Press Releases: On U.S. Engagement in the Western Hemisphere

Press Statement
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Secretary of State

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SECRETARY TILLERSON: Thank you, thank you so much. And thank you, Greg, for that very kind, warm introduction, inviting me back home today. And I want to thank those at the Clements Center of National Security and the Robert Strauss Center for International Security and Law for hosting the event as well.

As Greg mentioned to you, today does mark my one-year anniversary as Secretary of State. A year ago this time, I had entered the State Department, stood on the steps in the foyer, and had my first chance to have a conversation with my newest colleagues and friends in the State Department about things that are important to me and values that I wanted to bring to the State Department. And it's been a very busy, whirlwind year, but it's really nice to celebrate it among friends back home as well. So I'm just delighted to be here.

Of course, it's always a special honor and pleasure to get to speak at your alma mater, and in particular, an institution that houses the presidential library of one of our most storied Texans to serve in Washington.

LBJ bemoaned, as some of you may know, what he considered an East Coast, elitist approach to foreign policy. He once said, "I don't believe I'll ever get credit for anything I do in foreign affairs, no matter how successful it is, because I didn't go to Harvard." (Laughter.)

I didn't either, and worse, I'm an engineer. (Laughter.) But I got one up on LBJ: He didn't go to the University of Texas. (Laughter.)

I have said before that this University shaped me in so many ways, both personal and professional. An interesting story: When I was a freshman in the Longhorn Band, a group of about one hundred members of the band flew down to Peru for a special mission trip. There had been a major earthquake in Peru, and enormous refugee problem coming out of the mountains into the area of Lima. And a group of Texans went down to help raise money and bring awareness

to the situation.

It was an extraordinary trip – interestingly, first passport I got. Went to the passport office, got my first passport, first foreign country I ever visited was with the University of Texas Longhorn Band to Peru. And it was interesting; it was a very successful trip. The band was a huge hit down in Lima, and the U.S. ambassador to Peru even expressed he had some concerns that "The Eyes of Texas" was going to replace "The Star Spangled Banner" as the official – (laughter) – anthem at the events. Regrettably, we left for that trip after a loss at the Cotton Bowl, but the Showband of the Southwest won in Peru, I assure you.

So as I look to the coming weeks, when I will return to Peru on my first multi-stop visit to Latin America as Secretary of State, it does feel a bit like coming full circle.

And I'm proud today UT Austin's Teresa Lozano Long Institute of Latin American Studies, its Mexico Center, and its host of international programs do contribute to educate students about this very important region of the world.

This trip comes at an important time for the Western Hemisphere. This diverse region – which includes Canada, Mexico, South America, and the Caribbean – is a priority for the United States for reasons other than simply our geographic proximity.

We share an interwoven history and chronology. Our nations still reflect the New World optimism of limitless discovery. And importantly, we share democratic values – values that are at the core of what we believe, regardless of the color of our passport.

And for generations, U.S. leaders have understood that building relationships with Latin American and Caribbean partners is integral to the success and prosperity of our region.

In 1889, at the urging of then-Secretary of State James Blaine, the United States hosted the First International Conference of American States – the precursor to today's OAS, or Organization of American States.

At the beginning of the 20th century, President Teddy Roosevelt visited Panama – the first foreign visit of a U.S. sitting president in our history.

And during the 1960s, President Kennedy established the Alliance for Progress – his ambitious plan to strengthen economic cooperation among the United States and the hemisphere, and to, in his words, "eliminate tyranny from a hemisphere in which it has no rightful place."

Today, we share these same goals as the visionary leaders before us: to eliminate tyranny and to further the cause of economic and political freedom throughout our hemisphere. As 2018 begins, we have an historic opportunity to do just that.

A few weeks ago, the United States cohosted a ministerial with our

counterparts in Canada in Vancouver. Twenty countries joined us to discuss the global threat posed by North Korea.

In April, Peru will host the Summit of the Americas to highlight our region's commitment to fighting corruption. Two months later, Canada will host the 44th G7 Summit. And at the end of this year, the G20 states will convene in Buenos Aires, the first South American city ever to host.

So in many ways, 2018 marks the year of the Americas. Many of the world's leaders will be in this hemisphere, and as such, the eyes of the world will turn to the Americas.

So today I want to focus on three pillars of engagement to further the cause of freedom throughout our region in 2018 and beyond: economic growth, security, and democratic governance.

The hemisphere has significant potential for greater economic growth and prosperity. We will build upon the solid foundation of economic cooperation with our Latin American and Caribbean partners. Brazil, for instance, is the region's largest economy and the ninth largest in the world. The United States is Brazil's second-largest trading partner, with two-way trade at record highs in recent years totaling more than $95 billion in 2015.

The United States has free trade agreements with 20 countries; 12 of those countries are in the Western Hemisphere. And every year, the United States trades almost $2 trillion worth of goods and services with Latin America and Caribbean nations, supporting more than 2.5 million jobs here at home. Instead of a trade deficit, we actually have a $14 billion trade surplus with the hemisphere.

But today we have an opportunity to further our economic partnership and the prosperity of the peoples in this hemisphere.

An important step to strengthen North American economic prosperity and integration is to modernize the North American Free Trade Agreement, or NAFTA.

I'm a Texan, former energy executive, and I'm also a rancher. I understand how important NAFTA is for our economy and that of the continent. But it should come as no surprise that an agreement put into place 30 years ago, before the advent of the digital age and the digital economy, before China's rise as the world's second-largest economy – that NAFTA would need to be modernized.

Our aim is simple: to strengthen our economy and that of all of North America, to remain the most competitive, economically vibrant region in the world.

We appreciate the hard work of our Mexican and Canadian counterparts throughout these negotiations. Last week, we concluded round six, and we will continue to work toward a modernized agreement with another round scheduled next month.

Building greater prosperity by integrating the wealth of energy resources within the hemisphere is an opportunity that is unique in the world to the Americas.

Over the past decade, North America has been leading an energy renaissance.

By 2040, North America is expected to add more oil production to the global markets than the entire rest of the world combined and more gas production than any other single region. The flow of crude oil, natural gas, refined products, and electricity already crosses our borders in both directions, leading to greater reliability, more efficiency, and lower costs to consumers.

Our continent has become the energy force for this century, thanks in large part to rapid expansion in natural gas and tight oil production, and, of course, thanks to some great engineers, many produced right here at UT.

The rest of the hemisphere can use the North American experience as a model. We see a future where energy connectivity from Canada to Chile can build out and seize upon energy integration throughout the Americas, delivering greater energy security to the hemisphere and stability to growing economies.

South America is blessed with abundant energy resources. Colombia, Peru, Brazil, Guyana, and Argentina all have significant undeveloped oil and natural gas. The United States is eager to help our partners develop their own resources safely, responsibly, as energy demand continues to grow.

Excuse me.

Our hemispheric energy trade is already beginning to meet these needs: 36 percent of U.S. liquefied natural gas exports since 2016 have landed in Latin America. That’s more than any other region in the world.

Between now and 2030, Latin America is expected to spend at least $70 billion on new electric power generation plants to fuel economic growth. Many of those plants will be powered by natural gas. The United States should be a substantive and reliable supplier.

By building out a more flexible and robust energy system in our hemisphere, we can power our economies with affordable energy. We can lift more people out of poverty. And we can make our hemisphere the undisputed seat of global energy supply. To support and capture this opportunity requires the opening of more market economies.

The opening of energy markets in Mexico, for example, has led to greater private investment, more competition, and more energy trade with the United States than ever before. Truly, a win-win.

Further south, we are partnering with Central America to strengthen its regional electricity market and modernize its grid. Creating stronger Central American economies by lowering energy cost is critical to building a more secure Central America.

We have the chance to develop an energy partnership that spans the Western Hemisphere, to the benefit of all of our citizens. We cannot afford to squander this moment.

A transition to more market-based economic reforms are not limited to the energy sector. Argentina, under President Macri's leadership, has made monumental strides in delivering reforms to open the Argentine economy and pursue growth for all Argentinians. Its historically high inflation rate is finally decreasing. GDP is going up, spurred on by investment and soaring consumer confidence.

And one week after the U.S. Congress passed landmark tax reform policy, Argentina's legislature took action to overhaul their tax system as well. All of these efforts are making the second-largest economy in South America ripe for more investment and growth. We hope more countries take a similar path – to help the entire hemisphere grow in prosperity.

But for prosperity to take root, we must create the conditions for regional stability.

Economic development and security reinforce each other. When individuals are living in poverty, a life of crime can look like the only opportunity available to make a living. Legal and illegal immigration increases as people look for more opportunity elsewhere. And innocent people are more likely to become victims of drug cartels, human traffickers, and corrupt law enforcement authorities.

The United States approach is holistic – we must address security and development issues side by side. You cannot expect to have one without the other.

The most immediate threat to our hemisphere are transnational criminal organizations, or TCOs. In their pursuit of money and power, TCOs leave death and destruction in their wake. As humans, weapons, opioids, and other drugs are smuggled, law enforcement and civilians become the targets.

Here at home, Americans do not necessarily see the day-to-day violence that is – violence that is so common in other parts of our hemisphere. But U.S. demand for drugs drives this violence and this lawlessness.

We acknowledge our role as the major market for illicit drug consumption and the need for shared approaches to address these challenges. The opioid epidemic we are facing in this country is a clear, tragic representation of how interconnected our hemisphere truly is. Violence and drugs do not stop at our southern border.

That is why we continue to employ a coordinated, multilateral approach to diminish the influence of these groups. It is time we rid our hemisphere of the violence and devastation that they promote.

I co-chair a high-level dialogue with Foreign Secretary Videgaray of Mexico to discuss new and strategic ways to disrupt TCOs. We must take new approaches to disrupt their business models – models of cartels which operate

much like any other business organization that maximizes their value chain from feedstock to manufacturing to distribution to marketing and sales.

The second meeting of our dialogue was held in Washington this past December, which included Secretary Nielsen of the Department of Homeland Security and Attorney General Jeff Sessions, as well as our Mexican counterparts. We also had with us law enforcement representatives from both countries.

Dismantling TCOs is not just a diplomatic issue. Obviously, it requires integrating the skills and expertise of law enforcement to interdict shipments of illegal drugs, attack the revenue streams and the weapons feeding TCOs, and to track down and prosecute the middlemen who enable them.

Close collaboration among multiple agencies – within our own government, and with our international partners – is essential. The way we combat threats to our southern border security is to work collaboratively with Mexico to strengthen Mexico's southern border.

Through the Merida Initiative – a partnership between the United States and Mexico focused on improving security and the rule of law – the United States is providing assistance to build the capacity of Mexican law enforcement and judicial institutions. By providing inspection equipment, canine units, and training, we equip law enforcement officers with tools to eradicate opium poppy production, tighten border security, and disrupt trafficking activities – not just in drugs but in trafficking of humans. By improving cross-border communications, we make both sides of the border safer.

And our security partnerships extend beyond just our southern border or Mexico's southern border.

Colombia has been one of our strongest partners in the region. Following decades of long internal battle with Revolutionary Forces of the FARC, Colombia has charted a pathway to peace. We continue to support this sustainable peace, but challenges do remain. Colombia is the world's largest producer of cocaine – the source of 92 percent of the cocaine seized in the United States.

Last year, and with U.S. support, Colombian police and military forces eradicated 130,000 acres of coca fields – the highest number since 2010. The same year, Colombian forces seized nearly 500 metric tons of cocaine.

There is more work ahead. Regrettably, coca cultivation has skyrocketed in recent years. In 2016, more than 460,000 acres in Colombia were used for coca cultivation – a record. We remain a very – we remain and keep a very open and frank dialogue with the Government of Colombia to address the eradication of this very large feedstock for cocaine and to identify alternative cash crops to support rural Colombian farmers.

In Central America, through the Alliance for Prosperity, we support countries as they address security and economic development in tandem. Last June in Miami, the State Department and the Department of Homeland Security, along with our Mexican counterparts, cohosted the Conference on Prosperity and

Security in Central America. Through many productive conversations with public and private sector leaders across the region, opportunities were identified to help Central American countries grow their economies, strengthen their institutions, and better protect their people. More opportunities for Central Americans will weaken the hold of transnational criminal organizations, address the underlying causes of legal and illegal immigration, and result in less violence. That makes their nations stronger, and it makes ours safer.

And through the Caribbean Basin Security Initiative, partners along our third border, the Gulf of Mexico, are increasing their ability to perform maritime interdictions, rein in illegal firearms, counter corruption, and prosecute criminals. Over the summer we submitted our Caribbean 2020 Plans. This comprehensive strategy fosters closer security cooperation and reaffirms our commitment to encourage private sector growth and diversification of energy resources, creating energy security in the Caribbean. We also maintain our partnerships in education and health initiatives, including PEPFAR, the President's Emergency Plan for AIDS Relief.

The United States knows that our country – and the rest of the region – benefits from greater regional stability and the prospect of a growing economy throughout the hemisphere.

The United States' partnership with nations in the hemisphere is founded on shared values and democratic governance, but we cannot take it for granted. Many still live under the oppression of tyranny.

The corrupt and hostile regime of Nicolas Maduro in Venezuela clings to a false dream and antiquated vision for the region that has already failed its citizens. It does not represent the vision of millions of Venezuelans – or in any way comport with the norms of our Latin American, Canadian, or Caribbean partners.

Our position has not changed. We urge Venezuela to return to its constitution – to return to free, open, and democratic elections – and to allow the people of Venezuela a voice in their government. We will continue to pressure the regime to return to the democratic process that made Venezuela a great country in the past.

Venezuela stands in stark contrast to the future of stability pursued by so many others in the hemisphere. The great tragedy is that although Venezuela could be one of the most prosperous countries in the region, it is one of the poorest in the world. Venezuela GDP growth in 2004 was as high as 18 percent. Ten years later, it is nearly a negative 4 percent – all the result of man-made collapse.

Venezuela boasts the world's largest proven oil reserves, but riches are reserved only for the ruling elites. As a consequence, the people suffer. Venezuelans are starving, looting is common, and the sick do not receive the medical attention they desperately need. Venezuelans are dying of malnutrition and disease.

There has been no natural disaster – nothing like that earthquake that took me to Peru. The Venezuelan people suffer because of a corrupt regime that steals from its own people. The Maduro regime is squarely to blame and must be held to account.

The United States has imposed sanctions on more than 40 current or former Venezuelan government officials – individuals who support Maduro and his efforts to undermine democracy.

Over the past year, we have worked with many of our Latin American partners – through the Lima Group and the Organization of American States in particular – to build support for coordinated action to counter the country's slide into dictatorship. We appreciate the Lima Group of major regional leaders who have met regularly to support the Venezuelan people's quest to regain their country.

Canada too has sanctioned dozens of Venezuelan leaders, including Maduro himself.

And recently, the European Union joined the growing global chorus to sanction leaders in the regime for human rights abuses.

The world is waking to the plight of the Venezuelan people.

We encourage all nations to support the Venezuelan people. The time has come to stand with freedom-loving nations, those that support the Venezuelan people, or choose to stand with the Maduro dictatorship, if that is your choice.

Elsewhere we will continue to encourage others in the region, like Cuba, who disregard their people and ignore this democratic moment in Latin America, to give their people the freedom that they deserve.

Cuba has an opportunity in their own transfer of power from decades of the Castro regime to take a new direction. In June, President Trump laid out a new vision for our approach to Cuba – one that supports the Cuban people by steering economic activity away from the military, intelligence, and security service which disregard their freedom.

The administration's policy – as written in the National Security Presidential Memorandum – also seeks to, quote, "ensure that the engagement between the United States and Cuba advances the interests of the United States and that of the Cuban people."

It includes advancing human rights and encouraging the nascent private sector in Cuba. The future of our relationship is up to Cuba – the United States will continue to support the Cuban people in their struggle for freedom.

Venezuela and Cuba remind us that for our hemisphere to grow and thrive, we must prioritize and promote democratic values.

We must root out corruption in all of its forms. Ineffective, corrupt governance damages countries. The economy suffers. People lose faith in

institutions. And crime increases.

Recent steps taken against corruption in Guatemala, Peru, the Dominican Republic, and Brazil underscore the importance of directly addressing it.

In Guatemala, we continue to support the CICIG – a UN body created in 2006 – to uphold the rule of law, strengthen accountability, and independently investigate illegal, corrupt activity affecting government institutions.

2018 should be the year countries in the Western Hemisphere restore their trust with their people, the people they represent, and take serious anti-corruption action.

Earlier as I mentioned the Summit of the Americas, hosted by Peru – will be hosted by Peru in April. We wholeheartedly support this year's theme: "Democratic Governance Against Corruption." And we encourage every nation in the region to fully embrace it.

Encouraging transparency, increasing accountability, rooting out corruption – all of these are essential to creating a sound economy for the region, promoting security, and protecting our values.

Strong institutions and governments that are accountable to their people also secure their sovereignty against potential predatory actors that are now showing up in our hemisphere.

China – as it does in emerging markets throughout the world – offers the appearance of an attractive path to development. But in reality, this often involves trading short-term gains for long-term dependency.

Just think about the difference between the China model of economic development and the United States version.

China's offer always come at a price – usually in the form of state-led investments, carried out by imported Chinese labor, onerous loans, and unsustainable debt. The China model extracts precious resources to feed its own economy, often with disregard for the laws of the land or human rights.

Today, China is gaining a foothold in Latin America. It is using economic statecraft to pull the region into its orbit. The question is: At what price?

China is now the largest trading partner of Chile, Argentina, Brazil, and Peru. While this trade has brought benefits, the unfair trading practices used by many Chinese have also harmed these countries' manufacturing sectors, generating unemployment and lowering wages for workers.

Latin American – Latin America does not need new imperial powers that seek only to benefit their own people. China's state-led model of development is reminiscent of the past. It doesn't have to be this hemisphere's future.

Russia's growing presence in the region is alarming as well, as it continues to sell arms and military equipment to unfriendly regimes who do not share or respect democratic values.

Our region must be diligent to guard against faraway powers who do not reflect the fundamental values shared in this region.

The United States stands in vivid contrast.

We do not seek short-term deals with lopsided returns. We seek partners with shared values and visions to create a safe, secure, and prosperous hemisphere.

The U.S. approach is based on mutually beneficial goals to help both sides grow, develop and become more prosperous, and do so by respecting international law, prioritizing the interests of our partners, and protecting our values.

With the United States, you have a multidimensional partner – one that benefits both sides with engagement to support economic growth, education, innovation, and security.

This year the United States is eager to create even deeper relationships with Latin America and Caribbean partners, with the aim of expanding freedom to more people.

We have a tremendous opportunity to build upon our shared history, culture, and values to generate more opportunity, more stability, more prosperity, and more resilient governance in South America, Central America, North America, and the Caribbean.

In this year of the Americas, the United States will continue to be the Western Hemisphere's steadiest, strongest, and most enduring partner. Thank you for your kind attention. (Applause.)

MR INBODEN: Well, as many of you know, my name is Will Inboden. I'm the executive director of the Clements Center and a professor at the LBJ School of Public Affairs, a couple of your hosts for today. And honored to have so many of our students here in the audience, and we're going to be hearing from a few of those students in a little bit.

Mr. Secretary, as you and I were visiting out back beforehand, we were remembering the first time we met was a couple years ago, and at that time, you were in the private sector and I had given a foreign policy speech to a group of UT alums, of whom you were in the audience. And as we recalled, you asked me some very probing questions in that – after my lecture, and I don't –

SECRETARY TILLERSON: (Laughter.) What goes around comes around, I guess.

MR INBODEN: That's right. I – the tables have turned, sir. I don't think either of us expected two years later we'd be here on the one-year anniversary of being Secretary, so, anyway, so my turn to ask some questions. I'm going to ask the Secretary a few questions, we'll have a colloquy here, and then we're going to hear from a few of our students as well.

So, Mr. Secretary, I'm a historian by training, and whenever I'm looking at

current foreign policy issues, I always like to think about the historical context. And as our history students here will know, in a few years, we celebrate the 200th anniversary of the Monroe Doctrine, which, for a very young United States, was our assertion of – our efforts to keep European colonial powers out of the Western Hemisphere to protect our security but also to promote the three pillars of the speech you talked about today: security, liberty, and prosperity.

So, you as Secretary, you kind of inherit that 200-year tradition. Looking back, how would you regard the Monroe Doctrine? Has it been more of a success or a failure, especially as you look at our challenges today?

SECRETARY TILLERSON: Well, I think it clearly has been a success, because as I mentioned at the top, what binds us together in this hemisphere are shared democratic values, and while different countries may express that democracy not precisely the same way we practice democracy in this country, the fundamentals of it – respect for the dignity of the human being, respect for the individual to pursue life, liberty, happiness – those elements do bind us together in this hemisphere. So I think it clearly was an important commitment at the time, and I think over the years, that has continued to frame the relationship.

Having said that, it's easy for the United States as a country, because of our size and our engagements with so many countries and regions around the world, to, through nothing more than just perhaps a period of neglect, to let certain relationships atrophy a bit. And we've gone – I think we've gone through those periods of time in our history as well, and if you look back and whether – you can go by individual country or regionally as well, due to other events, sometimes I think we have forgotten about the importance of the Monroe Doctrine and what it meant to this hemisphere and maintaining those shared values. So I think it's as relevant today as it was the day it was written.

MR INBODEN: Okay, cool. John Quincy Adams would be happy to hear that, so. (Laughter.) You mentioned in your speech NAFTA and the ongoing renegotiations and efforts to bring it up to speed, and it was on the presidential campaign trail in 1980 that candidate Ronald Reagan was the first American political leader to call for a North American free trade accord, which soon thereafter became NAFTA.

So as you mentioned, we've been living with this vision and this reality for quite a while. As we're – as our country is in the midst of the NAFTA renegotiations, what would you describe as the – what have been the strengths and the weaknesses of NAFTA as currently constituted?

SECRETARY TILLERSON: Well, I think – again, and as I mentioned, when it was put in place 30 years ago, the world was a bit of a different place. Supply chains didn't function the way they do today – again, I mention the advent of the digital age, the digital economy, which has completely disrupted supply chains and how they function. The rise of China now as the second largest economy in the world, and China growing its economy by spreading out its own trading relationships – all of those have had an impact on NAFTA's ability to

respond – the agreement.

And that's why I think – we think about it as a need to modernize the agreement. I think the strength of building upon the fact that with shared borders, there are clear efficiencies to be gained that serve all three countries well and creates more value, and that's – in the global world of competition and trade, and whether you're building automobiles or whatever you're manufacturing or whatever you're doing agriculturally, you are competing with others. And when we can integrate the strengths of these three countries that share this border – if we can lower our cost of supply by that much, we just won, we just beat the other trading partners.

And I think – and that was always the vision in the beginning, and I think where it's – where it's having trouble and struggling today is because it's not been able to respond to that outside competitive force as effectively as perhaps it should. So we're hoping we can get to a modernized agreement. I'm not directly engaged in those negotiations; I stay close to them because they do intersect with our foreign policy agenda as well. I can tell you it's – these are tough negotiations, and I'm sure some of you are hearing about that, but the parties are continuing to work, I think, towards a solution that serves all three countries' interests well, but then collectively achieves the subjective of collectively making us the most competitive trading entity in the world.

MR INBODEN: So I want to come back to another country that you mentioned towards the end of your – end of your speech, and that's Cuba, one of the two remaining tyrannies in the region along with Venezuela. President Trump has been quite critical of the Obama administration's previous normalization process with Cuba, with the Castro regime. But as you mentioned in June when the President announced some new regulations – or a few months ago, in November when he announced some new regulations, some Cuban American groups worried that those didn't go far enough in reversing the previous administration's policies. So what would you say are your strategic priorities towards Cuba going forward?

SECRETARY TILLERSON: Well, as I mentioned, they're – they will be going through a transfer of power – supposed to this year, we'll see whether it happens this year or not, but – and this will be, in all likelihood, the first transfer of power that Cuba has not been led under a Castro regime, so that we think there are opportunities, perhaps, for – an opportunity to shift towards a more open and democratic future. That's what we're hoping.

With respect to our objectives with Cuba, and the – I think President Trump's analysis – and I agree with it – of the terms with Cuba that were in place when we took office, that an awful lot had been given to the Cuban Government, and not much had been received in return, other than a clear economic opportunity for U.S. business interests, which is great.

But that was coming on the backs of the Cuban people, who are still very repressed. So we have taken a shift, we preserved a lot of that, but basically said, "Yes, we do want to support the Cuban people." We're not interested in supporting the Cuban regime. And as you know, the government

and the security forces and others have a significant presence in almost all economic activity. So one of our objectives was to separate that and allow the Cuban people to have a more full, rewarding participation in that economy, and limit what we're – what the government is benefiting from through their ownership.

So that was one of the significant changes, but again, it's all – it's all directed at how do we help the Cuban people. That's what we want to do is help the Cuban people, and we are hopeful, and we stay – we do stay engaged with the Cuban authorities that – in this transition, can they find their way to maybe a different future? I don't know. We'll see.

MR INBODEN: Yeah, we'll see. Great. Well, as a professor, I could go on all day with more and more of my questions, this and that, but I think we'll all be a little more interested to hear from some of our students. So we've got a number of students with questions for you.

SECRETARY TILLERSON: Okay.

MR INBODEN: And we've got microphones that are coming down the alleys, and all the rest of you, if you're not a student, sorry, no questions from you. (Laughter.)

All right, let's see. First one up, we've got Patricia Zavala, so – Patricia, where are you? So – that's right, there you go. Galen, the mike to Patricia, so – and please identify your degree program and school, that's right.

QUESTION: Hello, Secretary Tillerson. My name is Patricia Zavala. I'm a dual-degree master's student at the LBJ School of Public Affairs, and the Lozano Long Institute of Latin American Studies. And my question is about corruption in Latin America, which is something that you touched on in your speech. Given the effect that corruption has in undermining public institutions and impeding the effective implementation of the administration's policy priorities, what can the U.S. do to combat the endemic corruption in the region?

SECRETARY TILLERSON: Well, now I mentioned a number – we have a number of initiatives and funding programs working directly with individual countries – the U.S. directly but also using other UN and other international organizations to, first and foremost, strengthen the judicial systems. If we can get judicial systems and judges that are not corruptible, then you can begin to prosecute cases of corruption and punish people, and then that begins to dissuade them. And that is – that's the approach. Now, that does then raise significant risk for those judges, so hand in glove with it goes strengthening law enforcement and security in the region and in those countries to protect those who are taking action to eradicate corruption. And there is – without question, there's an intersection of a lot of the trans-criminal organizations with the corruption as well to facilitate their narcotics activities, their human trafficking activities, other kind of illicit smuggling.

So it is quite – it's quite challenging, but we've made a lot of progress in

Central America with these initiatives using – and in Mexico with the Merida Initiative that I mentioned – those are all specifically targeted at exactly the issue that you're asking about, but it is strengthening judicial systems, getting judges in place that will act in accordance with their law, in some cases passing new prosecutorial laws that make it easier to prosecute corruption. A lot of these are evidentiary laws. If you don't have good evidentiary laws, you can't make the case for a prosecution – and then creating an environment where these judges can do their job, recognizing that some of them are going to come under threat.

So it's very targeted, and we try to go country by country as to what is best needed there. But both in Mexico and in Latin America, it's a significant undertaking. That really is what's necessary to create the kind of environment then to allow economic prosperity, growth, job creation. That's what keeps everybody at home.

MR INBODEN: All right, thanks. All right, our next question from Juan Gonzalez-Rivera.

QUESTION: Hello, Mr. Secretary of State.

SECRETARY TILLERSON: Hello, Juan.

QUESTION: My question is – first, I'm a Fulbright student from Colombia. I'm a candidate for PhD in chemical engineering, so my question is about –

MR INBODEN: Future ExxonMobil. (Laughter.)

QUESTION: My question is about your science –

SECRETARY TILLERSON: Or future State Department. (Laughter.)

MR INBODEN: That's right, that's right. Okay.

QUESTION: About your science diplomacy agenda. So in your upcoming travel to Latin America, will there be a science strategic agenda to foster scientific cooperation in topics of interest to the region, or other topics of interest to the region such as food security, infectious diseases, and, of course, the environment?

SECRETARY TILLERSON: Well, I think, as you point – you just touched on areas that are obvious for cooperation and scientific investigation, and certainly the – South America in particular has some incredibly rich ecology areas, things that we can learn a lot about what's happening with the environment, what's happening with the planet, what is the effect of climate change that we're seeing. And so yes, there are important joint scientific efforts for us to fund, send our own scientists there, but also bring scientists from Latin and South America to our institutions in the United States – and like yourself – to study and share, grow, and either go back home to continue that work or stay here. So it's – there are environmental issues of interest, there are diseases that are of particular interest in certain environments in particular, and that's why we have a very active PEPFAR program. As you know, it's AIDS, but it's also malaria and a few other infectious diseases that are

important.

So it is an opportunity for us to talk about how are those collaborations that are in place going, what could we do to either strengthen those or expand them, and what new areas of investigation might be of interest to both of us. Certainly, the strong educational ties between our two countries and the fact that you're here studying at the University of Texas – and congratulations on being a Fulbright scholar – those are the strong connections that down the road – and these are the people-to-people connections – that are going to keep our countries very, very close together in terms of our values as well. And all the best to you.

MR INBODEN: All right. Okay, another student question. We've got Sean Salome there. The microphone's coming down. And Mr. Secretary, Sean, who's about to ask you the question, he's one of our Clements Center undergraduates. He'll tell you what he's studying, but he's also a Marine vet who did a couple of deployments in Colombia.

SECRETARY TILLERSON: God bless you.

QUESTION: Thank you. Good afternoon, Secretary. Thank you for having us. Colombia's facing a crossroads right now. Its neighbor to the east, Venezuela, is deteriorating as its continued government is strangulating the people. We're having mass migration of Venezuelans enter Colombia. Internally, Colombia's government and the ELN have failed peace talks, and these issues may very well lead to social unrest and economic turmoil for Colombians. How does this U.S. plan – or U.S. aid plan on aiding the Colombian people, and should the FARC be part of this process? Thank you.

SECRETARY TILLERSON: Well, as you know, they have a very prescribed process to work through the implementation of the peace accord, and I would share your observation that it has stalled a bit. They were making good progress and now some areas that are important seem to have hit a pause. That's one of the areas we will be talking with the Santos government about: How can we get those restarted, continue the – we think it's important to continue to implement the peace accord if we're going to secure the peace that has been negotiated with the FARC, FLN[1].

You are correct in terms of Colombia is probably the most impacted country from the Venezuelan crisis. Something between 200- and 300,000 Venezuelans have now left Venezuela, living in Colombia as refugees, basically, but another couple of hundred thousand that are going back and forth all the time, just seeking food and medical treatment in particular. We have attempted to provide certain medical equipment – vaccines and others – to the Venezuelan Government so these people don't have to leave to get their treatments. The Venezuelan Government refuses to take that aid. Maduro does not want to appear that he needs it. We're going to continue to work at that.

So it is a – it's a real problem for Colombia and it has the potential to destabilize Colombia, which is why continuing to move forward on the peace implementation is so important, so it doesn't create a new area of instability and all the parties go back to their corners and we're right

where we were.

We have a lot of confidence in the Santos government, and we know they have elections coming up, but we believe the government is very committed to following through on implementing the peace accord. We need to encourage them and help where we can in that regard.

The problem with the coca production is – it's a significant problem. It's a problem to us, it's a shared problem. As I said in my remarks, we don't like to admit it, but we're the market. The United States accounts for the vast, vast, vast majority of illicit drug consumption in the world. And until we address that problem at home, it's a bit awkward to hold them solely accountable for being the supplier. So that's why we're working through these integrated dialogues to put the whole supply chain together. Let's own the consumption problem. We have to own that. They need to own the supply side.

So in Colombia we've got a lot of issues to deal with, but we also think Colombia is an enormous country of opportunity, and they have everything they need to be wildly successful, and we believe they can be and they will be, and we just need to support them and encourage them to get on with implementing the peace accords.

Thank you for the question.

MR INBODEN: All right. And then next question is from Alyson (ph), Alyson (inaudible). Yeah. The mike is going to you. Remember, please identify your degree program. Thanks.

QUESTION: Hi, Secretary Tillerson. Thanks so much for taking our questions. My name is Alyson Swadic (ph). I'm a second-year master of public affairs student at the LBJ School of Public Affairs. My question is about the Merida Initiative, the security partnership between the U.S. and Mexico that you alluded to in your speech. You mentioned the importance of rule of law and fighting organized crime. Congress appropriated $2.8 billion to the Merida Initiative in 2008, but there's $1 billion left to spend. How do you think the U.S. should best spend that money in order to promote security for both nations?

SECRETARY TILLERSON: Well, in order to spend the money we also need the cooperation with the Mexican Government of where – where do they agree we can help them the most. So oftentimes the pace of that is coming to agreement with them on where they are willing, and we can work with them.

We continue to believe that we can provide them significant training in law enforcement because they need – they need more law enforcement personnel, training of people to build their forces up, and new kinds of training to deal with the cartels in particular. Regrettably, the cartels are – have become more powerful. They are extremely well armed. Most of those arms are coming from the United States. So we have a huge weapons interdiction effort underway as well. This is why we have Department of Homeland Security involved. Interestingly, for about every 10 trucks that we inspect coming north, because we're worried about what's coming to see us, we only inspect

one truck going south. And so we have committed to them that we will do a better job of interdicting weapons flowing in.

So I think it's – it is through this joint dialogue we're having with them to identify looking at what is – what are all elements of this supply chain? Where can we best attack that? What are the capabilities we need? And then we have some funds to address that. So it is going to be, I think, law enforcement, some ability to – for them to collect intelligence themselves on where these labs are. We destroyed, I think, about 134 labs last year through some information sharing, and when we identify them, the Mexican forces have been going in to destroy those. So I think we have a – or we've got, unfortunately, too many opportunities where we can apply the joint effort, and we have the resources, the money, to do that. Thank you.

MR INBODEN: Thanks. All right. All right. Another student question. Yeah, Evan.

QUESTION: Secretary Tillerson, thank you very much. My name is Evan McCormick. I'm a post-doctoral fellow at the Clements Center. During the political crisis in Venezuela last year, the State Department vocally backed the Organization for American States' criticisms of the Venezuelan electoral system. In December, however, the State Department recognized the re-election of Honduran President Juan Orlando Hernandez in spite similar – in spite of similar criticisms from the OAS regarding electoral irregularities and calling for or recommending a new election.

My question is: What is the Trump administration's policy regarding support for free and fair democratic elections in the Americas, and will it work with the OAS in ensuring that those democratic standards are respected equally across the hemisphere?

SECRETARY TILLERSON: Well, our position's the same in every country. And in the case of the Honduran elections, we also looked at other organizations' assessment of the election in terms of was it conducted in a free and fair way, was the election legitimate. In terms of why the OAS came to a different conclusion – which was actually different than the original conclusion they came to, they changed their position – I'd refer you to the OAS to ask them. But we did look at the circumstances of the election. We concluded it was conducted fairly. And I think there's no – and I want to be clear here. There can be no comparison between the election process that was conducted in Honduras and the election process that's going on in Venezuela. They're nowhere close to one another. Thank you for the question, though.

MR INBODEN: All right, okay. And one more student question. Let's do Abigail (ph). Right there, Diana (ph). Yeah, thanks.

QUESTION: Good afternoon, Mr. Secretary, and thank you for spending part of your day with us. My name is Abigail Griffin and I am senior studying Plan II Honors government and Middle Eastern languages and cultures. I have a question regarding Venezuela. So a commonly proposed solution to a lot of the problems in the country is the removal of President Maduro from power. In your opinion, is this removal necessary, and what could the U.S.'s role be in

the possible regime change, especially considering the turmoil that could surmount from such a change?

SECRETARY TILLERSON: Well, President Maduro could choose to just leave. I mean, that would – (laughter). That'd be the easiest. We have not advocated for regime change or removal of President Maduro; rather, we have advocated that they return to the constitution. We do not recognize the constituent assembly as legitimate, and they need to get back to the constitution and follow the constitution.

We – I think there will be a change. We want it to be a peaceful change. Peaceful transitions, peaceful regime change is always better than the alternative of violent change. In the history of Venezuela and in fact the history in other Latin American and South American countries, oftentimes it's the military that handles that, that when things are so bad that the military leadership realizes they just – they can't serve the citizens anymore, they will manage a peaceful transition. Whether that will be the case here or not, I do not know. Again, our position is Maduro should get back to his constitution and follow it. And then, if he is not re-elected by the people, so be it. And if the kitchen gets a little too hot for him, I'm sure that he's got some friends over in Cuba that can give him a nice hacienda on the beach, and he can have a nice life over there. (Laughter.)

MR INBODEN: All right. Well, our time is drawing to the close. I know the Secretary needs to head off on the next leg of his very ambitious journey here. But Mr. Secretary, one final question from the moderator here.

As a native Texan, you know here that here in Texas we have very strong concerns about border security, and I can – I think I can speak for almost everyone here in the room that when we look at our state's borders, especially SUT folks, our biggest concern is the threat from Oklahoma. (Laughter.) So especially the Sooners football team. So you've got a captive audience. What advice do you have for Coach Herman, and what are we going to do to beat OU this fall? (Laughter.)

SECRETARY TILLERSON: Well, I think I can help him. (Laughter.) We just need to get in place a visa program for the Red River – (laughter) – and we just won't issue any visas to the Oklahoma football team. (Laughter and applause.)

MR INBODEN: Thank you.

SECRETARY TILLERSON: I'm really not worried. I'm really not worried because University of Texas is going to beat Oklahoma this year.

MR INBODEN: There's tomorrow's headline. All right, okay. (Applause.) All right, okay. All right, all right. Everybody please join me in welcoming and thanking Secretary Tillerson. Thank you so much, sir. That was awesome. (Applause.)

And everybody, before you leave, we've got a little sendoff for you from the Secretary's – the Secretary's old bandmates, his old friends. So stay with us for a couple minutes. Can't leave without a song. So that's right.

(A song is performed.) (Applause.)

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[1] ELN (National Liberation Army) or Ejército de Liberación Nacional