

#### The Record of Hemisphere Summits:

- support for democracy reaffirmed
- strides in moving towards Free Trade Agreement of the Americas (FTAA)
- progress on other issues including: gender equality and sustainable development.

#### Issues and Expectations for the Quebec City Summit:

- Executive Committee is expected to be set up to address previously poor implementation and monitoring.
- Financial constraints are expected to be addressed through the engagement of the Inter-American Development Bank (IDB).
- The draft text of the FTAA will likely be re-affirmed (President Bush requires Congressional support to proceed with Fast Track).
- Democracy Clause may be included in the FTAA.
- Other issues that will likely be addressed at the Summit include: narcotics, connectivity, financing, and the engagement of civil society.
- President Bush could surpass expectations by expressing a commitment to have a FTAA with a Democracy Clause concluded by 2003 (as opposed to 2005).

#### Challenges for the Quebec City Summit:

- Linking democracy with free trade through the inclusion of a Democracy Clause in the FTAA poses considerable challenges. How does one define democracy? Who decides which country is democratic and which is not? How do U.S. policy makers answer to the charge of inconsistent foreign and trade policy (i.e., excluding authoritarian and semi-authoritarian regimes in Latin America, while engaging regimes deserving the same label in Asia)?

Peter Smith pointed out that including Democracy Clause in the FTAA is premature. Its inclusion into the FTAA may be interpreted as neo-colonialism by the U.S.. He emphasised the asymmetry of power among Latin American countries, leading him to conclude that even if the Organisation of American States (OAS) was to make decisions about who to admit to the "democratic club" the outcome would not be particularly fair. He also reminded participants that comparisons to the European Union's own democratic clause are inadequate for several reasons. (The EU democracy clause is used a membership system, in the OAS and Summit system it would be used as an expulsion criteria). The assumption that free trade leads inevitably to democracy is uncertain. Including a democracy clause in a free trade agreement may not lead to expected results.

- Another challenge for the policy makers is the media and managing public opinion. In order to ensure that the media cover the Summit's proceedings and outcomes, rather than only the street protests, good visual and real stories should be provided to journalists each day. Government leaders and officials should be seen to be reaching out to civil society, including those protesting on the streets and cameras allowed into the sessions.