RELEASE IN PART B6

From:

Mills, Cheryl D < MillsCD@state.gov>

Sent:

Tuesday, July 5, 2011 7:56 AM

To:

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Cc:

Sullivan, Jacob J; Abedin, Huma

Subject:

FROM LUIS MORENO - FOLLOW-UP FROM YOUR PLANE CONVERSATION

Attachments:

Mrs Secretary .docx; Mrs Secretary .docx

Ideas for a U.S-Latin America agenda towards 2012

Concept:

- Due to the consolidation of Liberal Democracy, free market policies, sound macroeconomic management and institutional strengthening, a great number of Latin American countries have experienced a dynamic transformation during the last two decades. Because of that, the IDB, many analysts, statesmen and prestigious publications have referred to the period between 2010 and 2020 as "The Latin American Decade".
- However some countries face challenges that must be addressed. One of them is the security crisis in Central America driven by narco-trafficking and organized crime that requires a comprehensive Plan with multi-party leadership.
- Other countries that have experienced an impressive social and economic transformation face the need
 to improve their policies to close the gender gap, improve education and promote entrepreneurship, in
 order to become more competitive and continue to expand the middle class.
- <u>Facing this reality the United States Government has a unique opportunity to promote a regional agenda, looking towards the Summit of the Americas to be held in Colombia in 2012.</u>

Ideas for the 2012 agenda:

Security Situation in Central America:

- To face the challenging security situation in Central America a comprehensive action plan was agreed during the regional summit that took place in June 23 2011. With the purpose of achieving the objectives defined in the action plan, the creation of a multi-party coordination group should be considered. Examples as the Contadora Group in the 80's, designed to build peace agreements in Nicaragua, Salvador and Guatemala or the Quartet on the Middle East, can become effective bodies of coordination, execution and consensus building.
- The United States, the European Union and the region can identify 3 individuals with credibility and proven executive capacity to lead the coordination group. Names like Jeb Bush, Alvaro Uribe and Xavier Solana would meet that criteria and help the countries put in place the action plan and find the necessary cooperation from the international community.

The road towards the Summit of the Americas:

- Considering the importance of the 2012 summit of the Americas and the need to have tangible and
 effective outcomes, three preliminary events could be organized to set the roadmap in the following
 areas:
 - 1. Closing the gender gap: Being two of the region biggest economies (Brazil and Argentina) governed by women, and acknowledging that in 2010 23% of regional members of Parliament and 30% of Cabinet Members were woman, there is a significant potential to adopt policies that close gender gaps. This endeavor must include improving labor conditions, prevention and sanction of domestic violence, discrimination and women trafficking, promotion of micro-credit and a transformation of vocational and communitary projects in low-income populations.
 - 2. <u>Intra-Regional educational and cultural exchange</u>: Following the successful experience of the Alliance for Progress, <u>the United States Government can create a new scholarship program that facilitate Latin-American citizens to study in the United States and encourage American students to have and academic and cultural experience in the region. Setting a target of 200.000 scholarships in the course of decade can become a life changing experience to students in Latin America and the Caribbean.</u>
 - 3. The Hispanic community contribution to the United States: The Hispanic community has become overtime a very important contributor to the U.S economy. According to the U.S Census Bureau in 2007 there were 2.3 million Hispanic-owned business, generating 257US\$ billion in revenues and creating almost 2 million jobs. The consumption market of 1.3US\$trillion, generated by a 50 million population continues to become more vibrant day by day. Launching a joint initiative between the SBA, OPIC, the Export-Import Bank and the IDB to improve cross border ties and develop new trade and investment relations between the Hispanic community in the U.S and the region will be an effective win-win policy.

During the summit:

- Business Leaders Forum: Considering that many high profile summits such as the case of APEC, count with dynamic business forums, the regional Presidential Meeting in 2012 cannot be the exception. President Santos as the Summit Host has expressed his support for a Business Leaders Round Table during the event. Having the possibility for U.S and Regional CEO's to interact and discuss ideas to increase intra-regional trade will enrich the summit beyond its pure diplomatic nature.
- <u>Establishing a small group of U.S CEO's from corporations with a strong presence in Latin America and the Caribbean such as Caterpillar, GE, Google and JP Morgan, to organize the round table, will be crucial.</u>

Other strategic actions:

<u>U.S-Brazil Ethanol Agreement:</u> The U.S Senate has recently approved a Bill facilitating the import of Brazilian Ethanol by reducing tariffs. A debate and vote from the House of Representatives should take place in the course of the following months. <u>Considering that such a Bill constitutes a symbol of energy security and sustainable energy cooperation in the hemisphere, the U.S Government should support the initiative and announce it in the context of a stronger partnership with the Latin-American region.</u>

East Caribbean Economic Alleviation Initiative: East Caribbean Countries are facing extremely complex challenges. They are importers of energy in times of soaring prices. Remittances and tourism flows have been reducing at a fast pace, fiscal and debt situations continue to deteriorate and more importantly. they are extremely vulnerable to natural disasters. Taking into account the small size of these economies and the profound impact that a Debt Relief and Sustainable Energy Cooperation Plan could have, the U.S, the U.K and other countries could design an Economic Alleviation Agenda for 2012.

The IDB Role:

The Inter-American Development Bank is ready to play a key role in each one of the listed recommendations and continue to act a credible institution for consensus building in the Americas.

Forward for my new book "The Latin-American Decade":

Finally I will like to reiterate my gratitude for your acceptance to write a forward for the English version of my book "The Latin-American Decade". This book clearly describes the economic, social and political transformation the region has faced, as well as the potential for the upcoming years. It also highlights challenges ahead and presents a variety of recommendations. Your forward will enrich the book and create awareness from public opinion throughout the world.

From: PRE [mailto:lnm(Sent: Saturday, July 02, 2011 10:35 AM To: Mills, Cheryl D

Subject:

Dear Cheryl:

I hope you had a good trip to Haiti. Attached pls find a short memo for the Secty on a number of issues we spoke on the plane on our way down to Guatemala. Would love to have a chance to speak with you when you have a minute. I hope you have a great 4th of July weekend. All the best,

Luis

B6