



THE PRESIDENT OF THE REPUBLIC OF NICARAGUA  
ENRIQUE BOLAÑOS-GEYER  
ADDRESS TO COLUMBIA UNIVERSITY  
SEPTEMBER 24, 2003



President, Faculty, authorities and Student Body of Columbia University.

In the name of God and of Nicaragua:

1. We value your invitation to address this prestigious faculty that holds the best of the recent past and many of the relevant present scholars as well as a student body that has repeatedly proven that once they leave the University they are the leaders of America and indeed, the world.
2. Yet, we feel that outside of specialized courses, very little is said and shared about Latin America and Latin American Governments, inside the halls and corridors of this - one of the finest US learning institutions. When that happens, and this should not be construed as a complaint, but an observation, eyes are normally cast at the Latin problems such as Governance in Venezuela, inequality in Brazil, lack of Growth in Argentina, etc.,

3. Very little of that very little, is said about Central America. The new technology would put it bluntly: what you get about us, is nano-information.
4. I intend today to make a modest effort to redress this.
5. Revolutions make headlines and thus, very few outside academia know that Daniel Ortega – whom they all recognize, has lost three consecutive elections in Nicaragua, and is now a very quiet deputy in the National Assembly.
6. Even fewer people realize that Managua is the safest capital city in the Americas; that our inflation rate has been in single digits for a score, that we have signed a three year agreement with the IMF for stability and growth, and that our Aids infection level is one tenth that of the US.
7. Most importantly, few are aware that we have led a successful sub-regional effort –the latest round has just finished in Managua, to sign a Free Trade Agreement with the US: The Central American Free Trade Agreement, known as CAFTA. Two more rounds should take us to ending negotiations in late 2003 with signature next year.
8. A fortnight ago, I presented the Nicaraguan people with a Medium to Long Term perspective on development. I presented a proposal that is to be used as a starting point to develop a national agenda for growth, equity and governance.

9. For we believe that Good Governance is not a methodology, nor a state of being, nor a magic formula.
10. Good Governance is the result of democracy: combating corruption while respecting human rights for all Nicaraguans 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.
11. For that reason, my Government has presented the Governments of Central America a proposal to find a reasonable regional balance of defence forces while reducing dangerous weapons. The other presidents have responded positively and the armies and other experts are working out the details in a task that has been presented to them “with a sense of urgency” by all signees.
12. 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.
13. We have a small number of doctors, nurses and mine-sweepers doing humanitarian work with the Spanish brigade in Iraq, as we have been in the past recipients of humanitarian assistance in response to our needs.
14. Summing it up, Good Governance is the result of a Government doing the right things in the political arena.
15. In order to better put into perspective the situation in Nicaragua let me quote what the Senate Appropriations Committee has to say about the new Nicaragua under my leadership: *“The Committee believes that President Enrique Bolaños of Nicaragua deserves strong support for launching a courageous anti-corruption campaign, including issuing indictments against the former President, several of his closest relatives and associates and many high ranking former government officials.”*
16. *The Bolaños government has worked with the assistance of the US Department of Justice on several of these investigations. Despite these welcome steps, Nicaragua remains among the most severely impoverished countries in this hemisphere. Unemployment is widespread. Subsistence farmers are facing increased hardships. The collapse in coffee prices has exacerbated an already dire situation.*
- The Committee requests USAID and the State Department to review United States assistance programs for Nicaragua with a view toward more substantially and effectively addressing these urgent needs, and to consult with the Committee as it prepares its fiscal year 2005 budget request for Nicaragua.”*
17. Anti-corruption is much more than putting corrupt officials in jail; it starts with a hard look at national values and 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, and avoiding granting bureaucrats discretionary powers.
18. An anti corruption drive entails 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.
19. This includes a revamping of the Judiciary system in the medium term and the introduction of alternative dispute resolution mechanisms in the short run.
20. However, while Transparency, Integrity and just plain Honesty are preconditions for investment to take place, they alone, are not enough.
21. A long term vision is tempered with that old Swedish saying that *“if you do not know where you are going, any road will take you there”*. Only when your sights are set on a long term goal can you take the short steps that will take you there in hops and bounds, frog-leaping

sometimes, advancing at snail's-pace sometimes but never stopping on the way to development.

22. For Economic Growth is not a methodology, nor a state of mind, nor a way of doing things. Growth is the result of doing the right things in the economic arena.
23. 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.
24. We seek to reduce transaction costs and, eventually production costs for those companies investing in Nicaragua.
25. 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.
26. For it is job creation through investment in the private sector the only way to get out of poverty.
27. 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."*
28. Nevertheless, more employment, by itself, is not enough to ensure that more and more Nicaraguans live with dignity as we define it: to have a job, school for their children, access to clean water and health services and a roof over their heads.
29. For equity is the result of doing things well in the social arena. Poverty is our only enemy and fighting poverty entails not only fighting inequality by providing opportunities for all, but also fostering growth from which to sustain redistribution. That is the way to seek equity, and all of this can be done only in a stable political environment resulting in Good Governance.
30. The well-being of our people so that more and more Nicaraguans can have a dignified life, is the result of our working at the political, social and economic levels at the same time.
31. Eventually, we will be able to do this alone. For now, to come out from a US\$ 700 per capita income situation, we need help. The US help, the EU's help, the help of Japan, the help of multinational finance institutions.
32. In the field of Cooperation we are making inroads into a new way of managing cooperation. The donor-driven project-approach is being replaced by a more transparent modality that requires more trust in recipient integrity but provides increasing efficiency: Budget Support Funds. More and more of the Cooperation is being channeled this way
33. We need help in infrastructure for development, help in poverty alleviation, help in measures to strengthen Governance. Look at this as bridge financing, not as a permanent fixture.
34. In the task of moving my country to development, I'm not alone. Let me tell you about my Cabinet: I have 2 PhDs from Harvard, both from the Kennedy School (Minister of Education and Chief Economic Adviser), a Juris Doctor and a Master of Law from Harvard (The Minister of Health and the Attorney General). Three Harvard MBA's (the Minister of the Treasury, the Director of the Investment Promotion Service and the President of the Energy Board), one Masters of Public Policy

from Harvard (the Vice-Minister of Foreign Affairs). Two University of Texas Graduates (the Minister of Foreign Affairs, BBA and the Minister of Trade and Industry, Ph.D.), a PhD from Stanford who studied under Condoleezza Rice (the Vice-Minister of Trade and Industry); an MBA each from Chicago (President of the National Finance Institute) and Wharton (our envoy to the Inter-American Development Bank), a PhD from Cornell (Adviser to the Minister of the Treasury), a PhD from Oxford (Ambassador to Brazil), a PhD from the University of Bordeaux (Ambassador to the UN Geneva), a PhD from Berlin and an MS from the Sorbonne (Advisers to the Foreign Minister). One Master of Science, University of Delaware (Ambassador to Spain).

35. Three distinguished members of our Foreign Service have advanced degrees from Columbia University, two of them ladies, to boot: An Environmental Ambassador, our Trade Officer in Miami and our Minister-Counselor in our UN Mission, downtown.

36. Summing up, only when we have environmentally sustainable economic growth in good governance, with equity for all our men and women, our ethnic groups and our regional autonomies, can we have real human development. That is our goal; that is our vision; that is our dream! That is precisely what we have set out to do.

37. God bless Columbia University, God Bless the Big Apple, God Bless America, God Bless Central America, God Bless Nicaragua. Thank you very much.