

President Lagos. Your Spanish is improving. [Laughter]

President Bush. Thank you. I appreciate that.

NOTE: The President spoke at 4:23 p.m. at the Presidente InterContinental Hotel. A tape was not available for verification of the content of these remarks.

Statement on the Next Steps in a Strategic Partnership With India *January 12, 2004*

In November 2001, Prime Minister Vajpayee and I committed our countries to a strategic partnership. Since then, our two countries have strengthened bilateral cooperation significantly in several areas. Today we announce the next steps in implementing our shared vision.

The United States and India agree to expand cooperation in three specific areas: civilian nuclear activities, civilian space programs, and high-technology trade. In addition, we agree to expand our dialog on missile defense. Cooperation in these areas will deepen the ties of commerce and friendship between our two nations and will increase stability in Asia and beyond.

The proposed cooperation will progress through a series of reciprocal steps that will build on each other. It will include expanded engagement on nuclear regulatory and safety issues and missile defense, ways to enhance cooperation in peaceful uses of space technology, and steps to create the appropriate environment for suc-

cessful high-technology commerce. In order to combat the proliferation of weapons of mass destruction, relevant laws, regulations, and procedures will be strengthened, and measures to increase bilateral and international cooperation in this area will be employed. These cooperative efforts will be undertaken in accordance with our respective national laws and international obligations.

The expanded cooperation launched today is an important milestone in transforming the relationship between the United States and India. That relationship is based increasingly on common values and common interests. We are working together to promote global peace and prosperity. We are partners in the war on terrorism, and we are partners in controlling the proliferation of weapons of mass destruction and the means to deliver them.

The vision of U.S.-India strategic partnership that Prime Minister Vajpayee and I share is now becoming a reality.

Remarks at the Inauguration Ceremony of the Special Summit of the Americas in Monterrey *January 12, 2004*

Mr. President, I thank you for your wonderful hospitality. First Lady, thank you as well. Please thank the people of this gracious city for hosting such a distinguished group of leaders, spouses, citizens of the world.

Two years ago in this city, world leaders formed the Monterrey Consensus. We pledged to work for government that is responsive to the basic needs of every human being and for policies that promote opportunity for all. At this year's summit, we

are embracing the challenge of implementing that consensus to bring all the hemisphere's people into an expanding circle of development.

To advance these goals, my Nation revolutionized the way we provide aid, and we substantially increased our aid to developing countries. Under our new Compact for Development, U.S. assistance is linked to good governments, investment in people, and economic freedom. Development assistance should light a path to reform and economic growth rather than perpetuate the need for further aid.

The nations of this hemisphere must identify concrete steps to implement the noble ideas of the Monterrey Consensus. We must work to provide quality education and quality health care for all our citizens, especially for those suffering from HIV/AIDS. We must also chart a clear course toward a vibrant free market that will help lift people out of poverty and create a healthy middle class. We must increase the credit available to small businesses that generate the majority of jobs in all our economies and reduce the time that it takes to start a business. We must strengthen property rights so that land can be leveraged as a source of capital to start businesses or hire new workers. And we must lower the cost of sending money home to the families of hard-working men and women who are earning a living abroad.

Over the long term, trade is the most certain path to lasting prosperity. The openness of our market is the key driver of growth in the region and a testament to the United States' belief in the mutual benefits of trade. Last year, about 83 percent of Latin America's exports to the United States, roughly \$176 billion worth of goods, entered my country duty-free. My country is committed to free and fair trade for this hemisphere through the Free Trade Area of the Americas and through the growing number of bilateral free trade agreements we have completed and are ne-

gotiating. Our NAFTA partners have been vital free trade allies for 10 years now.

Our free trade agreement with Chile entered into force on the first of this year. We're completing a free trade agreement with our Central American partners. This week we'll launch negotiations with the Dominican Republic, and soon we'll begin negotiations with Panama and some of our Andean friends. Once completed, these free trade agreements will cover more than two-thirds of the GDP of America's neighbors.

The essential foundations of prosperity and progress remain democracy and the rule of law. All nations must prevail in the fight against corruption. We must deny safe haven to corrupt officials and create a culture of transparency in the Americas. Today I signed a proclamation denying corrupt officials entry into my country. I urge other countries to take similar actions.

At past summits, we resolved that democracy is the only legitimate form of government in this hemisphere and that the peoples of the Americas have an obligation to promote it and defend it. Those governments in our hemisphere that have responded by supporting democracy can be proud. Our unity and support of democratic institutions, constitutional processes, and basic liberties gives hope and strength to those struggling to preserve their God-given rights, whether in Venezuela or Haiti or Bolivia.

And through our democratic example, we must continue to stand with the brave people of Cuba, who for nearly half a century have endured the tyrannies and repression. Dictatorship has no place in the Americas. We must all work for a rapid, peaceful transition to democracy in Cuba. Together we will succeed, because the spirit of liberty still thrives, even in the darkest corners of Castro's prisons.

We have great opportunities to work together to improve the quality of life for all the people of this hemisphere. To realize our common vision, we must set goals

that are specific and measurable. In doing so, we will affirm our determination to succeed and to give hope to millions.

Together we will implement the Monterrey Consensus, lift all our nations, and show the world that free societies and free markets can deliver real benefits to our citizens.

May God bless you all.

NOTE: The President spoke at 6:12 p.m. at the Parque Fundidora. In his remarks, he referred to President Vicente Fox of Mexico and his wife, Marta Sahagun de Fox; and President Fidel Castro of Cuba.

Remarks Following Discussions With Prime Minister Paul Martin of Canada and an Exchange With Reporters in Monterrey *January 13, 2004*

President Bush. The Prime Minister and I just had a very constructive meeting. He's a straightforward fellow. He's easy to talk to. We talked about a lot of issues. We reaffirmed the important relationship between Canada and the United States. It's a vital relationship. It is a relationship that is important for a lot of reasons. The most important reason is that we share the same values of family and human dignity and treating people decently, and I really look forward to working with Prime Minister Martin.

Prime Minister Martin. Well, I can certainly say the same thing. We share a continent, and we share values, and we share a perspective on what's the best thing for our people. And essentially, working together is really the way we are going to do the best thing for our people.

We discussed a number of individual issues, and I think that we made a lot of progress. And so I feel very good about the meeting, and I feel very good about the relationship.

President Bush. We'll answer a couple, two questions a side. We'll start with Lindlaw [Scott Lindlaw, Associated Press].

Iraqi Reconstruction Contracts/Canada-U.S. Relations

Q. Mr. President, thank you. Dr. Rice hinted last week that Canada might be con-

sidered in a new round of contracting for Iraq reconstruction. Where exactly does that stand?

And Mr. Prime Minister, you supported your predecessor's decision to abstain from the Iraq war. Is there any reason to think this relationship is going to thaw out now?

President Bush. That assumes there was a freeze. And I didn't feel there was. I understood why people disagreed with the decision I took.

Secondly, yes, when I talked to Prime Minister Martin on our first phone call, I told him that Canada would be given serious consideration for contracting. Here's the—what's going to happen is that, first of all, they've been very strong supporters of the Madrid Conference. They want Iraq to succeed. They want Iraq to be free. They understand the stakes with having a free country in the midst of the Middle East. And Canada right now is eligible for subcontracting bids in the first round of construction projects. In the second round, the second tranche of bidding, Canada will be eligible to bid.

Prime Minister Martin. Yes, essentially, I think that—and I think this really shows how it can work—we had a very good telephone conversation before Christmas, and that subsequently, our officials went to work, and that Canada will be eligible to bid on all of the construction contracts in