



## A NEW PARTNERSHIP FOR THE AMERICAS

*"It's time for a new alliance of the Americas. After eight years of the failed policies of the past, we need new leadership for the future. After decades pressing for top-down reform, we need an agenda that advances democracy, security, and opportunity from the bottom up. So my policy will be guided by the simple principle that what's good for the people of the Americas is good for the United States. That means measuring success not just through agreements among governments, but also through the hopes of the child in the favelas of Rio, the security for the policeman in Mexico City, and the shrinking of the distance between Miami and Havana."*

[Speech in Miami, FL, 5/23/08]

## REESTABLISH AMERICAN LEADERSHIP IN THE HEMISPHERE

The United States shares a special bond with the nations of Latin America and the Caribbean. In addition to a shared history of colonization and liberation, and shared struggles for national identity and prosperity, the Americas also have been steadfast allies through battles against colonial empires, two World Wars, the Cold War, and now the global battle against terrorism. The United States has long shared a deep and personal bond with the more than 500 million people who live in Latin America.

Lately, this relationship has frayed, as the Bush administration pursued a misguided foreign policy with a myopic focus on Iraq. Its policy in the Americas has been negligent to our friends, ineffective with our adversaries and disinterested in the challenges that matter to peoples' lives. This has had dramatic effects. At the time of President Bush's tour of Latin America last year, three-out-of-five Latin Americans distrusted the United States, and only one-in-four members of Latin American elites held a favorable view of President Bush himself. This has damaged U.S. credibility and decreased U.S. influence in the region.

Barack Obama wants to open a new chapter of cooperation and partnership with our neighbors to promote democracy, opportunity and security across the hemisphere, and to work together to address our common challenges, including economic development, global warming, energy independence, and the battle against drug trafficking and terror. Obama will pursue a program of aggressive, principled and sustained diplomacy in the Americas with a focus on advancing freedom as Franklin Roosevelt described it: political freedom, freedom from want and freedom from fear.

### DIPLOMACY

As president, Barack Obama will rebuild the diplomatic links to Latin America and the Caribbean that have been allowed to wither under President Bush.

**Reinstate Special Envoy for the Americas:** For decades, American presidents have filled the position of special envoy to bring senior-level attention to hemispheric matters that might otherwise get buried in the

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normal diplomatic process. Unfortunately, the position was eliminated after the post was vacated in June of 2004. As president, Barack Obama will reinstate the position. His special envoy would have a direct line to the president and would serve as a focal point for policy making in the White House as well as be available to Latin American leaders.

**Strengthen the State Department:** Although the size of the U.S. Foreign Service has increased in recent years, a quarter of State Department jobs are unfilled. In recent decades we have shut consulates in hot spots where America should have a robust diplomatic and intelligence presence. As president, Barack Obama will increase the size of the U.S. Foreign Service by 25 percent to add more language specialists, economists, agriculture and public health experts as well as economic development experts. He will treat Foreign Service officers with the respect, pay and career advancement opportunities they deserve as well as ensure their voices are heard in policy debates. He will increase diplomatic presence in key parts of the world, including Latin America, so that we can advance our interests and promote development where it is needed most.

**Expand the Peace Corps:** President John F. Kennedy hoped the Peace Corps would grow to 100,000 volunteers, but the program peaked at 16,000 in 1966. Today, there are roughly 7,800 volunteers. Barack Obama will double the Peace Corps to 16,000 by its 50th anniversary in 2011 and push Congress to fully fund this expansion, with a focus on Latin America. He will work with the leaders of other countries to build an international network of overseas volunteers so that Peace Corps volunteers work side-by-side with volunteers from other countries to address poverty, combat diseases like malaria and support the development of civil society. Obama will make the Peace Corps an integral part of his vision of American leadership that understands the security and well-being of every American is tied to the security and well-being of those who live beyond our borders.

**Employ American Immigrants in Public Diplomacy:** Today, there are more than 19 million immigrants from Latin America living in the United States, more than half the foreign-born population. In addition there are millions of second-generation immigrants who still maintain familial, cultural, economic and language ties to Latin America. People who came to America to seek a better life are our best ambassadors to their native nations. Obama will recruit and train fluent speakers of local languages with public diplomacy skills, who can ensure our voice is heard in the mass media. Obama will also work to harness these ties in other ways to promote better understanding and mutual respect among the people of the Americas.

The rebuilding of diplomatic ties to Latin America and the Caribbean will help the United States expand its leadership in the hemisphere with three key goals:

1. **Political Freedom / Democracy** – to increase democracy and the rule of law across the Americas.
2. **Freedom from Fear / Security** – to address common threats like drug trafficking, transnational gangs and terrorism.
3. **Freedom from Want/ Opportunity** – to combat poverty, hunger, health problems, and global warming.

## **1. POLITICAL FREEDOM / DEMOCRACY**

U.S. leadership in supporting the growth of accountable and democratic governments around the world cannot become a casualty of the Iraq War. America has benefitted from the expansion of democracy into Latin America. Democracies are better trading partners, more valuable allies and the nations with which we share our deepest values. Under Barack Obama's leadership, the United States will ensure that democracy is more than just holding elections. He will work to consolidate democracy throughout the hemisphere by partnering with our Latin American neighbors to uphold our shared values whenever they are threatened by autocratic practices, coups and human rights abuses.

### **The Case of Cuba:**

After nearly 50 years of failure, we must turn the page and begin to write a new chapter in U.S.- Cuba policy to help advance the cause of freedom and democracy in Cuba. To write this new chapter, Barack Obama will keep U.S. national interests, and not partisan or electoral interests, at the forefront. We must strive to empower the Cuban people and aim to position the United States to help foster a stable and peaceful transition in Cuba to avoid potential disasters that could result in mass migration, internal violence or the perpetuation of the Cuban dictatorship. A democratic opening in Cuba is, and should be, the foremost objective of our policy.

**Empower the Cuban People:** The primary means we have of encouraging positive change in Cuba today is to help the Cuban people become less dependent on the Castro regime in fundamental ways. Obama's approach is built around empowering the Cuban people, who ultimately hold Cuba's destiny in their hands.

**Enable Cuban Americans:** Cuban American connections to family in Cuba are not only a basic right in humanitarian terms, but also our best tool for helping to foster the beginnings of grassroots democracy on the island. Accordingly, as president, Obama will grant Cuban Americans unrestricted rights to visit family and send remittances to the island.

**Conduct Aggressive and Principled Diplomacy:** As president, Obama would take steps to liberalize relations with Cuba now while holding back important incentives such as relaxation of the trade embargo and greater foreign aid so that we can encourage change in a post-Fidel government. Preserving such incentives for change makes strategic sense because we know that Castro's death or the transfer of power to his brother, Raul, will not automatically guarantee freedom. A crucial component of the Obama plan to promote freedom and democratic change in Cuba will be aggressive and principled bilateral diplomacy. Obama will send an important message: if a post-Fidel government begins opening Cuba to democratic change, frees political prisoners and holds elections, the United States is prepared to take steps to normalize relations and ease the embargo that has governed relations between our countries for the last five decades. That would be the best means of promoting Cuban freedom.

**Support for Democracy Begins at Home:** Barack Obama knows that our greatest tool in advancing democracy is our own example. This asset, however, has been severely damaged in recent years, especially by Abu Ghraib and Guantanamo, and by the failure of our leaders to accept accountability for these acts. Barack Obama will hold the United States to the same standards that we demand of others. That means ending torture without equivocation (including so-called "enhanced interrogation techniques"), ending extraordinary rendition and indefinite detentions; restoring habeas corpus; and closing the detention facility at Guantanamo Bay.

**Matching Rhetoric with Deeds:** In his second inaugural address on January 20, 2005, President George W. Bush used the word “freedom” 25 times, “liberty” 12 times, and “democracy” or “democratic” three times. All of these words, however, have done little to advance democracy around the world. Instead of mere rhetoric, Barack Obama will focus on achieving concrete outcomes that will advance democracy. President Obama will work for the release of jailed scholars, activists, and opposition party leaders. President Obama will stand with struggling democrats as they denounce elections that are not free or fair and fight those who seek to undermine the democratic process, so that flawed elections can no longer be used to legitimize rule in places like Venezuela, or Colombia, where the FARC has routinely kidnapped government officials.

**Promote Civil Society:** Barack Obama will commit to strengthening the pillars of a just society Latin America, through insistent calls for reform and critical investments in the growth of transparent and accountable institutions that provide the opportunity and dignity that people so desperately seek. The U.S. should help build strong legislatures, responsible political parties, free presses, and vibrant civil societies, and help ease the fears of communities in the developing world by strengthening judiciaries and building honest and professional police forces in order to ensure that legal systems enforce peoples’ rights and stabilize societies. Barack will sustain the Inter-American Democratic Charter that upholds the right of the people of the Americas to democracy and gives their governments an obligation to promote and defend it.

**Engage Venezuela:** Venezuela’s President Hugo Chavez has increased his anti-U.S. rhetoric and tried to counter American influence throughout Latin America. Some commentators fear that Chavez threatens oil markets and regional stability. Barack Obama believes the U.S. must restore its traditional leadership in the region – on democracy, trade and development, energy and immigration. This will tamp down the anti-Americanism that has sprung up in opposition to the Bush administration’s global policies and lack of engagement in Latin America.

## **2. FREEDOM FROM FEAR / SECURITY**

Ensuring security from violence, drugs, gang activity, and organized crime in Latin America is critical for long-term peace and stability in the region. Latin America and islands in the Caribbean have one of the highest murder rates in the world – three times the world average. Homicides have increased in El Salvador, Guatemala and Honduras in recent years, making them among the most violent countries in the world. The growth in the size and strength of gangs, organized criminal enterprises and narco-traffickers has greatly contributed to the rise in crime and violence in the region. The U.S. Southern Command, for instance, estimates that there are now 70,000 gang members in Central America.

The region's crime and security problems have clear spillover effects here in the United States. According to a recent report, more than 1,758 members of the Mara Salvatrucha – a notoriously violent, transnational Central American gang – have been arrested in the United States since February 2005.

### **The Case of Mexico:**

Mexico is facing a recent upswing in crime that affects not only its citizens, but our own. Almost 90 percent of cocaine in the United States is smuggled from Latin America through Mexico. Mexico is the largest foreign supplier of marijuana and the second largest source of heroin for the U.S. market. The majority of methamphetamine sold in the United States is made in Mexico, and labs run by Mexican cartels north of the border account for much of the remainder. Alien smuggling from Mexico to the United States is a \$300 million-a-year business, second only to Mexico's illicit drug trade in terms of revenues from criminal activities.

Mexico City has about 20 million residents, about the size of New York City. However, Mexico City's police force is much smaller and policemen earn a small fraction of what their U.S. counterparts make. This leads some officers to turn to corruption. Corruption in the police, judiciary and government have exacerbated crime, made it hard to keep criminals behind bars and weakened Mexico's efforts to establish a stable democracy.

Border violence and the trafficking of guns and stolen vehicles along the U.S. - Mexico border remains a critical crime and homeland security challenge for the U.S. To combat this increasing problem, the United States forged a new security cooperation initiative with Mexico and nations in Central America. The Merida Initiative is designed to combat the threats of drug trafficking, transnational crime and terrorism in the Western Hemisphere.

Barack Obama believes that we need a new security initiative with our Latin American neighbors – an initiative that extends beyond Central America. This initiative will foster cooperation within the region to combat gangs, trafficking and violent criminal activity. And it will marshal the resources of the United States to support the development of independent and competent police and judicial institutions in the Americas.

**Create Regional Partnership on Crime and Security:** Through the U.S. – Central American Integration System dialogue on security and other regional efforts, Central American nations have taken the first step in working together to address common security needs and combat trafficking. The Federal Bureau of Investigation and other U.S. law enforcement agencies have provided key support for these efforts. But given the limited financial and institutional resources in the region, the U.S. can and should do more to lead a new

regional security initiative. Barack Obama will direct his Attorney General and Homeland Security Secretary to meet with their Latin American counterparts in the first year of his presidency to produce a regional strategy to combat drug trafficking, domestic and transnational gang activity, and organized crime. A hemispheric pact on security, crime and drugs will permit the U.S. and Latin America to advance serious and measurable drug demand reduction goals, while fostering cooperation on intelligence and investigating criminal activity. The U.S. will also work to strengthen civilian law enforcement and judicial institutions in the region by promoting anti-corruption safeguards and police reform.

This new partnership will work toward a coordinated security pact with quantifiable benchmarks, including drug seizures, kingpin apprehension, independent corruption investigations, and reduction in drug-related violent crimes

Additionally, the Departments of Justice (DOJ) and Homeland Security (DHS) will work with their counterparts to strengthen the police force and judiciary in many Latin American countries. The Obama administration will provide resources and technical assistance to help these nations implement the types of community policing, community prosecution, and gang and gun-violence prevention programs that the U.S. has seen work here at home. The U.S. will also help these nations develop data-driven and technology-supported policing systems.

The participants will also work to address corruption as part of this new coordinated strategy. Any policy to address security and crime in the region must address corruption. Some nations, such as Guatemala, have already begun to implement strategies to rid local police, prosecutor's offices and courts from the influence of gangs and criminal organizations. Additionally, the DOJ and DHS can help Latin American countries develop internal affairs units, citizen complaint boards and other control systems within their civilian law enforcement institutions.

**Implement a Northbound and Southbound Strategy:** Barack Obama will work with the DOJ and DHS to create a comprehensive strategy on regional crime that addresses the U.S.' contribution to the problem. Obama's "southbound" strategy will target the trafficking of guns, money and stolen vehicles that go virtually unchecked from the U.S. south into Mexico and beyond. Critical to this strategy will be ensuring an adequate number of U.S. federal agents to police trafficking on our borders. Obama will pair this "southbound" strategy with our existing "northbound" strategy that is aimed at drug and human traffickers, as well as illegal immigration.

**Support Cross-Border Security Partnerships:** Barack Obama will support the efforts of our border states to foster cooperation and constructive engagement with the region. Arizona, for instance, has entered into agreements with its neighboring Mexican state, Sonora, to cooperate on fighting border violence and drug trafficking. These agreements have led to the training of Sonora detectives to investigate wire transfers used to pay smugglers in their state; improved radio communication; and better tracking of fugitive and stolen vehicles. The Arizona-Sonora partnership – based on information-sharing, technical assistance and training – provides an excellent model for regional cooperation on security issues. The Obama administration will support these initiatives, and will work to integrate these efforts into the region's coordinated security pact.

**Take On the Mexican Drug Cartels:** The Mexican drug cartels have proved to be a dangerous adversary in the fight against methamphetamines. The combined effect of the United States' aggressive lab seizures and restrictions on over-the-counter sale of ephedrine- and pseudoephedrine-based products has compelled Mexican cartels to move their operations south of the border. While domestic production of meth has been falling since 2003, Mexican drug cartels, the main suppliers of meth in the U.S., have increased production to meet U.S. demand. Barack Obama believes we have a shared responsibility with Mexico and other nations in the region

to battle both the supply and demand ends of the illegal drug trade. As president, he will continue the fight to rid our communities of meth and offer support to help addicts heal and reduce the demand for the drug. He will work to cut off drug lab supplies by restricting global imports of precursor chemicals, and he will take on the Mexican drug cartels in partnership with Mexico and other nations in the region.

**Promote Security and Combat Drugs in Colombia:** The U.S. and Colombia have many important shared interests. For more than 8 years, the U.S. has provided roughly \$700 million a year to fight drug trafficking. We need to continue efforts to support Colombia in a way that also advances our interests and is true to our values. We must support the creation and reinforcement of robust civilian institutions in Colombia that contribute to lasting peace and to ending the decades-long reign of terror perpetrated against the Colombian people by illegal armed groups of every stripe. Given the devastating impact the drug trade has on the U.S. and Columbia, we must continue to do more to work to reduce the drug trade. Barack Obama supports continuing the Andean Counterdrug Program to the U.S. strategy to combat narco-trafficking in Colombia. He will enhance the program and broaden the involvement of Colombians, while reducing its reliance on American contractors.

The Colombian people have suffered for more than four decades at the hands of a brutal terrorist insurgency. Last March, Colombian security forces targeted a senior Revolutionary Armed Forces of Colombia (FARC), leader, and Ecuador and Venezuela moved troops and tanks to their borders with Colombia, bringing hostilities to a boiling point. But this must not be used as a pretense to ratchet up tensions or to threaten the stability of the region. In an Obama administration, we will support Colombia's right to strike terrorists who seek safe-haven across its borders, to defend itself against FARC and we will address any support for the FARC that comes from members of neighboring governments because this behavior must be exposed to international condemnation and regional isolation.

**Support Domestic Law Enforcement and Drug Treatment Programs:** Our efforts to fight drug trafficking and gang activity in Latin America – and spillover effects of this activity in the U.S. – will not succeed if we continue to slash law enforcement and drug treatment and prevention programs here at home.

Despite these challenges, the Bush administration has dramatically cut resources to state and local law enforcement. The administration has consistently proposed to cut or eliminate funding for the Byrne Justice Assistance Grant (Byrne/JAG) program, which funds anti-drug and anti-gang task forces across the country. Byrne/JAG also funds prevention and drug treatment programs that are critical to reducing U.S. demand for drugs. Since 2000, this program has been cut more than 83 percent. These cuts threaten hundreds of multi-jurisdictional drug and gang task forces – many that took years to create and develop. In the U.S. Senate, Obama has been a leader in the fight to maintain funding for these vital programs. As president, Obama will restore funding.

As with Byrne/JAG, the Bush administration has consistently cut funding by billions of dollars for Community Oriented Policing Services (COPS) and has recently proposed eliminating the successful program entirely. Barack Obama is committed to fully funding COPS. In the U.S. Senate, Obama is an original cosponsor of the COPS Improvement Act, which reauthorizes the COPS program and provides funding for: hiring and training police, FBI field agents, and DEA agents; procuring equipment and support systems; paying officers to perform intelligence, anti-terror or homeland security duties; and developing new technologies, including interoperable communications and forensic technology.

### **3. FREEDOM FROM WANT / OPPORTUNITY**

Latin America has made economic progress. But despite a growing middle class and success stories in Brazil and Chile, the region retains the greatest income inequality in the world. Some 100 million people live on less than \$2 a day, and 40 percent of Latin Americans live in poverty. This feeds instability, the drug trade, and waves of migrant labor into the United States. Barack Obama will work to advance opportunity from the bottom-up for the people of the Americas.

#### ***The Case of Haiti:***

Haiti demonstrates the multiple factors that can contribute to limited economic growth. Haiti is the poorest country in the Western Hemisphere with 80 percent of its population living in poverty and 54 percent subsisting on less than \$1 per day and spending more than half their income on food. It is a fragile country with a history of political instability that is being held together largely through the presence of the United Nations peacekeeping mission. The Bush administration considers René Préval's 2006 election and Haiti's relative stability in recent years to be one of its success stories, although State Department officials caution that the country remains volatile.

The current world food crisis has hit Haiti particularly hard with soaring food prices and pervasive hunger. Rice, the staple of their diet, has doubled in price in little more than a year. Haitians, in search of food and sustenance, rioted in the capital last April, leaving at least six dead by the time President Préval restored calm by announcing the arrival of foreign aid and subsidies to lower the price of rice.

Barack Obama believes we need to provide food assistance in the short term to prevent hunger and stave off additional political instability. But he also believes we can help improve Haiti's economic prospects over the long-term by providing more technical assistance and job training. He believes we must continue to press Haiti's leaders to finally bridge the political divides that have torn that country asunder. And we must always be clear and consistent in supporting freedom and democracy. The U.S. and the entire international community have a responsibility to continue helping Haiti along a path to a better future.

**Double Foreign Assistance to \$50 Billion:** As president, Barack Obama will double our annual investments in foreign assistance to \$50 billion by 2012 and ensure that these new resources are invested wisely with strong accountability measures directed towards strategic goals. This assistance will focus on bottom-up development by concentrating on micro-finance, vocational training and community development programs.

**Achieve the Millennium Development Goals:** The United Nations (UN) has embraced the Millennium Development Goals, which aim to cut extreme poverty in half by 2015. Though many Latin American countries have made great strides in the last decade to eliminate poverty, the UN estimates that more than 52 million people in Latin America and the Caribbean still suffer from malnutrition or hunger. The Bush administration has worked to keep the UN from affirming these goals. In the Senate, Obama cosponsored the International Cooperation to Meet the Millennium Development Goals Act. Barack Obama will target new U.S. assistance to help the world's weakest states to build healthy and educated communities, reduce poverty, develop markets, and generate wealth. He will also work to ensure that increases in U.S. assistance are matched by our partners in the G-8 so that developed countries truly live up to their stated commitments.

**Fight Corruption:** Corruption has existed for centuries, but the urgency to deal effectively with this complex and corrosive problem is growing. We must lead by example by making our own contracting decisions merit-based and transparent. And we must couple our assistance abroad with an insistent call for reform, transparency

and accountability. Too often when we talk about corruption, we talk about it in the context of *our* assistance. When U.S. taxpayer money is involved, we absolutely must make sure that this money is not wasted or illicitly spent. But we must also keep in mind that corruption is not just about us – it is the daily reality for billions of people around the world: the reality of police encounters, school admissions processes, business licensing and housing accessibility. We must commit ourselves to spearheading an international initiative to root out corruption.

**Eliminate the Global Education Deficit:** Education is the critical building block of social and economic development and is an important component to countering the message of hate peddled by extremists. Yet, today, across the developing world, countless families confront a future devoid of dignity and opportunity. One-in-five adults cannot read or write. Women’s illiteracy exceeds 70 percent in more than 20 countries. One hundred million children – and nearly 60 million girls – do not go to elementary school. The result is a staggering education deficit that traps people in poverty generation after generation. Barack Obama will spearhead an initiative to eliminate the global education deficit by 2015. An Obama administration will establish at least a \$2 billion Global Education Fund to help fill the financing gap for primary education. He will lead efforts to leverage American commitments through the World Bank’s Fast Track Initiative to ensure that funding shortfall is no longer the main impediment to progress on basic education.

**Enhance U.S. Leadership in the Effort to Combat HIV/AIDS, TB and Malaria:** There are an estimated 33 million people across the planet infected with HIV/AIDS, including more than 1.6 million people in Latin America. Barack Obama believes that we must do more to fight the global HIV/AIDS pandemic. The first priority should be to reauthorize the President’s Emergency Plan for AIDS Relief (PEPFAR) before it expires this year, but also to rewrite much of the bill to allow best practices – not ideology – to drive funding for HIV/AIDS programs. In that context, Obama will commit \$50 billion over five years to strengthen the existing program and expand it to new regions of the world. We need to take steps to combat the spread of tuberculosis and malaria, the incidence of which rose between 2000 and 2004 in six Latin American countries: Colombia, the Dominican Republic, Guyana, Panama, Peru, and Venezuela. An Obama administration will also increase U.S. contributions to the Global Fund to ensure that global efforts to fight endemic disease continue to move ahead through multilateral institutions as well – acting as a key force multiplier in the world’s effort to combat the worst public health crisis.

**Provide Sustainable Debt Relief to Developing Countries:** The poorest countries in the world suffer under the weight of an enormous burden of external debt. Resources are flowing out of the least developed countries to creditors in the rich world, when these resources are desperately needed for health care, education and infrastructure. We have seen that multilateral debt relief can be effective – 30 countries have seen their debt stocks reduced by almost 90 percent – but more relief is needed. Barack Obama wants to see 100 percent debt cancellation for the world’s Heavily-Indebted Poor Countries, including Bolivia, Guyana, Haiti, Honduras, Paraguay, and St. Lucia. He is committed to living up to the promise to fully fund debt cancellation for HIPC’s. An Obama administration will also dedicate itself to preventing a future in which poor countries face pressing debt burdens again. He will work for reforms at the World Bank to ensure that poor countries receive grants rather than loans, and that countries have the resources they need to respond to the external shocks that threaten to derail economic progress. And as president, Barack Obama will lead a multilateral effort to address the issue of “odious debt” by investigating ways in which “loan sanctions” might be employed to create disincentives for private creditors to lend money to repressive, authoritarian regimes.

**A Fund for Small and Medium Enterprises (SMEs):** It is neither sustainable nor appropriate for donor countries to focus solely on reducing poverty in the developing world. The challenge is to build the capacity of communities and countries in the developing world to generate wealth on their own and in a way that is

sustainable over time. Building on the growing evidence that microfinance is an effective tool to facilitate this growth, an Obama administration will provide initial capital for an SME Fund. Administered through the Overseas Private Investment Corporation, an independent U.S. government agency, the government will provide capital matched by a larger portion from the private sector. The SME Fund will be designed to provide seed capital and technical assistance to catalyze the establishment of job-creating small and medium enterprises, and to build the capacity of entrepreneurs to translate their ideas into viable businesses, including through the creation of regional “SME Universities” supported by America’s business schools.

**Lead Efforts to Reform the IMF and the World Bank:** The International Monetary Fund (IMF) and the World Bank have contributed in important ways to an era of tremendous openness and global growth since 1945, but both institutions face crises of governance and are in need of modernization and reform. Its limits were apparent during Argentina’s economic struggles in the late 1990s and early part of this decade. As president, Barack Obama will lead an effort in the G-8 to achieve a new consensus on the missions of the IMF and the World Bank, while at the same time securing necessary changes in how both institutions are governed to reflect the increasing influence of middle-income countries.

**Fight for Fair Trade:** At 7 percent of Gross Domestic Product, our trade deficit has never been higher. Barack Obama will fight for a trade policy that opens up foreign markets to support good jobs. He will use trade agreements to spread good labor and environmental standards around the world and stand firm against agreements like the Central American Free Trade Agreement that fail to live up to those important benchmarks. Obama will also pressure the World Trade Organization to enforce trade agreements and stop countries from continuing unfair government subsidies to foreign exporters and nontariff barriers on U.S. exports. Obama also will fight for stronger protections for U.S. intellectual property.

**Amend the North American Free Trade Agreement:** Barack Obama will work with the leaders of Canada and Mexico to fix NAFTA so that it works for American workers. Obama believes that NAFTA and its potential were oversold to the American people. It has not created the jobs and wealth that were promised. He believes that we can, and must, make trade work for American workers by opening up foreign markets to U.S. goods and maintaining strong labor and environmental standards. As president he will work to amend NAFTA so that it lives up to those important principles.

**Oppose the Colombia Free Trade Deal:** While the Colombia Free Trade Agreement has some labor and environmental standards, these protections are undermined by persistent violence in Colombia. Labor protections remain useless in an environment where union leaders are routinely assassinated. Barack Obama will work with Colombia to bring the perpetrators to justice and protect labor activists.

**Tap the Power of Remittances:** Obama will work with international organizations, particularly the Inter-American Development Bank, to leverage the financial resources immigrants send to native countries. At more than \$50 billion a year, remittances dwarf U.S. foreign assistance. Obama will work to foster a new spirit of partnership and cooperation to maximize the impact of those remittances on social and economic development across the hemisphere.

**Reform Our Broken Immigration System:** Barack Obama has played a leading role in crafting comprehensive immigration reform and believes that our broken immigration system can only be fixed by putting politics aside and offering a solution that strengthens our security while reaffirming our heritage as a nation of immigrants. Obama’s plan will strengthen border security, fix the dysfunctional immigration bureaucracy, and secure a responsible path to earned citizenship for undocumented workers and their families.

## **Work Towards Energy Security**

The global energy crisis has hit the United States and Latin America alike. The United States' 20-million-barrel-a-day oil habit costs our economy over \$2 billion a day. Latin America produces only 4.4 percent of the world's energy supply and its energy consumption has more than doubled in the last 30 years. Our shared addiction to dirty consumption of fossil fuels has held our economies hostage to the cost of oil, made global warming worse and threatened our national security. We are funding both sides in the war on terror and supporting some of the most despotic, volatile regimes in the world.

While we share this risk, we also share the resources to do something about it. As president, Barack Obama will partner with Latin America to invest in renewable energy and combat climate change.

### **The Case of Brazil:**

Brazil is an example of the great potential of renewable energy in Latin America, as well as some of the potential pitfalls that should be avoided. Brazil is the 10<sup>th</sup>-largest consumer of energy in the world. Hydropower has long been a source of energy in Brazil and now provides 83 percent of the nation's electricity demand. Brazil is also one of the largest producers of ethanol in the world. Ethanol in Brazil comes from sugar cane, which prospers in the country's tropical climate. In the 1970s, Brazil's former military dictators decided to subsidize ethanol production and require distribution. More than half of all cars in the country are flex-fuel, meaning that they can run on ethanol or gasoline. All gasoline in Brazil contains ethanol.

Brazil's leadership in the renewable arena has not come without concerns. The Amazon region, an incredibly important global resource in the battle against global warming, covers nearly 60 percent of Brazil. It has lost 20 percent of its forest — 1.6 million square miles — to development, logging and farming. While sugarcane cultivation has not led to massive deforestation the way soybean production has, environmentalists worry that growing demand could push cane growers into the Amazon. Domestic ethanol producers in the United States rightfully worry about competition from Brazil, which is the largest ethanol exporter in the world.

The United States last year entered into a Biofuels Partnership with Brazil to help both countries produce more biofuels and find global markets for these products. The agreement involves technology-sharing between the United States and Brazil, advancing the global development of biofuels and helping third countries develop their own domestic biofuels industries.

Barack Obama wants to expand production of renewable energy across Latin America in a way that at the same time promotes self-sufficiency and creates more markets for American green energy manufacturers and biofuels producers.

**Establish Energy Partnership for the Americas:** As president, Barack Obama will establish an Energy Partnership for the Americas. This partnership will increase research and development in clean coal technology, the next generation of sustainable biofuels and in wind, solar and nuclear energy. The partnership will also look for ways for nations to coordinate to transport green energy across national borders. It will help Latin American nations become more energy independent and promote sustainable growth for the region. The partnership also will create additional markets for American biofuels and American-made green energy technology. Obama will enlist the World Bank, the Inter-American Development Bank and other international organizations to support these efforts.

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**Transfer American Technology to the Developing World to Fight Climate Change:** In South America alone, carbon emissions increased by more than 40 percent between 1990 and 2000, mainly due to a rise in transportation, industrial growth and energy production. As nations work cooperatively to combat global warming, the market for low-carbon energy products will expand significantly. Obama will create a Technology Transfer program within the Department of Energy dedicated to exporting climate-friendly technologies. These will include the green buildings, clean coal and advanced automobile technology that will help Latin American countries combat climate change. Obama will allow U.S. emitters subject to the cap-and-trade mandates to offset some of their emissions by investing in low carbon energy projects in the developing world. This will help ensure that emissions in both the U.S. and the developing world are reduced.

**Ensure the United States Works with Developing Countries on Climate Change:** The world's poorest countries are already suffering the impact of climate change through drought, famine and water scarcity, even though they are not responsible for the greenhouse gas pollution causing the climate to change. The Obama administration will permit international offsets under the carbon cap to promote the transfer of low carbon energy to developing countries. An Obama administration will also ensure that U.S. foreign assistance is wisely invested in projects designed to help developing countries adapt to a changing climate.

**Confront Deforestation and Promote Carbon Sequestration:** A comprehensive strategy to combat global warming must address tropical deforestation, which accounts for approximately 20 percent of global greenhouse gas emissions. This is an especially serious problem in South America, where 4.3 million hectares of forest were cleared between 2000 and 2005. As forests are cut down, burned and converted to other uses, carbon stored in wood, leaves and soils are released into the atmosphere. Reducing rates of tropical deforestation will not only slow greenhouse gas emissions but will also protect the livelihoods of local people and the abundance of biodiversity inextricably linked to those forests. By offering incentives to maintain Latin American forests and manage them sustainably, the United States can play a leadership role in dealing with climate change. In addition, we must develop domestic incentives that reward forest owners, farmers, and ranchers when they plant trees, restore grasslands, or undertake farming practices that capture carbon dioxide from the atmosphere. Encouraging these efforts will also improve water quality and restore natural areas for wildlife and recreation.

**Provide Leadership at Home:** Barack Obama supports implementation of a market-based cap-and-trade system to reduce domestic carbon emissions 80 percent by 2050. Obama will invest \$150 billion over 10 years in developing and deploying advanced renewable energy. Barack Obama will double fuel economy standards within 18 years while protecting the financial future of domestic automakers. His plan will provide retooling tax credits and loan guarantees for domestic auto plants and parts manufacturers.

**Create an Energy Corps:** As the global community works cooperatively to reduce greenhouse gas emissions, one of the great challenges will be promoting the use of green energy in developing countries, which will face exponential increases in the demand for energy. As president, Barack Obama will start an Energy Corps of scientists and engineers who will work overseas to promote low-carbon energy solutions in developing nations.

**Enforce Environmental Standards in Trade Agreements:** Enforceable environmental standards are critical to ensuring that foreign trade does not mean irreversible environmental damage for Latin American countries. There have been too many stories of oil companies spoiling forests and rivers in the name of cheaper energy extraction. Enforcing environmental standards also ensures that American producers subject to strong American environmental protections can play on an even global playing field.

**Create New Forum of Largest Greenhouse Gas Emitters:** President Bush recently invited world leaders of the 15 largest emitters of greenhouse gases to a two-day conference, yet he failed to propose any binding domestic commitments or funding for international efforts to combat climate change. Not surprisingly, these world leaders criticized the U.S. commitment to climate change and an opportunity was missed to join other countries in a serious effort to tackle this challenge.

In stark contrast, Barack Obama will signal to the world the U.S. commitment to climate change leadership by implementing an aggressive domestic cap-and-trade program coupled with increased investments in clean energy development and deployment. Obama will build on our domestic commitments by creating a negotiating process that involves a smaller number of countries than the nearly 200 countries in the current Kyoto system. Obama will create a Global Energy Forum – based on the G8+5, which included all G-8 members plus Brazil, China, India, Mexico and South Africa – of the world’s largest emitters to focus exclusively on global energy and environmental issues.

Maintaining a standing international body focused on these issues will give a forum for all of the major emitters – past, present and future – to discuss efforts to combat climate change. In addition, it will give the U.S. and its allies regular opportunities to exert maximum pressure on China and India to do their part and make real commitments of their own. Obama believes it is important to make clear that the current Bush voluntary approach allows the biggest emitters to escape all international pressure to be a “responsible stakeholder” in the global environment.

This Global Energy Forum will complement – and ultimately merge with – the much larger negotiation process underway at the UN to develop a post-Kyoto framework. On a technical level, it will also facilitate technology transfer, joint international research, and, importantly, the numerous large-scale international demonstration projects that must be embarked upon immediately in order to make these technologies economically appealing alternatives.