

Opening Keynote Address: General Bantz J. Craddock
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THANK YOU. LADIES AND GENTLEMEN -- DISTINGUISHED COLLEAGUES – AND FRIENDS — GOOD MORNING. IT’S A PLEASURE TO BE HERE TODAY AND I AM DELIGHTED TO HAVE THE OPPORTUNITY TO SHARE SOME OF MY PERSPECTIVES ON SECURITY WITHIN THE BROADER CONTEXT OF GOVERNANCE IN LATIN AMERICA AND THE CARIBBEAN.

I WAS FORTUNATE TO BE ABLE TO ATTEND MANY OF THE PANELS AT LAST YEAR’S CONFERENCE. I WAS QUITE IMPRESSED BY THE CALIBER OF IDEAS EXCHANGED — THE THOUGHT-PROVOKING PRESENTATIONS -- AND THE STIMULATING DISCUSSIONS — BOTH DURING THE PANEL SESSION AND OUTSIDE AT THE COFFEE BREAKS!!! IN MY JUDGMENT LAST YEAR’S CONFERENCE WAS A RESOUNDING SUCCESS. AS I LOOK AROUND THE ROOM AND SEE YOUR FACES – MANY OF YOU-- TRUE REGIONAL EXPERTS – AND AS I THINK ABOUT THE PANEL TOPICS SCHEDULED FOR TODAY AND TOMORROW – I AM CERTAIN THIS CONFERENCE WILL REPEAT LAST YEAR’S SUCCESS.

THE FOCUS OF THE CONFERENCE: “THE AMERICAS IN THE 21ST CENTURY: THE CHALLENGE OF GOVERNANCE AND SECURITY” COULD NOT BE MORE TIMELY – AND WILL CERTAINLY CONTRIBUTE TO THE DIALOGUE AMONG U.S. AND REGIONAL GOVERNMENT OFFICIALS-- MEDIA AND MILITARY LEADERS ABOUT FUTURE DIRECTIONS FOR THE REGION AND – MORE IMPORTANTLY – HOW WE APPLY NATIONAL AND INTERNATIONAL RESOURCES-- BOTH INDIVIDUALLY AS NATIONS AND REGIONALLY AS A PART OF A MULTINATIONAL COMMUNITY-- TO BEST PROVIDE FOR OUR CITIZENS.

REGRETTABLY-- I AM UNABLE TO SHARE IN THE IMPORTANT CONVERSATIONS YOU WILL HAVE HERE DURING THE NEXT DAY AND A HALF-- AS I MUST ATTEND TO DUTIES IN WASHINGTON DC.

AS YOU CAN IMAGINE-- WHEN THE ARMY 4 STARS MEET IN DC – AND THERE’S ONLY ABOUT A DOZEN OF US – IT’S DIFFICULT FOR AN ABSENCE TO GO UNNOTICED. YOU ALL

OBVIOUSLY HAVE IT RIGHT — YOU'VE MANAGED TO TRAVEL TO MIAMI IN FEBRUARY – WHILE I'M GOING NORTH TO THE PENTAGON!!!

THE TRUTH IS – I'D RATHER ATTEND AND PARTICIPATE IN THE MEETINGS HERE. AS I SAID LAST WEEK TO MINISTER OF DEFENSE FERNALD OF SURINAME — WE AT SOUTHERN COMMAND PROBABLY LEARN MORE THAN WE CONTRIBUTE TO THESE CONFERENCES. I BELIEVE IT IS CRITICAL FOR THE MEMBERS OF THE COMMAND TO CONTINUE TO ATTEND AND PARTICIPATE IN EVENTS SUCH AS THIS –TO BROADEN OUR THINKING SO THAT WE MAY BETTER CARRY OUT OUR MISSION.

I'D ALSO LIKE TO CONGRATULATE THE ORGANIZERS OF THIS CONFERENCE FOR SELECTING THE THEME OF GOVERNANCE AND SECURITY AND FOR BRINGING TOGETHER – YOU – THE EXPERTS – PRACTITIONERS – AND INTERESTED PARTIES TO OPEN A DIALOGUE ON THIS CRITICAL SUBJECT.

IF I MAY — I'D LIKE TO DIRECT YOUR ATTENTION TO THE SCREEN. THIS SATELLITE IMAGE OF LATIN AMERICA AND THE CARIBBEAN IS ILLUSTRATIVE OF THE THEME WE'VE ALL COME HERE TO DISCUSS:

TAKEN AT NIGHT – IT REVEALS SOME FASCINATING ASPECTS OF THE REGION THAT WE SHOULD CONSIDER WHEN WE THINK OF GOVERNANCE AND SECURITY.

THE POINTS OF LIGHT ARE REFLECTIONS OF URBANIZATION – COMMERCE – ACTIVITY – AND DEVELOPMENT.

ONE MAY WONDER — —

WHAT IS THE ROLE OF THE ARMED FORCES IN AN URBAN ENVIRONMENT THAT IS GENERALLY THE PROVINCE OF LAW ENFORCEMENT?

WHAT ARE THE SECURITY IMPERATIVES OF THE DARKER AREAS?

DO THE ARMED FORCES HAVE AN EVEN GREATER ROLE IN THOSE AREAS WHERE OTHER GOVERNMENT PRESENCE MAY BE REDUCED?

DOES THIS MAP GIVE US INDICATIONS OF UNGOVERNED SPACES WITHIN BOTH THE DARKEST AND BRIGHTEST POINTS?

THE YELLOW DOTS INDICATE WILDFIRES AND BURNING FROM DEFORESTATION. THE RED DOTS ARE THE BURN-OFF SIGNATURES OF NATURAL GAS WELLS. THE PROTECTION OF THE ENVIRONMENT AND THESE NATURAL RESOURCES MAY WELL BE SUBSETS OF ENFORCING NATIONAL SOVEREIGNTY.

THE MAP'S LEGEND DEPICTS THE LIGHT BLUE TRACKS AS NIGHT FISHING. I'M SURE THE VAST MAJORITY OF THE TRACKS REPRESENT FISHING BOATS AND COMMERCIAL SHIPPING — BUT I ASSURE YOU THAT AMONG THAT MARITIME MOVEMENT IS A LOT OF ILLICIT TRAFFICKING OF WEAPONS – DRUGS – AND PERSONS.

HOW DO YOU SORT OUT THE ILLICIT TRAFFICKING FROM THE LEGITIMATE TRAFFIC?

HOW DO YOU INSPECT VESSELS FOR CONTRABAND WITHOUT INTERRUPTING THE FLOW OF TIME-CRITICAL COMMERCE?

AND HOW DO NAVAL FORCES PROTECT HUMAN LIFE ON THE HIGH SEAS – ALL THE WHILE EXERCISING THE INHERENT RIGHT OF SELF DEFENSE?

THE CORRECT ANSWERS TO THESE QUESTIONS WILL DEPEND ON THE AUTHORITIES FOR PUBLIC AND NATIONAL SECURITY AND THE PUBLIC WILL OF EACH SOVEREIGN NATION. THERE ARE NO QUICK AND EASY ANSWERS TO THESE QUESTIONS -- BUT IT IS CLEAR TO ME THAT HOW WE ADDRESS THESE ISSUES WILL DIRECTLY AFFECT THE SECURITY OF ALL OUR CITIZENS.

IT IS MY JUDGEMENT THAT — WE – SOUTHERN COMMAND — AND ARGUABLY — THE U.S. GOVERNMENT — ARE AT A STRATEGIC INFLECTION POINT. BY STRATEGIC INFLECTION POINT -- I AM REFERRING TO A CONCEPT COINED BY ANDY GROVE – FORMAL CEO OF INTEL CORPORATION – IN HIS WRITINGS ON THE CHANGING GLOBAL BUSINESS ENVIRONMENT AND THE STRATEGIC DECISIONS THAT MUST BE MADE TO ADAPT TO THOSE CHANGES.

GROVE HAS DEFINED THE STRATEGIC INFLECTION POINT AS A POINT OR “POINTS IN THE LIFE OF EVERY INDUSTRY -- ORGANIZATION – AND INDIVIDUAL WHERE YOU MUST CHANGE DRAMATICALLY TO REACH NEW LEVELS OF PERFORMANCE. IF YOU MISS THESE POINTS – YOU WILL DECLINE.” THESE ARE POINTS IN TIME WHEN THE ENVIRONMENT

CHANGES SO DRAMATICALLY THAT RELIANCE ON THE SKILLS – BEHAVIORS – AND PRACTICES THAT MADE US SUCCESSFUL IN ONE PARADIGM ARE NO LONGER ENOUGH.

IN ORDER TO CONTINUE TO THRIVE – WE MUST BE WILLING TO – SOMETIMES – RADICALLY CHANGE OUR COMPETENCIES AND APPROACH. TO REMAIN COMMITTED TO THE OLD WAY OF DOING BUSINESS MEANS POTENTIAL UNDERPERFORMANCE AND OFTEN TIMES — FAILURE.¹

THIS NOTION APPLIES TO OUR APPROACHES TO BETTER GOVERNANCE AND SECURITY — AND VERY POSSIBLY — TO RECENT DEVELOPMENTS IN REGIONAL COOPERATION.

WHAT HAS CHANGED IN THE REGION OVER THE PAST FEW DECADES?

WHAT CONSTITUTES RADICAL CHANGE? DO OUR CURRENT APPROACHES MEET THE NEEDS OF OUR CITIZENS IN THE AREAS OF FREEDOM-- ECONOMIC WELL-BEING – SAFETY – AND SECURITY?

ACCORDING TO THE LATEST SURVEY REGARDING PUBLIC VIEWS OF DEMOCRACY IN LATIN AMERICAN AND CARIBBEAN COUNTRIES-- 9 OF 18 PUBLICS FAVOR DEMOCRACY OVER ALTERNATIVES-- BUT MOST GENERALLY RATE THEIR CURRENT DEMOCRACIES AS INADEQUATE. PUBLIC PREFERENCE FOR DEMOCRACY RANKS HIGHEST IN URUGUAY-- VENEZUELA-- AND COSTA RICA-- WITH INCREASES OVER THE PAST 4 YEARS IN CHILE AND EL SALVADOR AND DECREASES IN PERU – GUATEMALA – HONDURAS – AND THE DOMINICAN REPUBLIC.

ONE OF TWO KEY FACTORS INFLUENCING PUBLIC OPINION OF DEMOCRACY IS ECONOMIC PERFORMANCE. A UNITED NATIONS SURVEY IN 2003 REVEALED THAT A MAJORITY OF LATIN AMERICANS POLLED WOULD PREFER A DICTATOR TO A DEMOCRATICALLY ELECTED LEADER IF THAT CHANGE WOULD PROVIDE ECONOMIC BENEFITS.

IN RECENT YEARS – WE HAVE SEEN A RECOVERY IN ECONOMIC GROWTH ACROSS THE REGION:

- IN 2004 – REGIONAL AVERAGE FOR GDP GROWTH WAS 5.5%.

- IN 2005 – AVERAGE GDP GROWTH WAS 4.3%.
- AND ESTIMATED GROWTH FOR 2006 IS AT 4.1%.

ARGENTINA² – CHILE – PANAMA – PERU – DOMINICAN REPUBLIC – URUGUAY AND VENEZUELA³ – ALL REGISTERED STRONG GDP GROWTH FOR 2005.

WHILE POVERTY FIGURES HAVE DECLINED SLIGHTLY ACROSS THE REGION – THE BENEFITS OF GROWTH ARE STILL NOT FELT THROUGHOUT SOCIETY. 41% OF THE REGION'S POPULATIONS LIVE BELOW THE POVERTY LINE AND 17% LIVE IN EXTREME POVERTY.⁴

BY 2000-- CHILE HAD ALREADY ACHIEVED THE UNITED NATIONS' MILLENNIUM DECLARATION GOAL OF REDUCING EXTREME POVERTY BY HALF THE LEVELS POSTED IN 1990.

BY 2004 ONLY BRAZIL-- ECUADOR-- PANAMA AND URUGUAY HAD MET OR EXCEEDED EXPECTED PROGRESS TOWARD THAT SAME GOAL. ON THE OTHER HAND -- BY 2004 -- ARGENTINA AND VENEZUELA HAD HIGHER LEVELS OF EXTREME POVERTY THAN THEY DID IN 1990.⁵

LATIN AMERICA IS THE LEAST EQUITABLE REGION IN THE WORLD IN TERMS OF INCOME DISTRIBUTION.⁶

POOR INCOME DISTRIBUTION PREVENTS A SOCIETY'S RESOURCES FROM BEING ALLOCATED TO THOSE WHO WOULD DERIVE THE GREATEST BENEFIT. IT ALSO UNDERMINES THE DEVELOPMENT PROCESS AND HINDERS PROGRESS TOWARDS REDUCING POVERTY.

THIS IS A PHENOMENON THAT WE'VE ALL RECOGNIZED – AND I SAID THIS LAST YEAR – UNANSWERED GRIEVANCES AND UNFULFILLED PROMISES TO THE MARGINALIZED CONTINUE TO RESULT IN DEEP-ROOTED DISSATISFACTION WITH DEMOCRACY-- AS A PROCESS AND AS AN INSTITUTION. IN MANY PARTS OF THE REGION – DISTRUST AND LOSS OF FAITH IN FAILED INSTITUTIONS HAVE ALSO FUELED THE EMERGENCE OF ANTI-GLOBALIZATION AND ANTI-FREE TRADE ELEMENTS WHO INCITE VIOLENCE AGAINST THEIR OWN GOVERNMENTS AND THEIR OWN PEOPLE.

THE QUESTION REMAINS – IF THIS IS INDEED A PART OF THE ENVIRONMENT THAT PLACES OUR INSTITUTIONS AT A STRATEGIC INFLECTION POINT – WHAT DO WE NEED TO

CHANGE – WHAT CAN OR SHOULD WE CHANGE TO BETTER MEET THE NEEDS OF OUR CITIZENS?

THIS QUESTION HAS TO DO WITH THE SECOND KEY FACTOR INFLUENCING THE PUBLIC'S OPINION OF DEMOCRACY – THE ANSWER LIES IN THE GOVERNMENT'S PERFORMANCE OR ITS ABILITY TO ENSURE THE FREEDOM – ECONOMIC WELL-BEING – SAFETY – SECURITY – AND HUMAN RIGHTS OF ITS CITIZENS – IN SUMMARY – GOVERNANCE.⁷

A NEW REPORT FROM THE INTER-AMERICAN DEVELOPMENT BANK SUGGESTS THAT THE MAKING AND IMPLEMENTATION OF POLICY RATHER THAN THE SUBSTANCE OF THE POLICY ITSELF MAY DETERMINE THE EFFECTIVENESS OF GOVERNMENTS. THE STUDY FOUND THAT COUNTRIES THAT SCORED WELL ON HOW POLICIES ARE MADE AND CARRIED OUT ARE THE PLACES WHERE LIFE IS IMPROVING. NOT SURPRISINGLY – CHILE IS AT THE TOP OF THE LIST. EL SALVADOR IS ALSO HIGHLY RANKED. THE STUDY FINDS ARGENTINA AND VENEZUELA DO NOT FARE SO WELL.⁸

IN RECENT YEARS – WORLD BANK ANALYSTS HAVE DEVISED A METRIC TO RATE THE INSTITUTIONAL PERFORMANCE OF DEMOCRACIES AROUND THE WORLD. THE TRENDS CAPTURED IN THIS STUDY FOR THE PERIOD OF 1996-2004 SHOW THOSE COUNTRIES THAT SCORE HIGHEST IN GOVERNANCE – CHILE – URUGUAY – BRAZIL – AND PANAMA – ARE ALSO THOSE WHO HAVE SHOWN THE GREATEST PROGRESS TOWARDS REDUCING POVERTY. THOSE ARE WHERE THE PUBLICS SHOW THE GREATEST SATISFACTION OR PREFERENCE FOR DEMOCRACY.⁹

A QUICK LOOK AT SOME OF THE DATA I'VE JUST SHOWN YOU -- PUBLIC OPINION OF DEMOCRACY – ECONOMIC PERFORMANCE – POVERTY REDUCTION AND INEQUALITY – AND GOVERNANCE – WILL REVEAL AN INITIAL PATTERN:

CHILE – WHICH HAS A HIGHER GOVERNANCE RATING THAN THE U.S. – ALSO DEMONSTRATES STRONG ECONOMIC PERFORMANCE – HAS EXCEEDED EXPECTATIONS FOR POVERTY REDUCTION – AND IN RECENT YEARS – SINCE ITS TRANSITION – PUBLIC PREFERENCE FOR DEMOCRACY IN THAT NATION HAS GROWN.

URUGUAY'S PUBLIC OPINION OF DEMOCRACY IS THE HIGHEST IN THE SOUTHERN CONE. THE COUNTRY HAS REGISTERED SOLID GDP GROWTH – MET POVERTY REDUCTION GOALS – AND HAS ONE OF THE HIGHEST GOVERNANCE SCORES IN THE REGION. ADDITIONALLY – URUGUAY'S INCOME DISTRIBUTION IS THE MOST EQUITABLE OF THE REGION.

NOW – THESE ARE JUST A FEW FACTORS THAT DEMONSTRATE THE CORRELATION BETWEEN GOOD GOVERNANCE AND A BETTER LIFE FOR OUR CITIZENS. HOW DOES THAT RELATE TO DEFENSE AND SECURITY?

ANY ANALYSIS OF GOVERNANCE LOOKS AT DIMENSIONS OF PUBLIC SECURITY AND NATIONAL DEFENSE – OR SOVEREIGNTY. WORLD BANK RESEARCH ON GOVERNANCE TAKES AN INTEGRATED APPROACH – AND IT LOOKS AT SIX INTER-RELATED DIMENSIONS.

TWO OF THOSE DIMENSIONS RELATE DIRECTLY TO SECURITY AND SOVEREIGNTY:

– ONE DIMENSION IS POLITICAL STABILITY AND ABSENCE OF VIOLENCE — MEANING THE ABSENCE OF TERRORISM AND VIOLENT THREATS TO – OR CHANGES IN GOVERNMENT.

– ANOTHER DIMENSION IS RULE OF LAW – OR THE QUALITY OF THE LAW ENFORCEMENT CONTRACT – THE POLICE -- THE COURTS – AS WELL AS THE LIKELIHOOD THAT CITIZENS WILL BE CONFRONTED BY CRIME AND VIOLENCE.

OTHER DIMENSIONS IN THE STUDY LOOK AT POLITICAL – CIVIL AND HUMAN RIGHTS – THE QUALITY OF PUBLIC SERVICE DELIVERY -- AND THE CONTROL OF CORRUPTION — ALL OF WHICH HAVE RELEVANCE FOR PUBLIC SAFETY – PUBLIC SECURITY – AND NATIONAL SOVEREIGNTY.

FROM A MILITARY PERSPECTIVE – I'D LIKE FOCUS ON HOW THE SECURITY AND SOVEREIGNTY DIMENSION OF GOOD GOVERNANCE CONTRIBUTES TO ECONOMIC DEVELOPMENT— POVERTY ALLEVIATION AND STRENGTHENED DEMOCRACIES.

TODAY LATIN AMERICA AND THE CARIBBEAN BASIN FACE A WIDE ARRAY OF THREATS THAT ARE SUPREMELY DIFFICULT TO TACKLE – AND IN PREVIOUS FORUMS – WE'VE RECOGNIZED THAT TODAY'S GLOBALIZATION HAS NOT ONLY ALLOWED COMMERCE

TO RAPIDLY AND EASILY CROSS BORDERS – BUT IT ALSO ALLOWS FOR THE MOVEMENT OF THREATS TO OUR PEOPLE –THE PEOPLE OF THIS HEMISPHERE.

THESE THREATS — AND I’M SURE MOST OF YOU ARE ALREADY FAMILIAR WITH THIS LIST — INCLUDE:

- TRANSNATIONAL TERRORISM
- NARCOTERRORISM
- LOGISTICAL SUPPORT AND FUNDRAISING FOR ISLAMIC RADICAL GROUPS
- ILLICIT TRAFFICKING
- MASS MIGRATION – FORGERY AND MONEY LAUNDERING
- KIDNAPPING
- VIOLENT DEMONSTRATIONS
- CRIME AND URBAN GANGS – AND OF COURSE –
- NATURAL DISASTERS.

THE COMMON THREAD THAT RUNS THROUGH THESE THREATS IS THAT THEY CANNOT BE DEFEATED BY TRADITIONAL MILITARY MEANS. EVERY FACET OF THE NATIONAL POWER OF EACH OF OUR COUNTRIES WILL BE REQUIRED TO DETER OR ERADICATE THEM.

SO IF I MAY — I WOULD LIKE TO DESCRIBE TWO DIFFERENT CASES — THAT OF GUATEMALA AND THE EFFORT TO BRING SECURITY AND GOVERNANCE TO A SPECIFIC REGION — AND THAT OF COLOMBIA – WHERE THE EFFORT HAS BEEN BROADLY DIRECTED TO A NATIONAL LEVEL — THESE TWO EXAMPLES – I HOPE – WILL ILLUSTRATE THE RELATIONSHIP BETWEEN SECURITY AND GOVERNANCE AND DEMONSTRATE THE NEED TO INTEGRATE ALL ELEMENTS OF NATIONAL POWER FOR BETTER GOVERNANCE.

I RECENTLY RETURNED FROM GUATEMALA – WHERE I VISITED THE NATIONAL PARK AREA – CALLED LAGUNA DEL TIGRE — TIGER LAKE — IN THE PETÉN REGION — — ALONG THE BORDER WITH MEXICO. THIS PROTECTED NATIONAL PARK IS LARGELY UNPOPULATED AND – BECAUSE IT IS A NATURAL RESERVE – WITHOUT HUMAN INFRASTRUCTURE – AND HAS COME TO CONSTITUTE AN UNGOVERNED SPACE.

THE LACK OF GOVERNMENT PRESENCE IN THIS REGION AND ALONG THE BORDER HAS MADE IT AN IDEAL TRANSHIPMENT POINT FOR DRUG AND OTHER ILLICIT TRAFFICKERS MOVING THEIR ILLEGAL GOODS AND CONTRABAND FROM THE SOUTH TO THE NORTH— ALMOST ALWAYS THROUGH MEXICO.

IF YOU WILL DIRECT YOUR ATTENTION TO THE SCREEN —

WHAT YOU ARE SEEING HERE IS THE LAGUNA DEL TIGRE PARK. IF YOU FLY OVER THE REGION-- AND LOOK TOWARDS THE HORIZON – AS FAR AS YOU CAN SEE – YOU WILL SEE A LANDSCAPE THAT IS CRISS-CROSSED WITH AN INCREDIBLE NUMBER OF CLANDESTINE AIR STRIPS. WHAT I SAW IN THIS REGION WAS STARTLING!

IN THESE PHOTOS – WHAT YOU ARE SEEING ARE PLANES THAT WERE LOADED WITH DRUGS OR OTHER CARGO AND HEADED TOWARDS ONE OF THESE AIRSTRIPS-- WHERE THEY WOULD OFF-LOAD THEIR MERCHANDISE FOR GROUND TRANSPORT ACROSS THE MEXICAN BORDER. IF DETECTED BY THE GUATEMALEN AIR FORCE OR OFTEN – DUE TO LANDING IN THE DARK – THEY CRASHLAND – THEN OFFLOAD THE DRUGS – AND BURN THE PLANE BEFORE FLEEING IN AWAITING VEHICLES.

THE DRUG TRADE IS SO LUCRATIVE THAT AIRPLANES – SOME OF THEM LARGE ENOUGH FOR 45 PASSENGERS – ARE DISPOSABLE. IN AN AREA THE SIZE OF PERHAPS A COUPLE OF FOOTBALL FIELDS – I PERSONALLY SAW AT LEAST 8-10 PLANES THAT HAD BEEN INTENTIONALLY CRASHED AND BURNT BY DRUG TRAFFICKERS TO AVOID THE CAPTURE AND CONFISCATION OF THEIR CARGO.

THE EFFECTS OF THIS ILLICIT ACTIVITY AND PRESENCE IN THE LAGUNA DEL TIGRE PARK REACH FAR BEYOND THE SALE AND USE OF DRUGS IN THE U.S. – AND MORE AND MORE WITHIN SOURCE AND TRANSIT ZONE COUNTRIES – IT HAS DAMAGED A SIGNIFICANT NATIONAL RESOURCES – SABOTAGED ECONOMIC DEVELOPMENT – AND UNDERMINED RULE OF LAW – AND HAS BROUGHT CORRUPTION – VIOLENCE AND CRIME TO THE REGION:

- AIR STRIPS ARE CREATED BY BURNING THE FOREST AND UNDERBRUSH.

- THIS OFTEN LEADS TO UNCONTROLLED FOREST FIRES IN THE PARK – DAMAGING HUGE TRACTS OF LAND AND NATURAL HABITAT.

- SQUATTER COMMUNITIES HAVE INVADED PROTECTED NATIONAL PARK LANDS – POPULATED BY THOSE WHO COULD NOT FIND LEGAL JOBS IN THEIR OWN TOWNS AND — BY THE FAMILIES OF DRUG TRAFFICKERS.

– ENTIRE COMMUNITIES HAVE DEVELOPED TO SUPPORT THE ILLICIT TRAFFICKING INDUSTRY –PROVIDING SECURITY TO TRAFFICKERS AND FOR THE AIR STRIPS – TRANSPORTING DRUG CARGOS OVER LAND OR BY RIVERS.

WITHIN THESE COMMUNITIES – THERE IS NO GOVERNMENT PRESENCE – NO RULE OF LAW – BUT INSTEAD LAWLESSNESS -- CRIMINAL GROUPS AND GANGS – POACHING OF PROTECTED WILDLIFE – KIDNAPPING – TRAFFICKING IN ARMS – IN HUMANS – AND — — MOST COMMONLY— — IN DRUGS.

THE CRIMINAL AND ILLEGAL ARMED GROUPS IN THE REGION EXERCISED EFFECTIVE CONTROL OF THE POPULATION THROUGH INTIMIDATION AND IN MANY RESPECTS HAD BECOME THE DEFACTO “RULE OF LAW.”

THE AREA OF LAGUNA DEL TIGRE – THE PETÉN DEPARTMENT – INCLUDES TIKAL AND OTHER ARCHEOLOGICAL SITES – WHICH ARE PRIMARY TOURIST ATTACTIONS FOR THE COUNTRY. THE CRIMINAL ACTIVITY AND VIOLENCE ENGENDERED BY THE ILLICIT TRAFFICKING ELEMENTS —— SO CLOSE TO THE TIKAL SITE —— ALSO THREATENED TO UNDERMINE TOURISM THROUGHOUT THE PETÉN. GUATEMALA’S INCOME FROM TOURISM IS OVER \$770 MILLION DOLLARS ANNUALLY. THE POTENTIAL TO EXPAND THIS RESOURCE AND EXTEND ECONOMIC AND SOCIAL DEVELOPMENT TO THIS REGION HAS BEEN HELD HOSTAGE BY THE LACK OF SECURITY.

IN NOVEMBER 2005 – THE GUATEMALAN GOVERNMENT DIRECTED THE ARMED FORCES TO STAND UP AN INTERAGENCY TASK FORCE IN THE LAGUNA DEL TIGRE PARK. THIS TASK FORCE – LED BY THE BEST OF GUATEMALA’S SECURITY FORCES – SUPPORTS AN INTERAGENCY MISSION INCLUDING THE NATIONAL CIVILIAN POLICE – NATIONAL AIR

SOVEREIGNTY COUNCIL – IMMIGRATION DEPARTMENT – JUSTICE DEPARTMENT – AND OTHER GOVERNMENT AGENCIES AND NON-GOVERNMENTAL ORGANIZATIONS.

THE MISSION OF THIS INTERAGENCY TASK FORCE HAS BEEN TO COUNTER THE ILLICIT ACTIVITY IN THE PETÉN DEPARTMENT.

IT'S ONLY BEEN IN EXISTENCE FOR A SHORT TIME BUT – THE INTERAGENCY TASK FORCE HAS BEEN IN EXISTENCE -- IT HAS ACHIEVED GREAT SUCCESS SUCH AS:

- COMPLETE INTEGRATION -- COORDINATION AND INFORMATION FLOW ACROSS DEPARTMENTS AND AGENCIES --

- THE FIRST GOVERNMENT PRESENCE IN THIS REMOTE REGION –

- THE ESTABLISHMENT OF LAW AND ORDER FOR THE FIRST TIME – GAINING THE CONFIDENCE OF THE LOCAL POPULATION – NOT ALL OF WHOM ARE ANY LONGER DIRECTLY LINKED TO THE TRAFFICKERS –

- REDUCED ILLEGAL ARMS POSSESSION –

- IT HAS DESTROYED CLANDESTINE AIRSTRIPS –

- AND – MOST IMPORTANTLY THIS INTERAGENCY FORCE HAS SUCCESSFULLY DENIED ACCESS — THERE HAVE BEEN NO KNOWN DRUG TRAFFICKING AIRCRAFT IN THE PETÉN OVER THE 60 DAYS!! – – A SIGNIFICANT ACHIEVEMENT.

IN MY JUDGEMENT – ILLICIT TRAFFICKING IN THE PETÉN AND ITS EFFECTS – ALONG WITH THE ACHIEVEMENTS THE GUATEMALAN GOVERNMENT THROUGH THE EFFORTS OF THIS INTERAGENCY TASK FORCE -- CLEARLY DEMONSTRATES THE LINKAGE BETWEEN GOVERNANCE AND SECURITY. THEIR INTERAGENCY APPROACH IS THE FIRST STEP TOWARDS EFFECTIVE INTEGRATION OF SECURITY WITH THE OTHER COMPONENTS OF GOOD GOVERNANCE. THIS TASK FORCE REPRESENTS A POSSIBLE MODEL TO BE EXPANDED AND BUILT UPON. THEIR EFFORTS AND THEIR SUCCESSES MERIT OUR ADMIRATION AND SUPPORT.

THE SECOND CASE IS COLOMBIA.

IN 2003 PRESIDENT URIBE ANNOUNCED HIS DEMOCRATIC SECURITY AND DEFENSE POLICY – AN INTEGRATED APPROACH INVOLVING ALL INSTRUMENTS OF NATIONAL POWER AND ALL ELEMENTS OF THE GOVERNMENT – FROM THE NATIONAL TO THE LOCAL LEVEL. THE GOAL OF THIS NATIONAL STRATEGY, WHICH FRAMES COLOMBIA’S INTERNAL SECURITY EFFORTS, IS TO PROTECT THE RIGHTS OF COLOMBIAN CITIZENS BY STRENGTHENING THE RULE OF LAW AND THE AUTHORITY OF DEMOCRATIC INSTITUTIONS.

IF YOU STUDY THE COMPONENTS OF THE STRATEGY – IT ADDRESSES GOOD GOVERNANCE – RECOGNIZING THAT MILITARY AND/OR POLICE ACTION ALONE CANNOT ENSURE THE SECURITY – THE SAFETY AND THE WELL-BEING OF COLOMBIA’S CITIZENS.

THREE YEARS AFTER THE IMPLEMENTATION OF THE DEMOCRATIC SECURITY AND DEFENSE POLICY – COLOMBIA HAS ACHIEVED SUCCESSES ON THE BATTLEFIELD – AND BROUGHT A SECURITY PRESENCE TO ALL MUNICIPALITIES – PAVING THE WAY FOR ADDITIONAL GOVERNMENT INITIATIVES TO BRING SOCIAL SERVICES AND INFRASTRUCTURE TO THESE REGIONS.

THEY HAVE SECURED KEY HIGHWAYS BEYOND BOGOTA’S CITY LIMITS. FOR THE FIRST TIME IN MANY YEARS -- COLOMBIANS CAN TRAVEL ON THE ROADS FROM BOGOTA TO OTHER CITIES AND REGIONS IN THE COUNTRY. THIS HAS REACTIVATED DOMESTIC TOURISM, INTERNAL CIRCULATION OF CAPITAL – AND INDEED – COMMERCE.

AN EXAMPLE OF COLOMBIA’S CIVIL MILITARY APPROACH HAS BEEN THE CREATION OF THE CENTER FOR COORDINATION OF INTEGRATED ACTION — A CABINET LEVEL INTER-AGENCY CENTER DIRECTED BY THE PRESIDENT TO ESTABLISH GOVERNANCE IN CONFLICTED AREAS BY DEVELOPING ECONOMIC AND SOCIAL PROGRAMS – THEREBY COMPLEMENTING THE DEMOCRATIC SECURITY AND DEFENSE POLICY.

THE KEY FUNCTION OF THIS INTER-AGENCY BODY IS TO EXTEND GOVERNMENT PRESENCE — GOVERNANCE — OVER NATIONAL TERRITORY – BY PLANNING AND EXECUTING COMMUNITY DEVELOPMENT IN THE AREAS OF SECURITY – HEALTH – DOCUMENTATION – FOOD DISTRIBUTION – EDUCATION – JUSTICE – INFRASTRUCTURE DEVELOPMENT – AND

JOB CREATION. THIS PROGRAM IS EXECUTED AT NATIONAL – DEPARTMENTAL – AND LOCAL LEVELS OF GOVERNMENT — — IT TRANSITIONS THE SHORT-TERM SECURITY GAINS AND SUCCESSES INTO LONG-TERM BELIEF IN AND SUPPORT FOR —— GOOD GOVERNANCE.

THE EXAMPLES OF GUATEMALA AND COLOMBIA – AND I AM SURE THERE ARE OTHERS IN THE REGION – DEMONSTRATE THE INNOVATION REQUIRED TO ADEQUATELY ADDRESS THE CURRENT NEW SECURITY ENVIRONMENT. THEY REPRESENT POTENTIAL NEW APPROACHES TO GOVERNANCE THAT MERIT FURTHER EXPLORATION.

IN TODAY’S WORLD-- PROFOUND CHOICES LIE BEFORE US – WE ARE AT A STRATEGIC INFLECTION POINT AND MUST WORK TOGETHER TO DETERMINE HOW WE CAN BEST PROVIDE FOR THE NEEDS OF OUR CITIZENS. THIS MAY INVOLVE BREAKING OLD DEFENSE AND SECURITY PARADIGMS AND DEVELOPING AND IMPLEMENTING NEW APPROACHES — — ALWAYS A DIFFICULT CHALLENGE.

THANK YOU OFR THE OPPORTUNITY TO BE HERE WITH YOU TODAY. I LOOK FORWARD TO TAKING YOUR QUESTIONS.

¹ Andrew Grove-- Intel Corp. "Only the Paranoid Survive" (1996).

² Argentina’s high growth can be partially accounted for by a rebounding from negative growth trends prior to 2004.

³ Note short-term impact of Petrodollars on Venezuelan economy.

⁴ *Social Panorama of Latin America-- 2005*. ECLAC-- November 2005.

⁵ *The Millennium Development Goals: A Latin American and Caribbean Perspective*. ECLAC-- June 2005.

⁶ *Social Panorama of Latin America-- 2005*. ECLAC-- November 2005

⁷ Unemployment-- poverty and criminal activity rank among the publics’ greatest concerns in the region (Latinobarómetro).

⁸ *Politics of Policies*. Inter-American Development Bank (also cited in NYT Article). IDB study provides additional charts on effectiveness of bureaucracy and policy implementation.

⁹ “Latin American Views on Democracy: Support Hinges on Economy-- Performance and Values.” *DoS Opinion Analysis*. (October 2005) correlates satisfaction with democracy and World Bank Research Governance Scores.