

HEMISPHERE HIGHLIGHTS

VOLUME VIII | ISSUE 5 | MAY 2009

Upcoming Events

Friday, June 19

10:00a.m. - 11:30a.m.

Cuba Outlook Series 6:
"Grassroots
Politics and Cuba's
Communist Party"

"So far, authorities report that confusion and delays as a result of the WHTI have been minimal. At Canadian checkpoints, compliance is estimated to be at 80–90 percent."

Headlines

The Western Hemisphere Travel Initiative comes into effect for travelers entering the United States from **Canada**. Police raids in **Mexico** successfully arrest 30 suspected members of the La Familia drug cartel. Former U.S. President Bill Clinton is appointed as a special envoy to **Haiti** by the United Nations. A videotape of a man predicting his death at the hands of the president of **Guatemala** sparks a series of protests against government corruption. The president-elect of **El Salvador** makes moves to strengthen his country's ties with Venezuela. A new center-right candidate is elected as president in **Panama**. The minister of defense of **Colombia** resigns his post in order to be eligible to run in next year's presidential election. President Hugo Chávez of **Venezuela** continues to crack down on criticism from news media by raiding the offices of opposition television station Globovision.

North America

Canada

On June 1, the U.S. Department of Homeland Security's Western Hemisphere Travel Initiative (WHTI) came into effect, requiring all entrants to the United States at land or sea crossings to carry a passport or other form of enhanced identification. Other forms of accepted identification include: "trusted traveler cards," such as the NEXIS (for Canada-U.S. crossings), SENTRI (for Mexico-U.S. crossings), and Global Entry preapproval programs, and FAST passes for drivers crossing the border; "enhanced" driver's licenses, which several U.S. states already issue; and "passport cards," which are less expensive than regular booklet-style passports but are not valid for international air travel. Children under 15 will still only be required to show an original copy of their birth certificate or citizenship card. Border officials have said that U.S. Customs and Border Protection will be "pragmatic and flexible" in the short term, phasing in the new regulations over time. So far, authorities report that confusion and delays as a result of the policy have been minimal. At Canadian checkpoints, compliance is estimated to be at 80–90 percent. Currently, an estimated 50 percent of Canadians and 30 percent of Americans hold a valid passport. The initiative also applies to border crossings at the Alaska-Canada border as well as the U.S.-Mexico border—the more challenging frontier in terms of security risks, and one where the impact of these new rules is expected to be larger than in Canada: last year there were an estimated 216 million individual border crossings at the U.S.-Mexico border compared to roughly 72 million at the Canada-U.S. border. *The WHTI was first introduced in 2005 as part of the recommendations of the 9/11 Commission and has already been in effect for air travel since 2007 but was delayed for land and sea crossings over concerns of insufficient infrastructure and backlogs in passport processing times. Canadians have expressed ongoing concern over this policy since it was introduced,*

Recent Events

Friday, May 8

10:00a.m. - 11:30a.m.

Cuba Outlook Series 5:
“Social Factors in
Cuba”

Monday, May 11

2:30p.m. - 4:30p.m.

“A Smart Power Approach to
the United Na-
tions”

Friday, May 22

10:00a.m. - 11:30a.m.

“Outlook for Venezuela's
Economy: 2009
and Beyond”

“A majority—52 percent, up
from 44 percent in March—
believe that the Calderón
administration is winning
ground in the struggle
against organized crime.”

and many in the business community remain worried that it will provide a disincentive to tourist travel and diminish the competitive advantage of Canadian firms exporting goods to the United States by acting as a barrier to trade. So far, the policy appears to have undergone a relatively smooth implementation process, but it remains to be seen whether it will spark a downward trend in either commerce or tourism. If a significant enough negative impact is felt, the WHTI could become a more serious point of contention in bilateral relations. Jessica Horwitz

Mexico

An early morning police sweep on May 26 in the Mexican state of Michoacán netted 30 detainees, including 10 mayors that the government alleges have personal ties to criminal organizations. The Subprocuradía de Investigación Especializada en Delincuencia Organizada (SIEDO) investigated the links, and federal police and military units carried out the raids. According to government officials, the men are accused of having provided information about local security initiatives to members of La Familia, a Michoacán-based drug cartel. La Familia Michoacana is believed to manage the traffic of marijuana, cocaine, and the chemicals used to make methamphetamines within western Mexico and from the port of Lázaro Cárdenas on Michoacán's Pacific coast to markets in the United States. Its competition with other western Mexico cartels, including the Milenio cartel, has provoked fighting among local criminal organizations as well as a violent struggle with law enforcement officials. The municipalities from which the mayors and other high-level functionaries were taken, including an official police trainer, the state attorney general, and a senior adviser to Michoacán governor Leonel Godoy, have seen some of the most intensive drug-related violence in recent years, including the explosion of a grenade in a crowd gathered for Independence Day celebrations last September and the display of severed decapitated heads at a nightclub in 2006. The detainees have been transferred to Mexico City, where a federal judge has ordered them held for 40 days. *The raids have generated considerable controversy in Mexico. With campaigns for the July 5 midterm congressional elections under way, members of the opposition Partido de la Revolución Democrática (PRD) and Partido Revolucionario Institucional (PRI) have accused President Felipe Calderón, who represents the National Action Party (PAN), of using the sweep to tarnish the reputations of PRD and PRI incumbents and generate support for PAN candidates. Supporters of the detained mayors from Michoacán have organized protests, and the accused have initiated a hunger strike in opposition of their detention. Leaders of the PRD in Michoacán have called for mobilizations on June 7. Banners protesting the government's campaigns against the drug cartels and demanding protection for families of drug traffickers have appeared, presumably placed by cartel operatives, themselves. A poll conducted May 22–24, shortly before the Michoacán operation, revealed that 69 percent of Mexicans approve of Calderón's overall management in recent months. A majority—52 percent, up from 44 percent in March—believe that the Calderón administration is winning ground in the struggle against organized crime. Katherine E. Bliss*

Caribbean

Haiti

Former U.S. president Bill Clinton was appointed as the UN Special Envoy to Haiti in mid-May. This appointment comes two months after he and UN secretary-general Ban Ki-Moon led a delegation of business leaders to Haiti in search of enduring solutions to that nation's ongoing struggles to rebuild and recover. In addition to the ongoing presence of a UN peace operation, MINUSTAH, to provide Haitians with security, Haiti urgently needs resources and creative ways to help it recover from years of corrupt institutions, violent crime, and drug traffickers. It must also find ways to rebuild parts of

the country that were washed away when four tropical storms in September 2009 destroyed much of the economic progress that had been made with the support of donors. Clinton's mission, his second for the United Nations, will resemble the one he and former president George H.W. Bush undertook after the 2004 Indian Ocean tsunami. The former president will use his foundation, the Clinton Global Initiative, to cajole governments and business leaders into pouring fresh resources into a country that has been dependent on foreign assistance. No doubt he will face great challenges—such as managing corruption in a country ranked fourth lowest among 180 nations for poor business environments by Transparency International. And this is just the top of the list of the manifold issues that prevent Haiti from thriving. *Whether Clinton will be successful where others have failed remains to be seen. His ability to command resources and attention to issues, however, should not be underestimated, even in a place like Haiti. The convergence of better U.S. relations with Haiti in the Obama presidency should help this cause. But more significant is that Clinton may also be able to address one of the thorniest issues in regional politics—bringing Haiti and the Dominican Republic into a working relationship to jointly address such issues as climate change, economic development, and countering corruption and illicit crimes that have plagued the country. If former President Clinton can help to advance investment, provide new jobs in urban areas, and bring his clout to the severe environmental problems Haiti faces while also bringing in fresh resources from business and the diaspora, this appointment will go far to help alleviate the suffering of the region's poorest nation.* Johanna Mendelson

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Central America

Guatemala

A major scandal has erupted in Guatemala following the release of a video by lawyer Rodrigo Rosenberg foretelling his death, allegedly at the hands of President Álvaro Colom and his inner circle. On May 10, Rosenberg was shot while bicycling on a busy street. He had recorded the video four days earlier. The video opens with Rosenberg explaining, “If you are watching this message it is because I have been murdered by President Álvaro Colom.” Colom has denied the charges and maintains that right-wing opponents were trying to destabilize his presidency. Additionally, Colom has asked for the International Commission Against Impunity in Guatemala, a UN program devoted to improving the Guatemalan judiciary, and the FBI to investigate. Rosenberg had represented Khalil Musa, a businessman who Rosenberg claims had been offered a board seat at Banrural, a partially state-owned development bank. According to Rosenberg, the offer was never meant to be carried out because it was feared that Musa would have exposed corruption in the bank. Despite the fact that Musa was never approved as bank director, his name was allegedly being used by Banrural to add legitimacy and counter accusations of illegal activities. When Musa protested, Rosenberg claims, he and his daughter were murdered to keep the story quiet, and Rosenberg's outspoken tactics led him to fear for his own life. *The murder has thrown Guatemala into crisis as thousands have protested against government corruption. The disquieting footage of Rosenberg has brought international attention to the level of violence and corruption in Guatemala. The country has a long history of violence beginning with the CIA-orchestrated overthrow of Jacob Arbenz in 1954. Guatemala then suffered through 35 years of civil war until 1996 when peace and democracy were finally restored. Despite the peace agreement, Guatemala is wracked by widespread corruption, narco-trafficking, and a murder rate of 50 per 100,000. The United Nations estimates that 97 percent of murders go unsolved. The current scandal poses a grave threat to Colom's presidency and more importantly to the future of the Guatemalan democracy. A unique aspect of this most recent crisis is the significant role of social media, both in organizing protests and sparking its own controversy; Jean Ramses Anleu Fernández was arrested on charges of instigating a financial panic after he sent a Twitter message urging people to withdraw funds from Banrural to “break the bank of the corrupt.” The uproar surrounding Fernandez's arrest demonstrates the growing importance of social media in Latin America.* Thomas Cook

“The disquieting footage of Rosenberg has brought international attention to the level of violence and corruption in Guatemala.”

“Critics have suggested that the increased ties between El Salvador and Venezuela will allow Venezuela to influence Funes’s presidency. However, Funes has also stated that integration with Central America and strengthening relations with the United States will be the priority.”

El Salvador

On May 19, President-elect Mauricio Funes of El Salvador visited Caracas and met with President Hugo Chávez to boost ties between Venezuela and El Salvador. Hugo Chávez has ordered a commission set up to address future joint cooperation projects with El Salvador that will focus on the Petrocaribe oil initiative, energy, social projects, and bilateral trade, and a new bilateral agreement between El Salvador and Venezuela is being constructed that will help increase oil supplies and advance social programs in El Salvador. The draft agreement states that out of every dollar paid by El Salvador to Venezuela in oil, \$0.40 will be invested into social programs in El Salvador. According to Medardo González, the leader of the Farabundo Martí Liberation Front (FMLN), this agreement could increase El Salvador’s oil supply to 10,000 barrels a day. El Salvador may also receive health care and medical assistance from Venezuela through a program called “Operation Miracle,” which currently provides free eye care to low-income families. This new agreement will build on an April 2006 agreement signed between Venezuela and the Inter-Municipal Association of Energy for El Salvador to provide cheap oil to El Salvador; however, formally joining Petrocaribe will allow El Salvador to receive the same levels of discount on oil prices as do the other Caribbean member states. Funes won the presidential elections on March 15 with 51.3 percent of the vote, and his presidency will mark the end of the 20-year rule of the right-wing Nationalist Republican Alliance. Chávez plans to attend the Funes inauguration on June 1, at which time the leaders hope to sign the bilateral cooperation agreement. *While not yet included in the agreement draft, Funes has also raised the idea that Venezuela could buy more agricultural products from El Salvador rather than from Colombia. Some critics have suggested that the increased ties between El Salvador and Venezuela will allow Venezuela to influence Funes’s presidency. However, Funes has also stated that “integration with Central America and strengthening relations with the United States” will be the priority of his foreign policy. Within the last month, the president-elect has already met with the presidents of Brazil, Mexico, Colombia, Dominican Republic, Argentina, and other Central American countries in order to strengthen ties.*

Mariel Caille

“With the election of Martinelli, Panama has ideologically separated itself from other countries [in the region]... by rejecting a candidate with a pronounced anti-U.S. bias in favor of one who is close to the United States.”

Panama

Ricardo Martinelli, a conservative Panamanian supermarket magnate and candidate of the Democratic Change (CD) Party, triumphed in Panama’s presidential election on May 3. He defeated his opponent, Balbina Herrera of the ruling center-left Revolutionary Democratic Party (PRD), 61 percent to 37 percent of the total vote. Martinelli, the founder and leader of Panama’s Democratic Change Party who ran unsuccessfully in the 2004 presidential election, served as director of social security and the national Chamber of Commerce throughout the 1980s and 1990s, and most recently was minister of Panama Canal affairs as part of the Panama Canal Authority until 2003. For many months leading up to the 2009 presidential election, polls consistently showed that Martinelli had secured a double-digit lead over Herrera, a former mayor and Housing Cabinet minister. While both candidates’ campaigns stressed the pressing obligation to reduce widespread corruption and mitigate violence in Panama, ultimately voters reported being motivated by Martinelli’s platform of large-scale political change via new initiatives to increase transparency in government and promote economic recovery through mass spending on infrastructure. Winning the presidency with the most ample margin of victory recorded in a presidential election since 1989, Martinelli became the first presidential candidate in Panama’s modern history to win an absolute majority. *With the election of Martinelli, Panama has ideologically separated itself from two other Latin American countries—Ecuador and El Salvador—that have elected or reelected center-left leaders this year, by rejecting a candidate with a pronounced anti-U.S. bias in favor of one who is close to the United States. Both*

politically and economically dissimilar to many surrounding states, Panama has recently boasted luxury real estate sales, a flourishing banking sector, and increased U.S.-Asia trade through the Panama Canal over the past three years. These successes have fueled unprecedented national growth rates that hover consistently at or above 10 percent annually. In response to forecasts that growth will fall to 3 percent or less this year as a direct result of the worldwide financial crisis, Martinelli has already promised to prioritize promotion of foreign trade and investment and Panama's business relationship with the United States. Although the two nations have historically close relations, the U.S. Congress has not yet ratified the U.S.-Panama trade promotion agreement signed by both countries in 2007—ratification was initially delayed as a result of the election of a person accused of murdering a U.S. soldier as president of Panama's Legislative Assembly, and then over criticisms that Panama is an offshore tax haven for wealthy foreigners. The issue remains a source of bilateral friction and has prompted Martinelli to make securing passage of the agreement the "number one priority" of his administration. Margaret Frost

South America

Colombia

Minister of Defense Juan Manuel Santos resigned on May 18, signaling the beginning of the 2010 election race to succeed President Álvaro Uribe. Santos has been an extraordinarily successful minister. From the early 1950s until 1990, Colombia's military and police institutions were led exclusively by army generals. After 1990, civilian defense ministers tended to serve for short periods and have at best tenuous authority over the highly ingrown military command. That began to change when Álvaro Uribe was inaugurated in 2002, but even then Uribe treated his cabinet members as if they were vice ministers charged with improving the management of the Defense Ministry (albeit, an important task). Uribe declared he was commander of the armed forces, or "soldier number one" as he called himself at the first ceremonial military parade after assuming office. No doubt Santos has the advantage of inheriting an already better disciplined, better equipped military, but it is significant that more than any of his predecessors, he used the job to give direction, invent strategy, and initiate imaginative operations. He will be known for bold operations to disrupt and demoralize the leadership of the Revolutionary Armed Forces of Colombia (FARC), especially crossing the Ecuadoran border to kill top guerrilla Raul Reyes and the clever—and successfully bloodless—freeing of Ingrid Betancourt, three U.S. contractors, and other hostages a year ago. Santos served Uribe for almost three years—all of Uribe's second term to date. *Santos wants to be president. And although he says he will support Álvaro Uribe's reelection to a third term next year, an Uribe candidacy seems increasingly unlikely. In the face of mounting criticism and legal obstacles, including a new investigation by the Supreme Court, the president, always reluctant to show weakness, seems about to admit he will be leaving center stage next year. He has flatly stated that a president should not "perpetuate" himself. By resigning a year before the election, Santos is now eligible to be Uribe's successor. But whether he will be remains very much in doubt. Some close to Uribe suspect that Santos lacks the kind of political personality that wins elections, despite his success in a string of government jobs over three decades and his very public role as the elder member of a generation of the Santos Calderón family that ran El Tiempo, the country's dominant media company, until recently. It is unfair to Juan Manuel Santos and to other potential candidates—and there are many, including his cousin Francisco Santos, who now serves as the country's vice president—that Uribe's dominance of the limelight (plus 65 percent popularity for seven years) has kept others from developing their political stage presence. It is even more damaging in fact that with presidential hopefuls stifled, Colombia has not had the kind of competitive debate that would lead to reforms needed to the country's institutions. But with Minister Santos' resignation that seems about to change. Phillip McLean*

"By resigning a year before the election, Santos is now eligible to be Uribe's successor. But whether he will be remains very much in doubt."

Venezuela

The Venezuelan intelligence police raided the offices of Guillermo Zuloaga, president of television news station Globovision, on May 21, in an escalation of government action against its critics in the media. Zuloaga was not at his property at the time, but the raid was caught on cameras of the Globovision network as well as by state television crews who accompanied the intelligence officials. Prosecutors say Mr. Zuloaga will be arraigned on charges relating to irregularities at two Toyota dealerships he owns. Long-simmering tension between the government and Globovision was exacerbated earlier this month, when on May 4 the news station broadcast information about a small earthquake in Caracas based on data obtained from the U.S. Geological Survey before the government had formulated an official response. President Hugo Chávez charged the station with practicing “media terrorism” and inciting anxiety and panic and ordered an official investigation by the National Telecommunications Commission (CONATEL). Regulators have also begun inspections of all radio and television stations, a move that critics see as another excuse for Chávez to crack down on the opposition. While it remains unclear exactly what Globovision’s punishment will be, members of the ruling United Socialist Party of Venezuela (PSUV) believe the station will soon be shut down. The drama has sparked strong reactions from both Chávez supporters and the opposition. Some student groups in Venezuela are planning a march in support of Globovision, while others have voiced their support for the government’s actions. Comptroller General Clodosbaldo Russián declared that the private media of Venezuela have an “excess of freedom of expression.” Globovision’s director, Alberto Federico Ravell, scoffed at the government’s investigation, saying that if Globovision is shut down, it will prove that the government has crossed the line from an authoritarian government to a dictatorship. *This is the most recent in a long string of confrontations between Hugo Chávez and the media. While there are many radio stations and print media in Venezuela that are critical of Chávez, Globovision is the lone broadcast television station that remains opposed to his policies. The 2004 Law on Social Responsibility in Radio and Television allows the government to suspend or revoke the licenses of media outlets that are viewed as disrupting public order. Chávez could shut down Globovision simply by refusing to renew its broadcasting license. In the past, two other television stations, Venevision and Televen, censored themselves to avoid sanctions following accusations that they helped to support the attempted coup in 2002, and another opposition station, RCTV, was forced off the air in 2007 and now appears only on cable. Whatever the final outcome for Globovision, Chavez has made it clear to the station and to the rest of the media that vocal opposition has serious consequences.* **Jessica Marsh**

“While there are many radio stations and print media in Venezuela that are critical of Chávez, Globovision is the lone broadcast television station that remains opposed to his policies.”

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