

## HEMISPHERE HIGHLIGHTS

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## Upcoming Events

Thursday, February 5  
10:00a.m. - 11:30a.m.  
Cuba Outlook 3: Cuba's  
Armed Forces

"While Latin America was not at the top of the Obama foreign policy agenda, it was clear from the answers of the new secretary of state that the administration's view of the hemisphere will extend beyond the focus of antidrug and free-trade agendas."

## Headlines

Secretary of State Hillary Clinton brings up an "energy partnership of the Americas" in her confirmation hearing. The official opposition party in **Canada** agrees to support the 2009 budget, ending speculation over the formation of a coalition government. Campaigns begin in **Mexico** for the July 2009 congressional elections. **St. Kitts and Nevis** reintroduces capital punishment in an effort to crack down on rising levels of violent crime. The FMLN opposition party in **El Salvador** surpasses the ruling Arena party as the largest in the legislature after January's legislative elections. **Bolivia** passes a new constitution in a national referendum on January 25. New nominations to the new supreme court in **Paraguay** make it the first court in 61 years not dominated by justices from the Colorado party. The government of **Argentina** begins to position itself politically for October's mid-term congressional elections, and the country makes progress in prosecuting war crimes committed during the Dirty War.

## Regional

Building on the campaign promise that President Obama made in May 2008 to create an "energy partnership of the Americas," Secretary of State Hillary Clinton stated in her confirmation hearing on January 13, 2009, that indeed she would promote this concept. This reference to Latin America in her statement to the Senate Foreign Relations Committee provides a glimpse of what may well be the centerpiece of her approach to Latin America. She stated during the hearings that "we want to not only respond to the issues that are in the headlines," but also want "to seize the opportunities in Latin America, which is why the energy partnership that the president-elect has suggested has so much potential." Unlike the memorandum of understanding that was signed with Brazil during the Bush administration in 2007, it is clear that President Obama wants to make an energy partnership the law of the land. It is expected that Senators Richard Lugar (R-IN) and Chris Dodd (D-CT) will reintroduce a \$59 million "Western Hemisphere Energy Compact" before the April 17, 2009, Summit of the Americas in Trinidad and Tobago. *This is a positive gesture and goes beyond a mere declaration of goodwill. Not only would a new energy cooperation law cement the United States' relationship with Brazil, but it would also send a signal to the region that the north-south relationship is about economic growth, support of investment, and the pursuit of alternative energy through technological and scientific cooperation. While Latin America was not at the top of the Obama foreign policy agenda, it was clear from the answers of the new secretary of state that the administration's view of the hemisphere will extend beyond the focus of antidrug and free-trade agendas that have dominated so much of the congressional debate over the last eight years. This energy partnership could also signal to its neighbors that the United States is serious about climate change—another reason why the energy agenda may be the perfect wedge issue to demonstrate a new openness in the U.S. government to look forward in a constructive relationship that values partnership, consultation, and respect in its approach to the region. As the April Summit of the Americas approaches, this early sign of the United States' dedication to energy cooperation should augur well with the region.* Johanna Mendelson Forman

## Recent Events

December 17

Book Launch: 'The Future of North America 2025'

*"Though the Liberals have sounded the coalition's funeral knell by supporting the budget, political tensions remain high in the country."*

## North America

### Canada

The most recent chapter in Canada's political drama concluded last week as the country's official opposition party closed the door on the possibility of forming a coalition government. On January 29, the Liberal opposition party offered conditional support to the Conservative government's 2009 federal budget after the Conservatives agreed to an amendment demanded by Liberal leader Michael Ignatieff requiring the government to report to parliament every three months on implementation and costs of the budget and facing a confidence vote each time. The budget, which contains a C\$40 billion (US\$33 billion) stimulus package that will provide a 1.9 percent increase in economic activity in 2009, will put Canada into deficit spending for the first time in 11 years. The package includes expected items like C\$20 billion in personal tax relief and C\$7.5 billion in support of the auto, forestry, and manufacturing sectors, as well initiatives less traditional for the Conservatives such as C\$7.8 billion for housing construction, renovations, and eco retrofits. The federal government has also earmarked C\$200 billion to increase access to credit. The last deficit, in 1996, was C\$8.9 billion (US\$7.2 billion). Canada is the last of the G-7 countries to roll out a stimulus plan in response to the global recession. *The tabling of the budget on January 27 concluded a six-week progrogation (recess) of parliament called by the prime minister in early December to avert a dramatic bid by the opposition parties to oust the Conservative government from power. Though the Liberals have sounded the coalition's funeral knell by supporting the budget, political tensions remain high in the country. Ignatieff has made it very clear in his rhetoric that the Conservatives will be "on probation" and dependent on Liberal support. But with polls showing that Canadians are ill-tempered at the prospect of a fourth snap election in five years, and with the Liberal party coffers still recovering from October's campaign, the decision to support the budget and forgo the coalition was not an unexpected move from Ignatieff, who was never a strong proponent of the coalition bid initiated by his predecessor, Stéphane Dion. The Conservatives are also on edge, their wariness of opposition collusion is evident not only in the budget's scale and diversity of initiatives, but also in the methods used to roll it out—the government ran an aggressive and nontraditional PR campaign in the week leading up to the tabling of the fiscal plan with a series of calculated leaks to the press announcing key budget details, including proposals for C\$1.5 billion in new training funds for laid off workers and C\$12 billion in infrastructure spending. This strategy led to criticism among the opposition that the Tories were trying unfairly to drum up advance public support to avoid a no-confidence vote. Ironically, the prime minister has also received heat from fiscal conservatives in his own party who see the return-to-deficit budget as too "Liberal."*

Jessica Horwitz

### Mexico

With congressional elections in Mexico scheduled for July 5, the primary season gets underway this month, as prospective candidates for seats in the national legislature enter the electoral process' precampaign phase. Under reforms that take effect this year, those who hope their names will appear on ballots over the summer have until March 11 to deliver information regarding their campaign-related income and spending to the Federal Electoral Institute (IFE), which will determine their eligibility to run for office. Parties are expected to select their candidates by mid-March, and campaign season formally opens in May. All 500 seats in the Chamber of Deputies are up for renewal, along with governorships in six states and municipal offices across the country. The elections come halfway through National Action Party (PAN) president Felipe Calderón's six-year term, and opposition parties, including the Institutional Revolutionary Party (PRI) and the Party of the Democratic Revolution (PRD), hope to make gains this July in advance of the 2012 presidential race. *Facing multiple challenges related to the economy and public security, Calderón's approval ratings have slipped in recent*

months. The country's sluggish economic performance will be a key issue for voters anxious to learn what candidates for political office can offer to improve Mexico's prospects. With some experts projecting no economic growth in 2009, and with others warning that the Mexican economy will contract, unemployment is up, remittances are down, oil production has slowed, and reduced U.S. consumer spending has hit Mexico's export sector hard. Citizen confidence has also been shaken by the increasingly violent struggle among criminal organizations for control of the drug trade and by the inability of police and military units to halt the grisly murders and high-profile kidnappings that have captured the population's attention over the past year. The IFE's precampaign scrutiny of campaign donations is intended to ensure that the electoral process is not compromised by the influence of the cartels, organized crime, or private interests. The federal government has also set aside 25 million pesos for civil society organizations to use in monitoring the campaigns. Katherine E. Bliss

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## Central America

### El Salvador

With the votes officially tallied from the January 18, 2009 legislative and municipal elections, El Salvador's left-wing Farabundo Marti National Liberation Front (FMLN) opposition party has become the country's largest political party, surpassing the governing right-wing Nationalist Republican Alliance (Arena) in the legislature. The FMLN gained three seats to 35, while Arena dropped two seats from 34 to 32. The remaining seats are held by smaller parties in El Salvador's unicameral 84-seat legislative assembly. Since neither the FMLN nor Arena holds a majority in the national assembly, the possibility is open for Arena to form a coalition with other conservative parties to hold the majority. While the FMLN, a former guerrilla group turned political party, made gains in legislative races, it lost its 12 year hold of the mayorship of San Salvador, losing 47 percent to Arena's 50 percent. Despite this significant loss, the FMLN managed to win in three of the four next largest cities and a number of other municipalities. On March 15, 2009 Salvadorans will go to the polls to elect their next president. It is believed that the results of the municipal and legislative elections are indicative of presidential voter preference toward the FMLN's candidate, Mauricio Funes, over Arena's Rodrigo Avila, a former police chief. *By nominating Funes, a former CNN International correspondent, the FMLN is attempting to back away from its rebel image. Since Funes joined the ticket, the FMLN has been more moderate in its discourse. Funes, unlike traditional FMLN leaders such as the late former communist guerrilla Schafik Handal, hopes to remake the party into one that is more politically pragmatic, trumpeting his campaign as "the new left." The more radical faction of the FMLN will be represented by vice-presidential candidate Salvador Sanchez Cerén, a former guerrilla commander known to be one of the most orthodox hard leftist in the organization. The big question that remains is whether the reformist moderate or hard-line revolutionary tendency will predominate.* Leslie Taylor

"The big question that remains is whether the reformist moderate or hard-line revolutionary tendency will predominate."

## Caribbean

### St. Kitts and Nevis

The small Caribbean island nation of Saint Kitts and Nevis has recently reintroduced hanging in an attempt to crack down on rising levels of violent crime. On December 19, Charles Elroy Laplace was executed in the first use of capital punishment in the Caribbean outside of Cuba since convicted murderer David Mitchell was executed in the Bahamas in 2000. Laplace was convicted in 2006 for the 2004 murder of his wife. There has been a de facto ban on capital punishment in the English-speaking Caribbean since a ruling by the British Privy Council in response to a string of hangings in 2000. The Privy Council, the highest court of review for former British colonies, effectively banned the practice of

**“The economic stability of St. Kitts and Nevis, as well as Douglas’ political career, is critically linked to maintaining the public perceptions of the Caribbean as a tranquil island paradise.”**

capital punishment by lengthening the normal appeals process to more than five years—thus exceeding the limit stipulated by a separate clause against excessively long imprisonment for prisoners on death row. In the case of Laplace, the St. Kitts and Nevis government seized the opportunity to bypass this legal restriction because Laplace’s lawyer failed to file his appeal on time. Laplace’s hanging gained media attention after a sensationalized account was printed in the British tabloid the Daily Mail. St. Kitts and Nevis prime minister Denzil Douglas dismissed the report as a “sensational submission to a sensational tabloid.” He later commented that the execution was necessary to establish a deterrent among the people for taking another’s life and that the government has “a resolve to deal with the issue of crime and violence in this country.” In addition to implementing capital punishment, St. Kitts has hired former Federal Bureau of Investigation (FBI) assistant director Mark Mershon, a 30-year veteran of the Bureau, to help in the fight against gangs. *In 2008, the murder rate in St. Kitts reached a level of 52 per 100,000, gaining it unwanted infamy for being one of the deadliest countries in the world (the U.S. murder rate is 5.9 per 100,000 according to the FBI/DOJ). The use of execution in St. Kitts reflects in part concern regarding its vital tourism industry. The lesson of Natalee Holloway, an 18-year-old American tourist who disappeared in Aruba, is certainly not lost on Caribbean leaders, as Aruba saw a 9 percent decrease in visitors in the year following her highly publicized disappearance. The economic stability of St. Kitts and Nevis, as well as Douglas’ political career, is critically linked to maintaining the public perceptions of the Caribbean as a tranquil island paradise. While St. Kitts and Nevis is the first to reintroduce hanging, many other Caribbean nations, including Jamaica and Trinidad and Tobago, have been clamoring for a reintroduction of capital punishment in response to the rising wave of narcotics and gang-related crime in the region. In November, the Jamaican parliament rejected a ban on capital punishment and the parliament in Trinidad and Tobago plans to debate the issue in mid-February.*

Thomas Cook

## South America

### Bolivia

President Evo Morales made good on his campaign promise to promulgate a new constitution for Bolivia when his fellow citizens approved a new charter in a national referendum held January 25. The overall margin of victory—about 61 percent in favor of the new constitution to some 39 percent against—followed familiar patterns, with the western highland departments voting overwhelmingly for approval, the lowland departments rejecting the charter by a large margin, and the Department of Chuquisaca almost equally divided. In essence, the vote constituted another plebiscite on Evo Morales. Where Evo is especially popular, in rural areas and cities and towns with a heavy indigenous population, he won big. Morales has portrayed the new constitution as the vehicle for “refounding” and “decolonizing” Bolivia, a total break with the past. It is a complex and long document of 411 articles that expands the political influence of indigenous communities and the size and role of the national state. The new constitution opens the door for Morales to be reelected to a five-year term in 2010 and permits further reelection to still another contiguous term, although he has reportedly agreed not to seek the third term. Elections for president and for the new legislature will be held in December 2009. Other key government entities such as the supreme court, supreme electoral tribunal, and a constitutional tribunal must also be constituted. *The transition from the constitution of 1967 to a fully implemented new constitution will be a challenging one. The transitional period will last almost a year, with apparently flexible ground rules, looming confrontation between the government and the opposition both at the national and regional levels, and without a sitting constitutional tribunal to sort out disputes. The lame-duck Congress, with its opposition-controlled Senate, still plays a role in the process, but exactly what role is not entirely clear. Morales has alternatively stated that he will work with Congress in moving the new constitution forward and also threatened to put enabling rules into effect by executive decree. The extent to which a workable consensus can be established will be a key factor in the transition process.* Peter DeShazo

**“In essence, the vote constituted another plebiscite on Evo Morales. Where Evo is especially popular, in rural areas and cities and towns with a heavy indigenous population, he won big.”**

## Paraguay

On January 27, Paraguay will nominate a new justice of its supreme court to replace the outgoing Wildo Rienzi and join the other eight members of the country's highest judicial body. The current favorite to be nominated to the post is Emiliano Rolón Fernández, who served as the court's representative to Congress on a recent commission on penal reform and is an ally of several Colorado Party senators. According to Paraguayan law, supreme court justices receive five-year terms, coinciding with that of the presidency. Rienzi's is the last seat to be filled. The justices are each selected to serve on one of three sub-courts of the supreme court—the constitutional court, the criminal court, or the civil court. Rolón would appear to be headed toward the criminal court, where he would join liberal justices Miguel Óscar Bajac and Sindulfo Blanco. Once the new justice is confirmed by the Senate to his post, the process to select the new chief justice will take place, and Bajac is widely believed to be the most likely candidate. The new supreme court would be the first not dominated by justices from the Colorado Party since it lost its grip on power last year after a reign of 61 years. *The term limits attached to the supreme court have meant that the process of judicial nominations have been an invitation to political horse trading for decades in Paraguay. When nine justices have to be selected in short order (though incumbents can be renominated), the temptation and indeed necessity to offer quid pro quos to obtain support for all of one's nominees has proved to be overwhelming. President Fernando Lugo and his allies have made numerous announcements that the supreme court needs to be "sovereign and independent" and that the process of "cuoteo político," a quota-like system of political patronage, must end. At the same time, the Paraguayan courts have often presented an obstacle to Lugo thus far, as judges selected by the Colorado Party over the years have proved to be less than amenable to some of his attempted reforms. It will be interesting to see if this new version of the supreme court is able to rise above partisan politics and operate more transparently than previous editions.* **Matt Potter**

*"Paraguayan courts have often presented an obstacle to Lugo thus far, as judges selected by the Colorado Party over the years have proved to be less than amenable to some of his attempted reforms."*

## Argentina

**Argentina will hold mid-term congressional elections in October.** The government's legislative coalition is substantially weaker than it was two years ago, when President Cristina Kirchner succeeded her husband. The economy began to slow down shortly after her election, and an effort last year to increase government revenues caused a prolonged conflict with farmers' associations over export duties on agricultural products, only months after most of the rural vote had supported Cristina's victory. The administration now is attempting to implement anticyclical measures such as lending programs to increase consumption for the purpose of counteracting the international financial crisis but is hampered by the need to at the same time correct price distortions and eliminate subsidies applied when the economy was growing at a fast rate. The administration enjoys control of both houses of Congress, but the term of a large proportion of pro-government legislators is about to expire. Simply maintaining the present representation appears very difficult. Even if the opposition registers separate lists for the election—in effect splitting its vote—the proportional representation system applied for the Chamber of Deputies may still leave the government coalition in the minority. *The importance of this election, however, exceeds the struggle for the control of Congress. It will be a test for the viability of many would-be presidential candidacies, beginning with Nestor Kirchner's. If the main opposition forces manage to form an alliance, its victory in October is very probable. In that case, Kirchner's candidacy would be severely weakened. The Partido Justicialista could begin to search for other flag bearers to maintain its hold on the presidency. With a divided opposition, Kirchner may be able to portray the results as a victory that would keep his candidacy alive if his party manages to end up in first place. About 30 percent of the votes may be sufficient for this purpose because it would be very difficult for any other party to reach that level of support if the antigovernment vote is divided.* **Carlos M. Regúnaga**

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## Argentina

Approximately thirty years after Argentina’s Guerra Sucia (“Dirty War”), the Argentine government is still engaged in prosecuting cases invoking human rights violations. The total estimate of “desaparecidos” (disappeared persons) during the Guerra Sucia ranges from 9,000 to 30,000 persons, with the majority of these cases still unresolved. In December 2008 a warrant was issued for the arrest of ex-naval officer Randolpho Agusti Scacchi for alleged offenses committed at the detention center Escuela de Suboficiales de Mecánica de la Armada (ESMA). Agusti Scacchi recently presented himself before an Argentine federal judge and will now face roughly three hundred counts of human rights violations, including charges of illegal deprivation of freedom, torturing of prisoners, and the highly publicized 1977 kidnapping and murder of 17-year old Dagmar Ingrid Hagelin. Agusti Scacchi denies culpability and intends to prove he was elsewhere when the crimes were committed. As part of the proceedings, the judge has also ordered the arraignment of thirty other ex-naval officers. A release order was also suspended for two ex-ESMA naval captains Alfredo Astiz and Jorge Acosta, who had been awaiting trial and were to be freed after two years of imprisonment. President Kirchner remarked in response to the prisoners being freed that “today is a day of shame for Argentines, humanity and our judicial system.” After this statement and a strong public outcry, the government suspended the release decision. *These actions are some of the first successful steps taken by the Argentine government to address past human rights violations. Previous actions have been taken by the government, including the creation of the National Commission on the Disappearance of Persons (CONADEP) in 1983 to document the atrocities, and some initial trials to convict coup leaders in 1985 after a return to democracy. However, most of these trials were nullified by presidential pardons and amnesty laws. Argentina’s overturning of these amnesty laws in 2005 caused a sea change allowing extradition and prosecution of alleged Guerra Sucia offenders. This decision came as a result of European extradition requests and Nestor Kirchner’s replacement of several supreme court justices. It has been only after these changes that Argentina has been able to make strides in prosecuting alleged human rights violators.* John Mulqueen

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