

a variety of topics. I heard from the Secretary of State about the Vice President's visit and the Zinni mission. So we're making progress. We heard, of course, from the Secretary of Defense about our progress in the war on terror, and I appreciate his leadership and the bravery of the military.

We talked about a lot of other issues. One thing I want to urge the Senate to do is to pass 245(i). This bill passed the House, and it now needs to pass the Senate. It is a bill which enhances our border security and, at the same time, says that if someone's living here legally, they won't have to leave the country in order to stay with their family. In other words, they won't have to leave the country, apply, and then come back to be with their family. We believe in family values. We believe good policy keeps families together. The House agreed with us, and the Senate

ought to act. The Senate ought to get this done and particularly soon.

I'm going to Mexico. I want to show our friends the Mexicans that we are compassionate about people who live here on a legal basis, that we don't disrupt the families for people who are here legally. So I think it's going to require some leadership in the Senate, and I look forward to seeing the Senate get this done soon.

And I thank you all for coming today.

NOTE: The President spoke at 3:08 p.m. in the Cabinet Room at the White House. In his remarks, he referred to U.S. Special Envoy to the Middle East Gen. Anthony Zinni, USMC (Ret.); and section 245(i) of the Immigration and Nationality Act, which expired April 30, 2001. A tape was not available for verification of the content of these remarks.

Message to the Congress Transmitting the 2002 Trade Policy Agenda and 2001 Report on the Trade Agreements Program *March 19, 2002*

To the Congress of the United States:

As required by section 163 of the Trade Act of 1974, as amended (19 U.S.C. 2213), I transmit herewith the 2002 Trade Policy Agenda and 2001 Annual Report on the

Trade Agreements Program, as prepared by my Administration as of March 1, 2002.

GEORGE W. BUSH

The White House,
March 19, 2002.

Interview With Latin American and American Spanish Language Journalists *March 19, 2002*

Visit to Latin America

The President. I'm going to give you an opening statement. But first of all, these observers are simply that.

Q. They're not going to take one question.

The President. They get no questions. They're here just to listen to your questions and my answers. They probably will like your questions and not like my answers. [Laughter]

Anyway, let me talk about the trip from my perspective, and we'll kind of rotate

around. Everybody will get at least one question; hopefully everybody will get two.

First, I'm looking forward to my trip. Obviously, one of the main purposes of the trip is to go speak about development, world development, in Monterrey. I will lay out there for the world leaders what—I already did so in our country—which is the Millennium Challenge Fund, of a fund that will ultimately be \$5 billion a year. It starts at \$1.5 billion, roughly \$1.5 billion, and then will go up to about two-thirds of \$5 billion, and then will be at \$5 billion in year three and will remain at \$5 billion.

And that fund will be used to encourage—first of all, it will say our country assumes our rightful responsibility to help developing nations, but we expect there to be rightful obligations on those who receive them to make sure that there's an education system that works, a health care system that works, an opportunity for development of an entrepreneurial class or small businesses, foster trade between ourselves. And countries that practice good habits will get money. Now, this is on top of roughly \$10 billion which we spend already in direct development aid, not including other projects, assistance to the World Bank organizations, et cetera.

Also, I'm really looking forward to seeing my friend the President of Mexico. He was my friend prior to September the 11th; he was my friend after September the 11th; he'll be my friend for a long period of time because I know him well. I respect him a lot. We've got a very good relationship, and obviously, we've got a very important bilateral relationship.

So we're going to have a—we'll have a discussion about issues that are common issues. Obviously, the border is a common issue, how to make the border work better, looking at a variety of options as to how to modernize the border between Mexico and the United States, as well as the border between Canada and the United States.

I'll discuss some ideas with him. We'll continue to talk about migration, the need

to make sure that people are treated with respect when they come to this country; that I strongly believe that we need to pass what we call 245(i) here. The House has done so; the Senate hasn't done anything yet. And I'd like to get that done quickly. We're urging the Senate to move and to get this bill passed.

And we've got a lot of discussions about commercial relations and law enforcement relations. We've got great cooperation. I've been very impressed by the dialog that we've had. It was a good dialog before the attacks; it's been a good dialog after.

Then we go down to Peru. I'm looking forward to seeing President Toledo. He is a leader dedicated to democracy and reform. I'm really looking forward to being in Lima. I've never been there. It's going to be an exciting trip for me and *mi esposa*. And it will not only give me a chance to have a good bilateral discussion with *el Presidente* on a variety of subjects, not the least of which will be counternarcotics cooperation, trade. I'm very concerned about opening markets in the United States. We'll talk to him about that.

And then we'll be meeting with other leaders from the Andean trade pact. And I look forward to meeting them as well. I've known most of them before. This will be the third or fourth time I've seen President Toledo, so I've got a familiar relationship with him.

And then off to El Salvador to discuss a free trade agreement with the Central American countries and to see my friend President Flores, who is really one of the bright young leaders. I admire him a lot and respect him a lot. So I look forward to discussing—the main discussion in Central America will be trade, will be the focus on how to enhance prosperity.

The main discussions with the Andean countries will be trade plus, obviously, the issue of drugs, *drogas*. I will remind all countries, however, that our Nation has got to do a better job of suppressing demand. In order to make sure that we're effective

in dealing with the Andean nations, with the issue of borders, safe borders with Mexico—so long as we've got people using drugs in America, somebody is going to provide them. And it's likely they're going to come from our neighbors. So we've got a big obligation at home as well. I want to make that clear to the leaders and the people as well.

So this is going to be an exciting trip. I said when I first got elected that good relations in the neighborhood, in our own neighborhood, is the cornerstone of a good foreign policy. I meant that. My first trip as President was to Mexico. I continue to stay very much involved in the neighborhood, and so I'm looking forward to the trip.

Trade Promotion Authority

Q. Yes, Mr. President. In your trip to Mexico City, you're talking about—

The President. Mexico City, do you mean Monterrey?

Q. I'm sorry, Monterrey.

The President. I was going to say, have we got another trip, and they forgot to tell me? [*Laughter*]

Q. When you're talking about trade, you obviously know that the whole issue of fast track hasn't gone anywhere here in the Senate. Do you see that—

The President. In the Senate? Yes.

Q. And in Congress, itself.

The President. Well, the House passed it, remember?

Q. Right.

The President. We got it out of the House, which a lot of people didn't think we were going to be able to do.

Q. So as far as trade conversations down there, do you see that as a problem?

The President. No, I don't. I see it—I will remind them that we'll continue to work hard with the Senate. I'll remind them of some of the language of some of the Senators that do believe that we ought to have a free trade agreement. We ought to extend the Andean Trade Preference

Act, which I will continue to push and won't happen prior to my leaving. I'm going in 2 days. But nevertheless, we're confident we can get that done.

I will also remind them trade promotion authority passed the House. A lot of people thought that was a higher hurdle than the Senate. The Senate leadership has said that they're going to bring this bill up. I don't know the timing of it yet, but we're going to push hard to get it done as soon as possible. It is an important issue to a lot of Senators, and I think I'll get it done. So I'll talk about that. Obviously, we have an obligation at home to get TPA passed, and we're halfway there.

And then we'll also talk about free trade in the Americas, as well as the Central American—the trade negotiations. I'll be talking about Chile, starting with the free trade agreement with Chile. We think we can get that done this year as well.

So there is a lot of positive progress. And I'll remind them that on the decision I made on steel, I honored the agreements and the commitments of NAFTA and the free trade agreement. And so, as a result, Canada and Mexico were excluded from the agreement, as are most developing nations. And the only nation that's been affected is Brazil in our hemisphere, and only to the extent of about 12 percent of her steel production—or her exports.

Assistance to Colombia

Q. Mr. President, in Lima, you are going to meet with President Pastrana of Colombia.

The President. Yes, I am.

Q. While your administration is moving to increase the aid, the military aid to Colombia, to fight the foreign guerrillas—but according to the U.S. State Department, most of the drug trafficking—no, much of the drug trafficking problem and human rights violation is responsibility for the rightwing paramilitary group AUC. Aren't you afraid that your effort could not help to solve a big part of the problem?

The President. Am I afraid—I beg your pardon—afraid of the?

Q. That you help the Colombian Government to fight the FARC—

The President. Well, we expect them to fight all renegade and terrorist groups. We expect them to hold the line. I mean, we are not picking and choosing. We believe that AUC and FARC need to be—we need to focus on AUC and FARC, and the third group—I understand Mr. Pastrana is in discussions with them right now, and we'll see how that goes.

And so we don't play favorites with terrorist groups and renegade groups. We believe there's equality, and they're equally bad. And so we're going to insist that we—not insist—we will offer help and aid, like we have done. Right now we're restricted by Congress to focus on narcotrafficking, and we believe that we will work—we need to work with Congress to help broaden the focus to counterterrorism. And we're more than willing to have those discussions with Congress. I've already done so.

But I have always said that we'll stay within the confines of the law. We have no interest in committing ground troops, but we do want to help them, and we'll do so.

Impact of Trade on Developing Countries

Q. Mr. President, about this trade agreement with Central American countries—and I'm thinking specifically of El Salvador. How is your vision—how do you make these free trade agreements into benefits for the real people? I mean, in terms of development, what's your vision?

The President. Well, I think people—first of all, the statistic I like to quote is that we buy \$450 billion of goods from developing nations on an annual basis. I think that's the number I used the other day in my speech. That is 8 times more—and that, by the way, ends up—when you purchase goods, you're actually purchasing something that requires labor, and labor is a job. And so one of the focuses of this

administration is how to put policies in place that enable people to work for a living. What is it—what is it we can do with each other? And trade equals jobs, as far as I'm concerned. And the trade figures, which really put money directly into the economies of countries with whom we trade, are significantly bigger than direct aid. And so it makes sense to promote trade.

So the answer to your question—and I'm confident people in your fine country are asking, "What good is it for me? How will this benefit me?" And that's a legitimate question people ask. And the answer is, trade equals jobs. The more markets are open, the more trade there is, the more jobs available. And the President understands; President Flores understands that. And that is very important to understand. It is—the amount of capital that ends up flowing within the private sector in the country is significantly greater than any aid package could possibly be. And that's important for people to know. And that's why I think President Flores is excited about the idea of having this trade pact.

And obviously, countries are going to have to put procedures in place that will allow for the orderly development of a private sector, rule of law, anticorruption measures. No one is going to do business if you get money stolen from you. There's got to be tightening of anticorruption measures. There's got to be a good education system. And part of the Millennium Challenge Fund will help developing nations develop an education system.

One of the things we learned from northern Mexico—the trade—is that trade created a lot of job opportunity. And the job opportunity created training opportunities, which in itself was good education for many people. The border region of my State, while still poor, has changed significantly as a result of the trade policies. And Monterrey has blossomed into one of the great financial centers of the hemisphere because of trade.

And so there's a lot of positive benefits for people. People talk about health care, and it's essential that we have good health care. But it's—a society that is generating wealth is one much more likely to provide good health care for her people. And there's a lot of benefits to trade. And so that's probably the most direct benefit to the people.

Drug Interdiction/Intelligence

Q. One small detail concerning what he asked you before. Is Peru, Colombia, and the United States talking about a place in an intelligence basement in the jungle of Colombia and Peru to fight narcotraffickers and—

The President. Are we talking about—I can't get too specific about placements. Let me just put it to you this way: We're willing to cooperate to do as effective a job as we can on interdicting. I won't count that as a question.

Q. You're already talking about it. And my question, please—

The President. One of the things we don't discuss, at least in this administration, is intelligence matters. We don't want the enemy to have any sense about what we're thinking about doing, or where we may be going. So that does not count as a question.

Fujimori Government Investigation

Q. President Toledo will ask you to help him for the reclassification of documents concerning corruption and human rights violations in Fujimori's government. The CIA, especially—

The President. FBI.

Q. FBI and CIA also has some of the most important documents, we think, concerning the Vladimiro Montesinos. How long are we going to have to wait to know what those documents have?

The President. Well, actually, we're cooperating very closely. I think he would say that we've had great cooperation with the Peruvian Government. There has been significant cooperation. As a matter of fact,

it led to the significant arrest, as you may remember. And I will be very candid with him and talk about matters of sharing information. We're not—again, I don't know a specific document you're talking to. But I can tell you the history has been positive up to now. Otherwise the arrest—I can't remember the fellow's name. You know him more than me, Fujimori's close—

Q. Vladimiro Montesinos?

The President. Yes. That was the result of our cooperation, if I'm not mistaken.

Q. How was it?

The President. What?

Q. How was it?

The President. How was the result?

Q. Yes.

The President. Well, we shared a lot of information in order to make the case, if I'm not mistaken. The Ambassador here was very much involved with that. And I think that history will show when the facts come out that this man wouldn't have been arrested without the close cooperation of the U.S. Government.

Mexico-U.S. Border Issues

Q. Sir, the Washington Post runs a story today that—about the creation of a new border agency that will merge Customs, the INS, and the Border Patrol.

The President. Don't believe everything you read in the paper. [Laughter]

Q. Okay. [Laughter]

The President. That's off the record, of course. No, put it in there. It will make me a hero. [Laughter]

Q. I know that the—at least the border issue will be a main topic on Friday's bilateral reunion with President Fox. What will a reinforced U.S.-Mexican border mean for each country?

The President. Yes, let me talk about—first of all, I'm exploring all options to make our borders more secure and more modern. And so what does that mean with Mexico? Well, first of all, I recognize the—of all people, I recognize, since I was the Governor of Texas, I know how much traffic

goes across that border on a daily basis and how much of that traffic stays within the region. I mean, we've got aunts and uncles visiting their nephews and nieces and have been doing it for generations. And therefore, a smart border policy is one that recognizes customs and habits and the history; as a matter of fact, facilitates that flow, as opposed to prevents that flow of people; and recognizes that there is a unique relationship here and, therefore, there's got to be positive policies that do not impede those customs.

Secondly, a smart border is one that recognizes that we've got traffic originating in the midst of our respective countries that can be inspected somewhere other than the border—get a good seal of approval from an inland port, say, and let that cargo, once it's inspected, once clear for travel, proceed directly to a port or a destination in Mexico or the United States or vice versa, so that the traffic moves more expeditiously through the border. It's a smart border initiative. It's one that recognizes the amount of commerce. You go down to Laredo, like I have, and you've got miles and miles of trucks. The system is antiquated; it is outdated. It needs to be modernized for the good of both countries.

Third, border security means more manpower and effective coordination to crack down on "coyotes." The worst kind of smuggling, in my judgment, is people smuggling. And as you well know, there has been a lot of that, and there's been a lot of tragedy as a result of poor, hard-working Mexicans, looking for a job, ending up in the back of somebody's truck in terrible weather, in horrible conditions, because of "coyotes." And we've got to do a better job. And when we crack down on the "coyotes," we've also been pretty darn effective at the same time about cracking down on smuggling, on both ways, I might add.

We need to be effective with biometrics. That will not only facilitate the common flow, the daily flow of traffic; it will also

help us deal with those who are coming into the country illegally and/or register those who are coming illegally for extended periods of time. So there's a lot we can do.

How best to effect that is what I'm looking at within the administration. I'm looking at a variety of options, because I want our borders to be modern and secure and recognize the great vitality between our respective countries. We've had good dialog, by the way, with the Fox administration, as have we had with the Chretien administration. And I think people are beginning to realize that we're serious about—both sides, or all three of us, are serious about working collaterally to make our borders work better.

Immigration and Border Security Legislation

Q. As far as the 245(i), how confident are you that the Senate will move on it?

The President. Well, I'm not confident they'll move on it; I'm confident we've got the votes. But the problem is, I haven't been confident that they're going to move on many things these days. We've gotten a lot of bills out of the House and not much out of the Senate. And so that's why—I just finished my Cabinet meeting and made a direct call to the Senate to get 245(i) passed. They're dealing with other matters. Campaign funding reform is up, and they've still got an energy bill moving around.

Q. Because there's also a deadline for the program to end.

The President. No, I know. Trust me, I'm a big 245(i) backer. And I remember, as I recall, some in the Senate and the House went down to Mexico and talked to President Fox about a modern immigration policy. And I just hope that they're able to live up to their—kind of their implied promise or explicit promise they told the Mexican people when they went down there.

Venezuela

Q. Mr. President, in your trip to Lima, you're going to meet the Andean Presidents but not the Venezuelan President.

The President. That's right.

Q. As your spokesman tells us almost every day—

The President. He mentioned it? [*Laughter*]

Q. Yes. Your administration are—your administration is not happy with Mr. Chavez's trips, Mr. Chavez's friends. What should the current Venezuelan administration do to—in order to be closer to you—maybe get a meeting? Or thinking about the recent political unrest in Venezuela, are you worried that there could be some—the situation could be worse?

The President. Well, let me see here. First, Venezuela is not a part of the Andean trade group. Secondly, the President has spoken out against free trade agreements. And since this is going to be mainly a discussion—other than my bilateral with President Toledo—a discussion about trade, that it doesn't seem to make sense to have him a part of those discussions. Why have somebody there who's not in favor of what we're all trying to do?

Secondly, we are concerned about Venezuela. We've had longtime connections with the Venezuelan people, have a great respect for the Venezuelan people. We've got a commercial relationship with the Venezuelans for years, and that obviously is in the energy sector. And we are concerned anytime there is unrest in our neighborhood, and we're watching the situation very carefully.

This man was elected by the people. We respect democracy in our country, and we hope that he respects those institutions, the democratic institutions within his country.

Temporary Protected Status Extension

Q. Mr. President, as you might or might not be aware, there are 6 million Salvadorans living inside our country.

The President. Yes.

Q. And 2 million and a half living outside, mostly in the United States. What could we expect in terms of migrations? Are you—also the announcement of the TPS extension for Salvadorans?

The President. I won't be making that announcement there. But as you may remember, I supported the TPS extension last time around. It does not come up until September of this year, if I'm not mistaken. I will take it under advisement. But the last time it came up, I was strongly in support.

Let me just give you my view generally about immigration. There are people in our neighborhood who hurt—a mom or a dad who worry about whether or not their children eat—and I have great sympathy for those folks. And many come to our country to work. I used to remind people that family values did not stop at the Rio Bravo. There's a lot of parents who deeply care about whether or not their families can survive and are willing to take a risk to come long distances to find work. And it turns out that a place that had been looking for workers for a period of time was the United States. The economy was strong. There were a lot of jobs that others wouldn't do, what people were willing to do, and they came here.

And my attitude is that we ought to have a program, figure out a program that will match a willing employer with a willing employee and make that a part of a legal process. In other words, if you're willing to work and somebody is looking for a job, that we make that easier rather than harder to accomplish.

And that's not the case in the law today. It's hard to legally hire somebody. And I think we can—that's going to be a discussion I must have with Members of our United States Congress and obviously with the President of Mexico, for starters. This is going to take a while to accomplish, but it's—to me, it's a commonsense way to approach the migration issue.

How that affects the people here from El Salvador, some legal and some illegal, it's hard to tell.

Q. So just to be sure, so you're not making any announcement in terms of migration in El Salvador?

The President. No, I'm not. But I will remind people, if asked, of course, that I was for TPS the last time around.

Peru/Hemispheric Democracy

Q. Not only Venezuela but also Argentina and Colombia and Brazil is doing its own way, but South America is going through a very special moment now. Are you looking in Peru a new ally closer to the United States to go to the South American region?

The President. Well, that's very interesting. First of all, I'm going to Peru because I do view Peru as an ally and a friend. I'm the first United States sitting President to have ever gone to Peru. And I welcome the reforms in Peru, and I welcome the fact that President Toledo is taking a very firm stand on reforming and anticorruption. And he was elected through the democratic process, which is important.

And interestingly enough, all but one nation in our hemisphere has got a democratically elected President. Cuba is the only country that does not have a democratically elected President. That is a significant change, if you think about it, in the history of our hemisphere, an amazing change to the better.

We just had elections in Central America, the neighbors of El Salvador. And the neighborhood there has had two elections, good, clean elections, where reformers and advocates for the open market and trade were elected. And I'm looking forward—I've met them prior to their swearing-in. I look forward to seeing them again when I'm down there.

Brazil, obviously, is fixing to have an election. Colombia is going to have an election soon. It will be very interesting to see how that election plays out. Obviously, the

security of the people will be an issue in that election. I think that happens in May, if I'm not mistaken.

So there's an ongoing—to me, it's a—the system—and Mexico, of course, was one where, you know, the PAN wins, and all of a sudden it shows the maturity of the democratic process. And I think this is incredibly positive results for our hemisphere. Not everything is going to be smooth all the time, but so long as leaders and the people demand democracy, there will be more freedom and more opportunity and more hope than in societies that will be closed and will frighten their neighbors.

Argentina is a financial issue. Argentina has got a longstanding democracy. And it's an issue of great concern for us, because we're friends with Argentina and we're partners with Argentina. And we are hoping that Argentina will make the necessary reforms, the tough decisions necessary to earn the confidence of some of these international financial institutions but most particularly the IMF. I know that I've talked to my friend the President of Spain a lot, because the Spanish banks are quite exposed in Argentina. They've got more exposure than any banks in the world, and we're second. So we're interested, but we're more interested in the people, themselves.

So we've spent, in our administration, a lot of time focusing on Argentina. So I'm concerned about that; on the other hand, I know that there is a way out, and the country itself is going to have to make some tough calls, starting with reforming the relationship between the States and their budgets and the central government.

But we'll see what happens. I'm optimistic about our hemisphere. I think it's been—I think there's some really great years ahead of us. And the reason I am is because I've watched some of these elections very closely, and I think the outcomes have been—they've embraced giving the people an opportunity to express themselves.

U.N. Commission on Human Rights/Cuba

Q. You mentioned Cuba.

The President. Yes.

Q. It is said that you are going to ask President Toledo to vote against Cuba in the United Nations Human Rights Committee meetings?

The President. Well, I wouldn't say "voting against." I'm just going to remind the Human Rights Commission to remember that Cuba is an incredibly repressive regime. It's the one nondemocratic government. They put people in prison if they don't agree with you. I mean, that to me is a violation of people's human rights. I mean, there's no rule of law there. It's the rule of one person. He's been there for a long period of time, and unfortunately the people of that country are suffering as a result of him.

So it's a vote for liberty and freedom, and that's something Mr. Castro doesn't believe in. For example, there's not a lot of free press there, to put it in your lap, as we say.

Last question.

Millennium Challenge Fund

Q. Okay. Today's main story in our newspaper in Mexico, as part of the international conference in Monterrey, was the U.S. opposition—well, it was Alan Larson's opposition—

The President. Who?

Q. Alan Larson?

The President. Alan Larson?

NSC Senior Director Maisto. Under Secretary for Economic Affairs.

The President. Oh, okay.

Q. Okay. You do know him, okay. [Laughter]

The President. I've got a big administration. [Laughter]

Q. He was speaking on the—

The President. Well, I don't know if I know him or not. Depends on what he said. [Laughter]

Q. Okay, now I'm going to rethink the question first—

The President. The real question is, will he know me after what he said? But anyway, go ahead. What's Al's position, and what's the subject? [Laughter]

Q. Well, the story was on the United States opposition to aid quotas. Is it—

The President. To what quotas?

Q. Aid, quotas for aid.

The President. Aid quotas?

Q. Aid, to help developing countries.

The President. Oh, yes. Okay, yes.

Q. And it's—

The President. He and I are in the same position. Al still has a job. [Laughter]

Q. That's good. The conference started yesterday, and is it expected that every developed country decides on its own how and how much to help, if—

The President. Now, here's the thing. You can't—it's an arbitrary measurement that I frankly don't think reflects the great compassion of the United States. People are able to adopt whatever formula they think is necessary to be generous. But these formulas often times don't measure how much a nation is contributing, like our nation is contributing.

And I think a better way to go, and the way we are going to go, is through this Millennium Challenge Fund, where we're laying out a \$5-billion-a-year commitment. Now, that starts 3 years from now, so—I just want to make sure everybody understands the funding. I know there's a little confusion about what—a third of it, which is more than \$1.5 billion, it's a little less than \$1.7 billion—\$1.66667 billion—and then two-thirds, and then—

Press Secretary Ari Fleischer. Could be, it's going to be—be determined exactly.

The President. Anyway, it'll be up to \$5 billion at the end of 3 years. [Laughter]

Larson? [Laughter] Anyway—no, you're Fleischer.

Five billion at the end of 3 years, \$5 billion the fourth year, \$5 billion the sixth year, okay?

This is a better way to go. As I said earlier, that it is an obligation we take seriously, and by the way, this is on top of that which we already do. It doesn't include monies, for example, to make the world more secure. It's hard to have economic development if you're being terrorized. And one of the obligations that we take seriously is the obligation to rid the world of terror. And we don't mind leading this coalition, and we are spending the most money to do so—which is fine. We're happy to do that. We will defend freedom.

My only point is, there's a lot of ways to contribute. We're a big contributor to the World Bank, significant contributor to the IMF. We contribute in a variety of ways—the United Nations, which is a large contributor, and there's a variety. So do other nations—don't get me wrong. I'm not saying we're the only ones doing this. I'm just saying that the best way for us to proceed, the most comfortable I am, is to make the commitment I have made through this Millennium Challenge Fund—which is a reform to the current process, because on the one hand we're saying we have responsibilities; we'll uphold those responsibilities. But there is a responsibility from the country that receives money as well, a responsibility to the people, a responsibility to rout out corruption.

I think it makes no sense to give aid, money, to countries that are corrupt. Because you know what happens? The money doesn't help the people; it helps an elite group of leaders. And that's not fair to the people of this particular country, nor is it fair to the taxpayers in the United States.

So I believe it's time to bring a measure of accountability into this process, and I'm going to be very strong about it in Monterrey. I don't subscribe to the theory that certain countries cannot reform, and therefore we must give them money anyway. I don't buy that. I believe everybody can have basic rule of law and can respect the citizens who live there. Everybody

should be able to focus on educating their children and have good health care policy.

And so this millennium fund is going to be focusing not only on enhancing trade and the practices that lead to good trade policy—and again, I'll repeat, if a nation is worried about developing, a nation can receive a heck of a lot more help, private capital, aid—not in the normal sense but help—through trade. It happens every time. And so the best practices, it seems like to me, the best way to foster what we all would hope for, which is a healthy, well-educated, prosperous world, is to encourage trade and the habits that lead to trade and the habits that lead to marketplace.

And again, I repeat, there's got to be good government practices attributed to that. And I'm going to be tough about it. I'm not interested in funding corruption, period. And if a country thinks they're going to get aid from the United States and they're stealing money, they're just not going to get it out of this millennium fund—and hopefully not out of any fund.

And then we expect nations to develop practices that will help the people directly, like good education. I'm the first leader who stood up and said that the World Bank ought to have 50 percent of the money they distribute in the form of grants, not loans—grants to help education and health flourish in developing nations. I think it would be a lot better than, you know, loaning money that in many circumstances can't be repaid. It's hard to get a rate of return in the financial sense on an education system. But you can get a huge rate of return on the capital of human capital, by a good education system.

So I'm for grants, not loans, for 50 percent of the money coming out of the World Bank. I think there's a lot of people down there in Monterrey that—you know, I didn't hear a lot of thunderous applause on it, but it's the right thing to do.

And so I'm not afraid of taking a lead. And I'm going to lead on this issue, because I feel strongly that for our taxpayers to be comfortable with money being spent, there's got to be something, there's got to be an effort made—a true, honest effort made to improve the plight of the people we're trying to help.

And I'm optimistic about all this. We've got some terrible problems in the world. I'm deeply disturbed about the AIDS crisis. It is a significant, significant issue in Africa, obviously. There's a place where we've put up a half a billion dollars to begin. And when I see a strategy, a focused strategy that will yield results, then we'll be willing to work with Congress to put more money in.

But I want to see—and we didn't mind; we're happy to take the lead in starting to seed the fund. But now, it's time to see whether or not there can be a strategy in place that will actually work. And when we see something working—and we'd like to help—but when we see something working, we'll be an enthusiastic backer. But if it doesn't work, it's time—it's time—to hold people accountable. And that's exactly what my message is going to be in Monterrey. I'm looking forward to giving—I'm sorry. I've got to go. [*Laughter*]

Q. I will wait and see.

The President. *Tengo que salir.* You'd better yell loud, because I can't hold this pack back. [*Laughter*] They'll be up there yelling and elbowing and screaming out questions. You watch; they're a very aggressive lot back there.

Possible Caribbean Visit

Q. Mr. President, do you envision going to the Caribbean soon at all or doing the

same kind of thing that you're doing in Central and South America?

The President. *Quizas, quizas.*

President Eduardo Alberto Duhalde of Argentina

Q. Mr. President, are you going to see President Duhalde of Argentina, do you know? Is he on your schedule, do you know?

The President. I don't know. Oh, you mean in Monterrey?

Q. Yes, sir, on this trip.

The President. I imagine I'll see him. We're having a dinner, leaders' dinner only, if I'm not mistaken.

Q. Yes. A luncheon.

The President. Luncheon. *Almuerzo.*

Thank you all.

NOTE: The interview began at 3:30 p.m. in the Roosevelt Room at the White House. In his remarks, the President referred to President Vicente Fox of Mexico; President Alejandro Toledo of Peru; President Francisco Flores of El Salvador; President Andres Pastrana of Colombia; former President Alberto Fujimori of Peru and his adviser Vladimiro Montesinos; Prime Minister Jean Chretien of Canada; President Hugo Chavez of Venezuela; President Jose Maria Aznar of Spain; and President Fidel Castro of Cuba. He also referred to section 245(i) of the Immigration and Nationality Act, which expired April 30, 2001; AUC, the United Self-Defense Forces/Group of Colombia; FARC, the Revolutionary Armed Forces of Colombia; and PAN, the National Action Party in Mexico. This interview was released by the Office of the Press Secretary on March 20. A tape was not available for verification of the content of this interview.

Interview With Television Azteca March 20, 2002

Mexico-U.S. Relations

Q. Mr. President, thank you very much for being on Television Azteca. It's a pleasure and an honor, sir, to have you. Let me first ask you, in Monterrey there are many people demonstrating against the meeting, not only of Mexico and the United States but in general of this world meeting. And they say that this will be an occasion to have Mexico subordinated to the United States. What do you tell these people?

The President. Mexico es a grand amigo de los Estados Unidos, and we're equal partners. It's very important for people in our hemisphere to know that we've got a unique relationship with Mexico and a very positive relationship. We've got a lot of trade that goes on on a daily basis. We've got a lot of contact with Mexico. And my attitude is, if Mexico succeeds, that is good for the United States. A strong Mexico, an equal partner is very good for the people of our country.

Everywhere I go, there's protesters, so I don't worry about protesters. What I worry about is to make sure that we have good relations with Mexico. It's an important part of my foreign policy. This will be my second trip to Mexico since I've been the President, in a year's time. That should send a clear signal of the importance of the relationship.

Q. And this is not an occasion to subordinate anybody or anything?

The President. No, of course not. There's no subordination. This is an excuse for people who want to disrupt a positive relationship. And it's important for us to have a positive relationship with Mexico, and relations with Mexico have never been better.

Vicente Fox is my friend. I can have very good dialog with him. He's a strong, strong proponent of what's good for Mexico. He speaks his mind, as he should. And there are some areas where we agree and

some areas where we don't agree, but we always agreed to have good relationships.

Immigration

Q. Mr. President, one of the issues that you're going to be discussing with President Fox is the one related to immigration.

The President. Yes.

Q. And I talked to a lot of people—community leaders, immigration attorneys—and they tell me that 245(i) only helps a very small percentage of people, and that, in reality, something has to be decided about this guestworker program initiative, the illegalization of all those Mexicans who are still here and working every day, and they haven't been able to get their residency—those kinds of things. But they say that as long as you push and you put your political capital on this, something can be done. Otherwise, it won't. My question is, are you willing to put that political capital on—

The President. Well, I've always been one who understands that we need to make sure that a willing employer and a willing employee can come together in a legal way. That's been my position for a long period of time. 245(i) is just the beginning of a lot of discussions; 245(i) is a compassionate approach to helping reform immigration. And so the issue is broader than 245(i), as far as I'm concerned, and it's going to take a lot of work, however.

And it's very important for our Mexican friends to understand that as a result of the attacks on America, the American people are focused on terror and focused on making sure people don't come in the country to hurt us. I, of course, reminded people that most people from Mexico that come into the country come to help, not to hurt. So we've got a lot of work to do.

But I haven't changed my mind; I think it's important. The first step is to see if