

Statement by Mr. Hector E. Morales, Jr.

**Confirmation Hearing on Nomination to Serve As
U.S. Permanent Representative to the Organization of American States**

Senate Foreign Relations Committee

February 7, 2008

Thank you, Mr. Chairman and members of the Committee for the opportunity to appear before you today. I am honored that President Bush has nominated me to serve as the United States Permanent Representative to the Organization of American States (OAS), and I am grateful to have the support of the President and Secretary Rice and the privilege of your consideration.

With the Committee's indulgence, I would like to introduce the members of my family here today: my wife, Selden Wallace Morales, my sister Ann Michele Morales, and my brother and sister-in-law, David and Manar Morales.

For the last four years, I have had the honor of representing our country at the Inter-American Development Bank; first as the Alternate Executive Director and for the last three years as the Executive Director. I also have been honored to serve on the board of a United States agency, the Inter-American Foundation.

The Inter-American Development Bank's mission is to help accelerate economic and social development, individually and collectively among the region's countries. During my tenure at the Bank, there have been notable accomplishments, including: the \$150 million replenishment of the Multi-lateral Investment Fund; the participation of the MIF and the Inter-American Investment Corporation with OPIC in the creation of a \$200 million financing initiative for small and medium businesses in Latin America and the Caribbean; and less than a year ago a \$3.4 billion debt relief package to the poorest countries of the Region. I have also been a strong advocate for greater transparency and accountability. While I have been at the IDB, an office of institutional integrity was

implemented, and the Board now has an audit committee to improve the vigilance and fiduciary oversight of Bank operations.

Latin America and the Caribbean are regions with great economic potential, but they face the formidable challenges that confront most developing countries. We must take advantage of the opportunities that effective multilateralism offer to the United States, working through institutions like the IDB and the OAS, as we pursue goals in key strategic areas, including the promotion of democracy, human rights, economic prosperity, and security. As we do so, we recognize and reaffirm our commitment, expressed in the Inter-American Democratic Charter, that democracy is “essential for the social, political, and economic development of the peoples of the Americas”

I have had the opportunity to work multilaterally in the Inter-American system in the area of development. I hope this experience, if I am confirmed, will help the United States and our commitment to work with our partners multilaterally to advance our common interests and values, and to ensure that the OAS remains true to the core principles upon which it was founded, now enshrined in the Inter-American Democratic Charter.

Over recent decades, the Western Hemisphere has undergone profound and positive changes: Democracy prevails in all countries but one, Cuba; and respect for human rights is the norm, not the exception. People throughout the region have made enormous sacrifices to strengthen their democracies, and must now consolidate these gains in the face of very serious challenges. These include poverty, inequality, social exclusion, and the inability of institutions to deliver the goods and services that people need to take advantage of the benefits of democracy and economic opportunity.

It is also important that the United States remain committed to the Summit Process, which has enjoyed bipartisan support since its inception in 1994 under the Clinton Administration. President Bush has attended three Summits, which have brought significant accomplishments in the areas of democracy, job creation, HIV/AIDs,

infrastructure development, education and competitiveness. The fifth Summit of the Americas, which will take place in Trinidad & Tobago in the first half of 2009, will be an early opportunity for the next President to build on the accomplishments of prior Administrations, and also engage many of the region's leaders for the first time.

It is critical that the OAS remain engaged and proactive. And from the U.S. standpoint, this means enterprising multilateral engagement in the Americas to ensure that the OAS and the Summit of the Americas continue to enhance their important catalytic role in advancing our shared hemispheric agenda.

If confirmed, I look forward to working with you to address these issues and to continue to promote U.S. multilateral diplomacy in the Americas at the Organization of American States. If given the opportunity to serve, I would approach my role as U.S. Permanent Representative with the benefit of having traveled, worked, and lived in the region. I would also bring to this position my deeply held belief in the importance of robust U.S. engagement with our regional partners to advance freedom, economic prosperity, and social justice for all the peoples of the Americas.

Thank you, Mr. Chairman, for the privilege of appearing before the Committee. I would be pleased to answer any questions you and the other members of the Committee may have.