friend and it can come back to haunt us. If investors hear bad news often enough, even if their own information is contrary, they may decide to pull their funds out, and thus make doomsayers' prophecies self-fulfilling.

The institutions of Mexico have not failed. The government of Mexico is engaged in a war against ruthless assassins who poison their and our cities with narcotics. Mexico's war is our war; Mexico is fighting the killers of our young and poor people. If our aid is not enough, we must redouble it. We should not criticize our neighbor for the way it is fighting the criminals that our addicts finance. As has been said before, when your neighbor's house is on fire is not the time to criticize its landscaping; it is the time to share our fire hose and our bucket. And in the case of Mexico, while the pyromaniacs are home-grown Mexicans, the fire they set is being fanned from the US in the form of money from US drug addiction.

Mexico today is the Colombia of a decade ago. We need to support Mexico like we supported Colombia, in a bipartisan fashion. Plan Colombia was passed in the 1990's by a Republican Congress and signed into law by President Clinton. It was controversial and expensive, but it was essential and it worked. Not long ago, Colombia was described as a failed state. It has not only survived, it has thrived, and today only needs a level playing field as an equal trade and economic partner of the US to achieve levels of development unimaginable ten years ago. With our help, Mexico will do no less.

Colombia deserves to be treated by the Congress of the United States as the friend and partner that it has proven to be. In the ten years that Plan Colombia has been in effect, that nation has made enormous advances in health, education, human rights, judicial reform, fiscal transparency, national security, counternarcotics, employment, purchases of US products and services, and, yes, Mr. Chairman, in protection of labor rights. It is safer today to be a labor leader in Colombia than an ordinary citizen.

Mr. Chairman and Members of the Committee, it is time for this body to help create decent jobs in the US and in Colombia - and in Panama - by approving the long-stalled trade agreements with both those friendly countries. These agreements are even more necessary to the US economy today that they were last year. We need the jobs that exports to Colombia and Panama will create. If we do not, Hugo Chavez will show up with his buckets of petrodollars and procure more countries into his "ALBA" alliance, a group of leftwing governments including Bolivia, Cuba, Dominica, Honduras, Nicaragua and Venezuela. With the exception of Venezuela, which has the largest oil and gas reserves in Latin America, ALBA is the club of the poorest, least successful countries in this hemisphere. It is also one where autocratic rule predominates.

These hearings ask if there can be a "new beginning" to US-Latin American relations. For that worthy goal to occur, it is necessary to have frank and

constructive dialogue and a relationship of trust with our neighbors. We must then ask whether it is possible to establish a relationship of trust with governments, like the members of ALBA, that undermine civil liberties, that invite the Russian naval fleet to maneuver in the Caribbean, that allow passengers on flights from Iran to land in their capitals without checking travel documents, that purchase weapons factories to manufacture hundreds of thousands of AK-47 assault rifles, that allow Revolutionary Guards to be assigned to Iranian embassies under diplomatic cover, whose high officials are accused of conspiracy to abet drug trafficking.

Michael Rowan attempts to answer that question. Rowan is a Democratic political strategist with 30 years of experience in a dozen nations, and is the co-author of "The Threat Closer to Home – Hugo Chavez and the War against America," a book that examines US policy failures in the region and suggests solutions.

According to Rowan, there are two obstacles that are preventing a renewed relationship of trust with Latin America. "The two obstacles to a new beginning in Latin America," Rowan writes, "are first, the lack of programs to provide the tools of wealth creation to the 200 million Latin Americans who desperately need to know that capitalism and markets can work to reduce their poverty. Until education, enterprise, credit and property titles are universally accessible, Latin America will be a breeding ground for populism and despotism, which are growing like the coca leaf in the Andes.

"The second obstacle," Rowan writes, "is the underestimation of how the arsenal of political weapons including oil, narcotics, gangs, murder, kidnapping and terror can destabilize Latin American democracy, development, diplomacy and defense. Chavez ... is using those weapons but he is not alone. Iran, Hezbollah, Hamas, Russia, Belarus, and China are playing various roles in Latin America that ten years ago they did not. This threat cannot be any longer ignored except at great peril to the U.S."

The same Hugo Chavez who says he is coming to the Summit in Trinidad to demand that the US unilaterally lift sanctions on the Castro dictatorship and condemn Israel is the leader of a government that just this week saw three senior officials, including a close aide to Chavez, accused by the U.S. State Department of assisting narcotics trafficking from Colombia, in an annual report that describes Venezuela as a "major drug-transit country."

That puts the Chavez and the Castro governments in a similar category, since four high officials of the Castro government have been under indictment in US Federal court accused of drug trafficking for many years. These officials include the former head of the Cuban navy and Castro's former Ambassador to Colombia. It is risible to believe that such high officials of a totalitarian regime could be involved in organized crime without the knowledge and complicity of the ruler.

But Chavez is not the only one that is coming to Trinidad to demand unilateral concessions in US Cuba policy. According to press reports, so are “most” Latin leaders. My advice to President Obama is to remind them that the US has free trade with free countries and controlled trade with controlled countries. The US is already the single largest provider of food to Cuba. How can we possibly restrict trade with friendly and struggling democracies such as Panama and Colombia and open trade with a closed society like Cuba where there is not a single independent labor union, newspaper or civic association?

President Obama said the following in his inaugural address: *“To those who cling to power through corruption and deceit and the silencing of dissent, know that you are on the wrong side of history, but that we will extend a hand if you are willing to unclench your fist.”*

Those words are a concise and eloquent guide for any US president to follow at a hemispheric summit. We may not know for years if a new beginning in hemispheric relations will be achieved at the Summit. But if President Obama does nothing more than remind our friends, our adversaries and the undecided’s of his inaugural address, the US will be well-served in Trinidad.

Thank you.