

HEMISPHERE HIGHLIGHTS

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Upcoming Events

July 25

Presentation by Dr. José Bayardi, Minister of Defense of Uruguay

"[The Canada-Colombia free trade agreement] will improve bilateral market access for agricultural products, industrial goods and services trade, as well as create a more secure environment for investment.

Headlines

The government of **Canada** concludes negotiations for a free-trade agreement with Colombia. Legislation is passed in **Mexico** to undertake a reform of the country's judicial system. The European Union ends a five-year ban on diplomatic relations with **Cuba**. A UN report shows an increase in coca production in **Colombia**, and Colombian president Álvaro Uribe plans to call a referendum to seek endorsement of his election two years ago. The president of **Ecuador's** Constituent Assembly resigns in protest of the upcoming deadline for approval of the new constitution draft. Three additional autonomy referendums are approved in **Bolivia**, and the U.S. ambassador is recalled from La Paz following protests outside the embassy. In **Argentina**, efforts continue to reconstruct the country's political party structure.

North America

Canada

On June 7, 2008, Canadian minister of foreign affairs and then-minister of international trade David Emerson announced the conclusion of negotiations with the government of Colombia on a free-trade agreement (FTA) between the two countries. According to the Canadian Department of Foreign Affairs, the agreement will improve bilateral market access for agricultural products, industrial goods and services trade, as well as create a more secure environment for investment. Bilateral trade between Canada and Colombia totaled C\$1.14 billion in 2007. The negotiations for the Colombia FTA also included two side agreements on labor and the environment--the Labour Cooperation Agreement commits both countries to abide by the standards set out by the International Labour Organization, including the respect for freedom of association and the right to bargain collectively, and the Agreement on the Environment requires that both countries enforce their respective domestic environmental laws without relaxing them to encourage trade or investment. After a detailed legal review of the documents is conducted by each country, the agreement will be tabled in the House of Commons for a period of 21 days before being voted on as legislation. *Reengagement in the Americas has been a chief foreign policy priority for the current Canadian administration. The Colombia agreement is the product of an initiative started in July of 2007 during a visit by Prime Minister Stephen Harper to the region. The conclusion of negotiations with Colombia follows closely on the successfully passed Canada-Peru FTA, which was signed on May 29, 2008. Negotiations for the Peru FTA, similar in scale and scope to the Colombia agreement, were concluded in January 2008, and it took five months to be reviewed before the agreement was voted on in Parliament. With the House of Commons in summer recess until September, the review and tabling process for the Colombia agreement will therefore likely not be concluded before the end of the year. There has not been significant opposition in Parliament to this expansion of trade relations in Latin America, so when the Colombia agreement is brought to a vote it will likely pass without issue. However, this legislation could be subject to delay in the case of a federal election, should one be called before the conclusion of the review period.* Jessica B. Horwitz

Recent Events

June 30

Discussion Panel: Is Haiti Drifting Toward Crisis?

June 20

Presentation by Roberto Flores Bermúdez, Ambassador of Honduras

“The legislation marks an important step toward improving transparency and efficiency in Mexico’s legal system and will bring it more in line with modern standards of jurisprudence.”

“Spain, which spearheaded the EU effort, normalized relations with Cuba last year and has promoted a policy of engagement.”

Mexico

On June 17, President Felipe Calderón of Mexico signed legislation designed to overhaul Mexico's justice system. Among the most significant changes, defendants will be presumed innocent until proven guilty and criminal cases will be conducted in oral trials, similar to U.S. trials. This will replace the current system where criminal cases are processed through written briefs, judges decide verdicts behind closed doors, and suspects can be held on presumption of guilt. Another change according to the new law will allow local and state police to conduct organized crime investigations. Previously, this was a task only for federal police. In addition, authorities will be given the power to seize property where crimes have been committed and hold organized crime suspects for up to 80 days without filing charges. The reforms were approved by Mexico's Congress earlier this year; however, a provision to permit warrantless searches was removed before legislation was signed. The reforms are expected to be carried out over the next eight years and will cost approximately \$2 billion. Mexico will use the time and money to train lawyers, judges, and law enforcement on the police and criminal procedure reforms as well as restructure courtrooms across the country in preparation for oral trials. *The legislation marks an important step toward improving transparency and efficiency in Mexico's legal system and will bring it more in line with modern standards of jurisprudence. Still, human rights groups have raised concerns about holding suspects for up to 80 days without charges, a situation that they worry could lead to abuse. Abusive treatment of jailed suspects, however, already exists in practice in many parts of the country. The reforms also represent a political victory for Calderón, who successfully passed the legislation through an opposition-controlled Congress. Attempts at similar legislation failed in the two preceding administrations. Calderón expects the legal reforms to aid in his war on drugs by giving local and state authorities the power to investigate organized crime. Drug-related violence has resulted in more than 3,500 deaths in Mexico since January 2007.* Catherine Rebecca Dooley

Caribbean

Cuba

European Union leaders ended a ban on diplomatic relations with Cuba this month in a move that they say will encourage democratic reforms on the island. On June 19, the European Union voted unanimously to lift the sanctions that had been in place since 2003, signaling the start of a new partnership four months after Fidel Castro officially stepped aside and his brother, Raúl, became president. The largely symbolic decision took effect four days after the EU vote. The sanctions, which restricted high-level diplomatic contact between EU nations and Cuban officials, have not been in force since 2005--they were imposed in 2003 following a government crackdown but suspended two years later. The United States, which has upheld a 50-year trade embargo against the Castro regime, expressed "disappointment" with the EU's actions, saying there were no significant signs that the Communist island was moving away from dictatorship. State Department deputy spokesman Tom Casey argued that changes in Cuba have been merely cosmetic and that Cuba's current reform agenda gives Washington no reason to believe that now would be the time to rethink the U.S. position. EU leaders disagree, with EU external relations commissioner Benita Ferrero-Waldner commenting that the trading bloc sees "encouraging signs" of reform in the island nation. The European Union did, however, impose certain conditions in exchange for sanction-free relations, including the release of all political prisoners. It will evaluate Cuba's progress over the next year, leaving open the possibility of new measures should human rights not improve. *This move is unlikely to have any meaningful effect on the U.S. position toward Cuba. U.S. policy is significantly constrained by existing legislation, which requires a transition to democracy marked by free and fair elections and other key reforms. Washington has been consistent in its wait-and-see*

stance on Cuba's new government, emphasizing the importance of wide-ranging improvement in human rights conditions before considering the removal of any U.S. sanctions. Spain, which spearheaded the EU effort, normalized relations with Cuba last year and has promoted a policy of engagement.

Ariadne Medler

South America

Colombia

United Nations drug experts believe Colombian coca cultivation is more widespread than it previously reported. In June, the Vienna-based UN Office on Drug and Crime (UNODC) released its annual report. Its most striking conclusion was that Colombian peasants increased their coca plantations by 27 percent in just the last year. This was discouraging news for those looking for an early end to so-called drug wars. For seven years, the U.S. government, in the face of heavy media criticism, has supported aerial spraying of herbicide to destroy coca fields. The one saving note in the UNODC finding was that, despite the increased area cultivated, the resulting narcotics production remained the same because new coca plants are being grown in less productive parts of the country. Yet, Colombia continues to be the source of half the cocaine shipped around the world, supplying a total international demand unchanged from previous years. Consumption in the United States and Canada is down; it is, however, up in Europe, South America, and even Africa. *It is ironic but perhaps not surprising that so much attention is being given to this year's UN report. In the recent past, the UN's work has been largely ignored because, contrary to popular opinion, its figures seemed to suggest that U.S. antinarcotics cooperation with Colombia was exactly meeting its objectives(i.e., a 50 percent reduction in coca cultivation in five years). Commentators have rather tended to focus on the U.S. government's own much more pessimistic figures, which in recent years have given estimates twice the UN number. According to U.S. estimates, although cultivation sharply declined after aerial eradication first began, it increased significantly in 2005 and 2006 when the surveys started searching out coca farmers in more remote parts of the country. U.S. officials have sought to deemphasize the significance of the crop numbers and in fact will not publish their own crop estimates for 2007 until August, six months after the normal date for submission of the numbers to the U.S. Congress. Both U.S and Colombian policymakers are convinced that much good has come from their antidrug cooperation, including a big drop in violence in Colombia and, as the United Nations suggests, at least some disruption of the U.S. drug market, but in the face of diverging and puzzling statistics, they both also see the need to rethink their coca eradication strategy.* Phillip McLean

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President Álvaro Uribe says he will call for a national referendum to seek a popular endorsement of his reelection two years ago. The president says only a referendum can remove the doubts that he believes have been cast on the legitimacy of his government by the Colombian Supreme Court. The court has taken the lead in investigating and prosecuting legislators found to have had ties to "paramilitary" mafias. Uribe suspects that some on the court have been seeking to tie him personally to this so-called parapolítico scandal. The sparring between the president and the court came to a head after the testimony of a former member of congress, Yidis Medina. Medina claims that three years ago she provided a key favorable vote for a constitutional amendment allowing Uribe to run for a second term in exchange for jobs and other benefits for her political supporters. Having confessed the crime of trading her vote in Congress for specific favors, she was found guilty and sentenced to 47 months to be served in house arrest. The court then took the additional step of forwarding a record of the trial, including the former congresswoman's allegation of having dealt directly with the president, to the country's Constitutional Court, which had certified the change to the Constitution after the congress-

“Uribe is famously quick, some would say prickly, in defending himself.”

sional vote. Uribe is famously quick, some would say prickly, in defending himself. His hypersensitivity may seem strange to a leader with more than 80 percent standing in the polls. (The public in the same vein has a low opinion of Yidis Medina’s credibility.) But Uribe’s confrontation with the Supreme Court and his proposal for a referendum threaten to undermine Colombia’s delicate constitutional balance. The judicial system was virtually destroyed in the 1980s by the attacks of the drug mafias (the predecessors of the paramilitaries). In 1991, the new Constitution adopted many innovative reforms but also created multiple courts of final appeal of which the Supreme and Constitutional Courts are just two. A large prosecuting authority (the fiscalía) and criminal trials based on oral argument are still taking shape. So while Uribe may be worried about his authority being undermined, the legitimacy of the courts--and the Congress that will have to approve the call for referendum with 20 percent of its members also being investigated--is at stake. Some fear Uribe will try to use a national vote to extend his present term or that the Congress will also try to use it as a vehicle to renew itself. Although key presidential aides say his intention is to serve only to the end of his present term in 2010, Uribe himself has been less clear, leaving the impression among many of a president taking an authoritarian path. **Phillip McLean**

Ecuador

President of the Ecuadoran Constituent Assembly Alberto Acosta resigned on June 23 to protest the upcoming July 26 deadline for approval of the final draft of Ecuador’s new constitution. Though the deadline has already been extended twice, Acosta argued that the time limit, which has no current provision for further extension, will prematurely cut off debate and damage the constitution. The Constituent Assembly of 130 members first convened on November 29, 2007, to draft the new constitution. The assembly is divided into 10 working groups of 13 assembly members each to focus on drafting different sections of the new constitution. Over the past seven months, the working groups have received proposals from thousands of Ecuadorean citizen organizations, advocacy groups, and business leaders. Major issues facing the assembly in the final month of its work include the rights of the indigenous, women, and homosexuals, as well as local government structure and state control of the telecommunications, oil, and mining industries. According to Ecuador’s Supreme Electoral Tribunal, the draft constitution must be brought to referendum for approval within 45 days of its finalization in the assembly. Since its inception last September, the assembly has been repeatedly criticized by opposition leaders who point out that 80 out of the 130 delegates and 8 out of 13 members of each working group belong to President Rafael Correa’s Alianza PAIS party and that this composition poses a major obstacle to consensus and legitimacy. Opposition party members also argue that certain proposed constitutional changes, including state control of major industries, new regulations and limitations for provincial governments, and the provision allowing the president to hold office for two consecutive terms, are attempts by Correa to centralize power. Conversely, the PAIS party is split over whether the new constitution does enough to centralize state and economic power in the national government. The assembly has lost some popular support because of conflicts with other branches of government, including the disbandment of the opposition-led Congress in December, alleged attempted bribery of a PAIS leader by leaders of the Sociedad Patriótica opposition party to secure votes against the constitution, social conflicts in Ecuador over religion and indigenous heritage, and the two deadline extensions for the draft of the new constitution. According to a recent Cedatos-Gallup survey, only 37 percent of Ecuadoreans currently support the new constitution, in stark contrast with the constitutional reform referendum a year ago that passed with more than 81 percent of the vote. Correa, with his charismatic leadership style, might be able to rally more support before the draft is put to referendum, but securing the majority approval necessary to pass the constitution may prove more of a challenge than previously anticipated. **Joseph A. Kapusnick**

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Bolivia

June was a rough month for the administration of President Evo Morales. On the heels of the May 25 autonomy referendum in the Department of Santa Cruz, voters in the three other "media luna" departments of the Beni, Pando, and Tarija in June overwhelmingly approved statutes providing local governments with enhanced autonomy vis-a-vis the national government in La Paz. Tarija, site of the majority of Bolivia's richest natural gas fields, was an especially important vote, pitting a local political class very much in the camp of the national opposition at loggerheads with supporters of the Morales administration. To make matters worse for the government, on June 29 a representative of the Center-Right opposition, Savina Cuéllar, was elected prefect (governor) of Chuquisaca Department with some 56 percent of the vote as compared to the progovernment candidate's 39 percent. Cuéllar became the first indigenous (Quechua) woman to win election as a prefect in Bolivia. In 2006, she was elected to Bolivia's Constituent Assembly as a member of Morales's Movimiento al Socialismo (MAS) party, which she later left to join the Center-Right PODEMOS opposition. Chuquisaca, also home to important natural gas discoveries, was hitherto considered firmly within the government camp. *With this election, seven of nine departments in Bolivia are headed by opposition figures. Bolivia's round of referenda continues on August 10 when voters will decide whether to recall President Evo Morales and Vice President García Linera as well as all of the department prefects. A decision by the opposition-controlled Senate to approve previously dormant legislation allowed this process to proceed. This step came in the wake of the opposition's euphoria over the Santa Cruz autonomy vote in May but could prove to have been a political mistake. The terms of the recall referendum favor Morales. To remove him, the opposition would have to garner more votes in the referendum than Morales obtained in his 2005 election— some 53.7 percent. With resources behind him to mobilize a major voter turnout in pro-MAS districts, this will be a very difficult challenge. Several of the oppositionist prefects, however, above all in La Paz and Cochabamba, are vulnerable to recall under these rules. It is no wonder that the opposition prefects are now calling for the rules of the referendum to be modified. Regardless, the climate of confrontation between Morales and the opposition is heating further, which could provoke the government to play other cards in its hand, such as ratcheting up to even higher levels its anti-U.S. rhetoric.* Peter DeShazo

"The climate of confrontation between Morales and the opposition is heating further, which could provoke the government to play other cards in its hand, such as ratcheting up to even higher levels its anti-U.S. rhetoric."

U.S. ambassador to Bolivia Philip Goldberg was recalled to the United States in June following violent protests outside the U.S. embassy in La Paz, Bolivia. On June 9, thousands of protestors threw rocks and shot fireworks at the building before Bolivian police employed tear gas to prevent them from breaking through police lines. "We want Bolivia to be free, not a Yankee colony," chanted the protestors, shouting demands for the United States to extradite former Bolivian defense minister Carlos Sánchez Berzain, who the Evo Morales government has blamed for the deaths of 60 people during the "black October" protests in 2003. Statements by Sánchez to a La Paz radio station claiming that he has refugee status in the United States served as a backdrop to the demonstrations at the embassy. Bolivia's government removed the La Paz Department police commander just hours after his forces had successfully protected the U.S. embassy, asserting that the dismissal had been planned since the previous month. *Relations between Bolivia and the United States have been uneasy since the start of the Morales administration and are deteriorating at an accelerated pace. Morales frequently criticizes the United States, lashing out personally at Ambassador Goldberg. The U.S. response up until now has been largely laconic, but new episodes are provoking more concern. La Paz media reported that the demonstrations at the U.S. embassy were planned by government supporters using protesters from El Alto who were recruited and bussed in for that purpose. The firing of the police commander also added fuel to the fire, as did Morales's June 26 comments in support of efforts by his coca-growing constituents in Cochabamba's Chapare region to expel USAID workers from the zone. This prompted the United States to criticize Morales's statements as "inappropriate, unfriendly, and unfortunate." The*

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U.S. position of seeking a positive relationship with the Morales government, as recently reiterated by Assistant Secretary for Western Hemisphere Affairs Tom Shannon in an interview with a Bolivian newspaper, will be increasingly challenged by the anti-U.S. rhetoric coming from the Bolivian government.
Russell Prag and Peter DeShazo

“The need to reconstruct Argentina’s political party system has been recognized by all major players.”

Argentina

For decades, Argentina’s political system has been complicated by the existence of many political parties. But such complexity was largely compensated for by the predominance of two forces, the Partido Justicialista and the Unión Cívica Radical, which normally led opposing coalitions. The political and economic crisis in 2001 led to these parties’ fragmentation. Three Justicialistas and three Radicales occupied the first six positions in the 2003 presidential elections, with the most voted obtaining only 26 percent of the popular vote in the first ballot. The need to reconstruct the system has been recognized by all major players. Earlier this year, former president Néstor Kirchner took a major step in that direction. After toying for some time with the idea of supplanting the Partido Justicialista with a completely new movement, the Frente Para la Victoria, he returned to the more traditional strategy of using the Justicialismo as the backbone of a coalition that can be strengthened with allies of many different sources. He opened the way for the election of new party authorities and accepted the party’s presidency. Although many leaders joined other political forces in the intervening years, the great majority of the Peronista rank and file is now within the Partido Justicialista, regardless of whether they like or dislike, agree or disagree with Néstor and Cristina Kirchner. Meanwhile, former Radical Elisa “Lilita” Carrió has been the most successful leader in her efforts to unite constituencies opposed to the Kirchners. The Coalición Cívica came in second in 2007, with the support of voters that can be identified for the most part as Center-Left. *The non-Peronist, anti-Kirchner Center-Right, however, in spite of scoring a major victory in the City of Buenos Aires, the second-largest district in the country, lacked then, and now, a national expression. Its leader, Mauricio Macri, is trying to form a confederation of provincial forces that conform to his own ideas. The proportional representation system applicable to next year’s mid-term elections is well suited for a three-way race that may result in a fundamental stepping stone for the 2011 presidential contest.* Carlos M. Regúnaga

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