



Organization of
American States



SIXTH SUMMIT OF THE AMERICAS
April 14 to 15, 2012
Cartagena de Indias, Colombia

OEA/Ser.E
CA-VI/INF.8/12
27 April 2012
Original: Spanish

**SPEECH BY THE PRESIDENT OF THE DOMINICAN REPUBLIC,
H.E. LEONEL FERNÁNDEZ
SIXTH SUMMIT OF THE AMERICAS
April 14, 2012 – Cartagena, Colombia**

His Excellency Juan Manuel Santos, President of the Republic of Colombia;
Distinguished Heads of State and Government;
Distinguished foreign ministers and heads of delegation;
Esteemed Secretary General of the Organization of American States (OAS);
Representatives of international organizations:

Allow me, first, to express my gratitude for the hospitality and friendliness with which we have been received by the beautiful and welcoming Caribbean city of Cartagena, which has today become the Capital of the Americas.

I would also like to celebrate the holding of this Sixth Summit of the Americas, with a broad agenda that covers everything from fighting poverty and inequality, citizen security, the use of communications technologies, integration, infrastructure, and sustainable and inclusive development.

This summit finds a Latin America that is strong and vigorous, in spite of the adversities of the international environment; a Latin America that has made notable progress, in recent years, in strengthening the democratic rule of law; with significant economic growth, low inflation, falling fiscal deficits, and increasing foreign trade and direct foreign investment.

A Latin America that has reduced its levels of poverty, extreme poverty, and unemployment, and that has expanded the coverage of the main public services: drinking water, energy, housing, education, health, and social security.

Such has been the region's strength that despite the intensity of the global financial and economic crisis, no banks went bankrupt and, instead, we have seen a strengthening of our financial institutions.

And so, as an indication of the enormous progress attained in recent years, Latin America today accounts for 20% of the foreign trade of the United States, more than it has with China and the European Union.

However, in spite of these irrefutable achievements, in the region there are still undeniable weaknesses and difficulties, including the continued existence of poverty and social inequality.

If we analyze the reasons for this social phenomenon, we find structural factors which we have as yet been unable to resolve in full and which, for that reason, constitute some of the main challenges of the 21st century.

One of the structural factors behind the persistence of poverty and social inequality on our development agenda is the demographic breakdown of our societies.

Recent decades have seen an intense process of internal migration which, in turn, has led to an accelerated rate of urbanization.

The problem has been that this process of urbanization was not accompanied by a process of industrialization, and so, instead of entering the labor market as workers or employees, these new urban migrants have fallen into social marginalization.

Social marginalization is the basic source of the new urban poverty, the origin of slums on city outskirts, increased unemployment, common crime, and the informal economy.

With the emergence of this new social reality, a problem of structural duality has arisen in Latin America: one the one hand, we have those sectors that have benefited effectively from our economies' growth and prosperity in recent years, which we could call the pole of modernization; and, on the other, we have those that have not succeeded in integrating themselves into that wave of progress, which make up the pole of marginalization.

Latin America's current challenge is therefore that it is, at the same time, living two realities: the reality of progress and modernity, and the reality of marginalization and poverty.

In other words, Latin America is coexisting between two moments in time: the marvels of the 21st century, and the deficiencies of the 19th century.

The progress attained creates new expectations and aspirations of prosperity among all the population, who can now see the scope and the impact of the social transformation achieved through modern means of communication and social networks.

Consequently, the big question is how we can actually bring about, in Latin America and the Caribbean, societies with sustainable economic development and social cohesion.

One of the ways to tackle this situation is for governments to apply active policies for job creation, social protection, and rising mobility.

Among the practices known about and provided for by this Summit of the Americas are microenterprises and small and medium-sized companies, cooperatives, and popular economic initiatives.

Indeed, the active involvement of governments in the creation of microenterprises and small and medium-sized companies can be a major factor in boosting job creation and social integration.

The problem that arises is that governments have inadequate resources available, particularly those affected by low rates of tax revenue.

What is needed, based on cooperation and international solidarity, is the creation of a special fund that would provide credit for the creation or incorporation of companies of this kind.

Similarly, technical assistance will be provided to train human resources, manufacture products, transfer technologies, marketing, financial management, and the distribution of goods and services.

It could also work with cooperatives of agricultural or industrial goods and service producers, and with various initiatives or projects related to popular economics.

To summarize, there are many different projects and programs that could be designed and implemented with the active participation of governments, in order to reduce poverty, create jobs, and bring about social cohesion.

But, in any event, the role of the multilateral credit agencies and development banks in helping fund these programs must be taken into consideration.

One thing that is clear is that to strengthen its democracy, continue along the path of prosperity, consolidate peace, and reduce marginalization, unemployment, and social inequality, Latin America will have to include, among its essential goals for the early 21st century, that of expanding its middle class.

There, in the growth of the middle class, lies the future of Latin America.