



PRESIDENTE DE LA REPÚBLICA
ENRIQUE BOLAÑOS GEYER

PRESENTATION AT THE INTERAMERICAN DIALOGUE

SEPTEMBER 24 - 2004



1. We value the opportunity to address this prestigious Dialogue that holds an intellectually and politically diverse group.
2. We feel that outside of specialized courses, very little is said and shared in US institutions about Latin America and Latin American Governments.
3. When we do get mentioned, and this should not be construed as a complaint, but as an observation, eyes are normally cast at the Latin problems such as Governance in Venezuela, inequality in Brazil, lack of Growth in Argentina...
4. Very little of that very little, is said about Central America. What you get about us is nano-information.
5. Today, I intend to make a modest effort to redress this issue.
6. Revolutions make headlines and thus, very few outside academia know that Daniel Ortega –whom they all recognize, has lost three consecutive free elections in Nicaragua.
7. Even fewer people realize that Managua is the safest capital city in the Americas; that the criminality rate –according to Interpol statistics– for 100,000 people was 9,927 for England, 7,736 for Germany, 4,161 for the U.S., and 1,750 for Nicaragua.
8. That homicides for 100,000 people as a world average was 8.86, the Latin American average was 22.9, El Salvador 117, Guatemala 45, Honduras 41, Los Ángeles 21.9, Chicago 31.7; Costa Rica 7.2, and Nicaragua only 3.4.
9. That our inflation rate has been in single digits for a score. That we have reached the conclusion point of the HIPC initiative by which the Nicaraguan foreign debt has been reduced by 87%, and that our Aids infection level is one tenth that of Scandinavia, and only one third of the Latin American average..
10. Most importantly, few are aware that we have led a successful sub-regional effort: the CAFTA negotiations between Central America (including the Dominican Republic) and the US.

11. One year ago, I presented the Nicaraguan people with a Medium to long-term perspective on development: The National Development Plan which is a proposal to be used as a starting point to develop a national agenda for growth, equity and governance.
12. For we believe that Good Governance is not a methodology, nor a state of being, nor a magic formula.
13. Good Governance is the result of democracy: it is an output of combating corruption while respecting human rights for all, at home and abroad. It is the result of resolving our disputes with our neighbors without the use of force or the threat of use of force. It is the result of upholding freedom of the press and freedom of expression while recognizing that the limits to our own rights start where we meet the rights of our neighbors.
14. For that reason, my Government has presented the Governments of Central America, all members of the Central American Democratic Security Treaty, with an alternative to find a *reasonable regional balance of defense forces*, while reducing dangerous weapons. The other presidents have responded positively and the armies and experts are working out the details "with a sense of urgency" to meet the schedule agreed upon that places December 2004 as the completion point.
15. We are a reliable partner in the fight against terrorism. Nicaragua was an early participant in the "Coalition of the willing" because we could not stand idle in the face of grave violations of human rights in Iraq.
16. We Nicaraguans are a kind and grateful people. Early this year we received, to a hero's welcome, the small number of doctors, nurses and mine-sweepers doing humanitarian work with the Spanish brigade in Iraq, in return to the large humanitarian assistance we have received during the last two decades.
17. In order to better put into perspective the situation in Nicaragua let me repeat what the US President, Mr. George W. Bush, wrote to me last month: ***"I congratulate you and your economic team on the progress you are making to advance economic reform and on your recent decision to forge a partnership with the G-8 countries to fight corruption and improve transparency"***.
18. The same has been said by the Senate Appropriations Committee of the US: ***"The Committee believes that President Enrique Bolaños of Nicaragua deserves strong support for launching a courageous anti-corruption campaign... The Committee requests USAID and the State Department to review United States assistance programs for Nicaragua..., and to consult with the Committee as it prepares its fiscal year 2005 budget request for Nicaragua."***
19. On the other hand, anti-corruption is much more than just putting corrupt officials in jail; it starts with a hard look at national values or lack of values, it entails a continuous effort at public sector reform with an eye on streamlining government, while reducing the monopoly power of those who take decisions...
20. An anti-corruption drive means looking for ways to make it expensive to undertake corrupt activities for the giver and for the taker in economic as well as social terms.
21. A national integrity program has been working on drafting and presenting to congress the laws needed to implant a more transparent way of doing things.
22. This includes a revamping of the Judiciary system in the medium term and the introduction of alternative dispute resolution mechanisms in the short run.
23. We are members of MIGA and have ratified the New York and the Panama Conventions on Arbitration.

24. During a recent visit to Nicaragua, Mr. Robert Klitgaard, from the Rand Corporation Development Institute, and a respected Guru in anti-corruption, acknowledged our good results in the fight against corruption.
25. However, while Transparency, Integrity and just plain Honesty are preconditions for investment to take place, they alone, are not enough.
26. A long term vision is tempered with a Scandinavian saying that ***“if you do not know where you are going, any road will take you there”***. Only our long term goals can help us in taking steps, and hops and bounds, frog-leaping sometimes, to advance towards development.
27. Micro-economically, we have been working under the guidance of Michael Porter of the Harvard Institute for International Development in establishing a National Competitiveness Program that goes to the root of development.
28. We seek to reduce transaction costs and, eventually, production costs for those companies investing in Nicaragua.
29. We have identified seven clusters where we are going to concentrate our scarce resources: aquaculture and the blue revolution; beef and dairy products; light manufacturing; wooden furniture and parts; specialty coffee; tourism and agribusiness. Basic Infrastructure such as first roads and first ports will have to be provided by the Government. The private sector provides alternatives once the basic infrastructure is there, not before.
30. We have qualified for the Millenium Challenge Account that the US Government has set up for deserving governments that comply with certain pre-requisites. Our program has been presented to the board for review.
31. We have fine-tuned our development plans to support the clusters and our investments in the war against poverty. Health and human services as well as education are going to be provided with a view to strengthening activities that create jobs.
32. For it is job creation through investment in the private sector the only way to get out of poverty.
33. Let me humbly quote Mr. Porter himself about what he has seen in Nicaragua regarding microeconomic efforts at making the country more competitive: ***“I’m frankly amazed by all the advances made by the Government of President Bolaños ... I have worked in many countries in the world, and it is easy to speak, what is difficult is to act; I find President Bolaños actions awesome.”***
34. As for now, we still need assistance to come out of a 780 dollar per capita income situation. We still need the assistance from the US, the EU, from Japan, and other friendly countries.
35. We need help in infrastructure for development, help in poverty alleviation, help in measures to strengthen Governance.
36. In the task of moving my country forward, I’m not alone. Let me tell you about my Cabinet: I have two PhDs from Harvard, both from the Kennedy School; a Juris Doctor from Harvard Law School; three Harvard MBA’s; one Masters of Public Policy from Harvard Two University of Texas Graduates; an MBA from Chicago; an MBA from Wharton; a Masters of Diplomacy from Oxford; a Ph.D. from the University of Bordeaux; a Ph.D. from the University of Berlin; an MS from the Sorbonne..., just to give you some examples.

Thank you very much.

1,410 Palabras