

HEMISPHERE HIGHLIGHTS

VOLUME VIII | ISSUE 7 | JULY 2009

Upcoming Events

Friday, August 7

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

Assessing the Iran-Venezuela
RelationshipRegister by emailing:
americas@csis.org

Thursday, September 23

8:30a.m. - 4:30p.m.

Conferece: "Trafficking in
the MesoAmerican
Corridor: A Threat
to Regional and
Human Security"Register by emailing:
americas@csis.org

"This new visa policy will help the ministry to assess whether travelers from Mexico are coming to Canada as legitimate short-term visitors or whether they might be... using the refugee system to jump the immigration queue."

Headlines

An overwhelming volume of refugee claims leads **Canada** to impose visa restrictions on Mexican citizens seeking to enter the country. A recent study released suggests levels of extreme poverty are on the rise in **Mexico**, where the H1N1 flu virus and other problems continue to plague the nation's economy. The president of **Nicaragua**, Daniel Ortega, announces a desire to hold a referendum to allow him to seek reelection, spurring comparisons with the unfolding situation in neighboring Honduras. The governments of **Colombia** and the United States negotiate the future of the U.S. military presence in the country, and meanwhile, a new minister of defense is appointed, and a dispute over criminal allegations on the former minister raise tensions between Colombia and Ecuador. A new U.S. GAO report suggests that **Venezuela** is becoming a key transit point for cocaine, eliciting impassioned responses from both Washington and Caracas. Presidential primaries conclude for the October 25 election in **Uruguay**, and the candidates selected for the ballot suggest a shift in ideology within the governing Frente Amplio party.

North America

Canada

Minister of Citizenship, Immigration and Multiculturalism Jason Kenney announced in early July that, effective July 14, citizens of Mexico would require a visa to enter Canada. Previously, citizens of Mexico wishing to travel to Canada as tourists were not required to apply and be approved for a visa prior to their arrival at the border. This new measure, according to Kenney, is to better control the flow of people into Canada given the spiraling volume of applications for refugee status by Mexican nationals. Since 2005, refugee status applications by Mexicans have tripled. In 2008 Mexicans accounted for more than 9,400 claims—25 percent of all claims filed in Canada—and more than 5,500 Mexican claims have already been filed in the first half of 2009. Citizenship and Immigration Canada (CIC) has been struggling with mounting administrative costs and delays due to the sheer volume of applications, and high rates of withdrawal or abandonment of applications from Mexican citizens, coupled with a very low approval rate of only 11 percent, have cast suspicion on the legitimacy of these claimants' allegations of persecution in their home country. This new visa policy will help the ministry to assess whether travelers from Mexico are coming to Canada as legitimate short-term visitors or whether they might be, according to Kenney, "using the refugee system to jump the immigration queue." Citizens of the Czech Republic also now require a visa as of July 14, after the number of claims from Czech citizens jumped an estimated 993 percent since tourist visa restrictions to Canada were lifted in 2007. To qualify for a temporary resident (tourist) visa, Mexicans and Czechs must demonstrate that their visit to Canada will be temporary and that they will not exceed their approved stay time in the country, that they have enough money to cover their expenses while traveling, and that they are in good health, have no criminal record, and do not pose a security threat

Recent Events

Friday, July 10

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

Venezuela and Russia: What Sort of Relationship?

Thursday, July 23

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

Cuba Outlook Series 7:
"Cuba: An International Perspective"

"Confronted with evidence of deepening poverty in the country, Mexico's secretary of social development Ernesto Cordero vowed to review all federally funded anti-poverty programs and strengthen those that are underperforming."

to Canada. Mexican officials' reaction to this move has been frosty but pragmatic. On July 16 after expressing dissatisfaction with the decision to Canadian foreign minister Lawrence Cannon during a U.S.-Canada-Mexico trilateral ministerial meeting in Washington, D.C., Mexican foreign secretary Patricia Espinosa announced that Canadian officials and diplomats would now require a visa to enter Mexico. However, Canadian tourists to Mexico, who number 1.3 million per year and contribute significantly to the country's tourism revenue, will still be allowed to enter Mexico without a preapproved visa. Mexico's embassy in Canada has stated that, although Mexico "regrets the decision," "channels of collaboration remain open." The Czech Republic's reaction, which has been more severe, includes the immediate withdrawal of its ambassador from Ottawa and threats to seek retaliatory measures from the European Union. The new visa requirements are designed to ease the burden on CIC, already under greater than usual pressure because of the recently imposed passport requirement for Canadian travel to the United States, but have caused long lines to form at the Canadian embassy in Mexico by travelers with airline reservations and foreign students bound for Canada who now need to obtain visas before their departure. An estimated 261,000 Mexican tourists visited Canada last year. **Jessica B. Horwitz**

Mexico

The percentage of Mexicans living in extreme poverty rose from 42.6 percent to 47.7 percent between 2006 and 2008, according to a study released by the National Council for the Evaluation of Social Development Policy (CONEVAL) on July 16. Based on information CONEVAL gathered through a 2008 nationwide survey of household income and spending, 50.6 million Mexicans did not earn enough income to meet their basic health, education, food, housing, and transportation needs, up from 44.7 million in 2006. Over the same two years, the percentage of people unable to afford the food necessary to satisfy minimum daily nutrition requirements rose from 13.8 percent to 18.2 percent. The percentage of households without electricity, piped water, and telephone service similarly increased, even as the proportion of the population living in homes with dirt floors declined. CONEVAL's recently released report suggests a reversal in the overall trend of poverty reduction since the early 1990s, with Mexico's poverty indicators apparently worsening despite government efforts to expand access to social services over the last two decades. Between 1992 and 2008 Mexicans from all social classes increased their access to health insurance and social security programs, with households in the lowest income quintile making the greatest gains. *Critics of President Felipe Calderón have been quick to blame his administration's handling of the economy for the bad news, noting that the poverty in the country has deepened since Calderón took office in late 2006. But other analysts point out that it is unreasonable to expect short-term results from such initiatives as Progreso-Oportunidades, a conditional cash transfer program that since 1997 has provided money to families who keep their children in school and take them to the doctor for regular medical checkups. They note that the program's investments are focused largely on children and will convey the greatest poverty-reducing benefits to the next generation. Although Mexico enjoyed modest economic growth in the early years of the twenty-first century, growth slowed in 2008. The Economic Commission for Latin America and the Caribbean (ECLAC) recently predicted that the Mexican economy will shrink 7 percent by the end of 2009. Thanks to the ongoing global financial crisis, reduced international demand for Mexican manufactured goods, declining remittances from migrants living abroad, and the negative effects of the H1N1 influenza outbreak on trade and tourism, impoverishment in Mexico could well intensify by 2010. Confronted with evidence of deepening poverty in the country, Mexico's secretary of social development Ernesto Cordero vowed to review all federally funded anti-poverty programs and strengthen those that are underperforming.* **Katherine E. Bliss**

Mexican secretary of health José Ángel Córdova Villalobos announced on July 2 that the national economic impact of the H1N1 flu virus has risen to \$3 billion, an amount equivalent to about 0.2 percent of the nation's gross domestic product (GDP). In a speech at the first "Lessons Learned from the H1N1 Influenza" meeting in Cancún, Secretary Córdova recognized that the amount is considerable but assured the audience that the most severe impacts of the H1N1 flu virus on Mexico's economy have already been felt. Using statistics from the Mexican Secretariat of Finance and Public Credit (SHCP), Córdova stated that the economic losses thus far would not provoke major structural damage and claimed that recuperation of Mexico's largest sectors has already begun. His announcement comes three months after the government requested closures of bars, movie theatres, and churches, and cancellations of school and public events in Mexico City in reaction to the outbreak of a new strain of H1N1 influenza. At the time, officials warned of the potentially severe economic implications of the flu outbreak and the measures necessary to combat the spread of the virus. Data released this month by the Mexican Tourism Ministry show that the tourism sector lost \$524 million in May because potential visitors canceled trips based on fears of becoming infected with influenza. *The flu crisis has exacerbated Mexico's many economic and social challenges and has fostered anxiety concerning the linkages between international economic weakness and transnational health challenges. Although government officials opt to convey a positive outlook, the H1N1 flu crisis continues to intensify the hardships facing Mexico's economy, negatively affecting many of its most crucial sectors. Between allocating funds and troops to fight powerful narco-trafficking factions, drafting measures to avoid further financial downturn, and dealing with an overabundance of social issues, the Calderón administration has proven that it is stretched for resources and support. After the opposition Partido Revolucionario Institucional (PRI) party gained legislative majority in the Chamber of Deputies on July 5, Calderón will have more difficulty implementing plans to mitigate some of Mexico's leading troubles without intense negotiations between the three major parties, before the flu's expected resurgence in the fall.* Margaret Frost

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Central America

Nicaragua

At a July 19 rally to celebrate the 30th anniversary of the Sandinista revolution, Nicaraguan president Daniel Ortega criticized his country's presidential term limits as unjust and voiced support for a referendum that would allow him to seek reelection. Nicaragua's constitution prevents the president from serving consecutive terms or more than two terms total, but a 60 percent majority in Congress can vote to revise the constitution. Ortega first came to power in 1979 as a member of the ruling junta that took control when the revolutionary Sandinista movement overthrew right-wing dictator Anastasio Somoza, and he served as the country's elected president from 1985 to 1990. Ortega was reelected in 2006 for a five-year term. In his current term, he has come under fire from critics who say he has moved to consolidate his control of the government and perpetuate himself in power through crackdowns on opposition politicians and the media. In November 2008, Ortega's party swept municipal elections that were widely denounced as fraudulent, prompting the United States and the European Union to cut \$130 million worth of foreign aid to the country. Perhaps attempting to deflect some of this criticism, Ortega emerged as a vocal leader in the region's condemnation of the coup in Honduras. This makes his July 19 announcement in support of a referendum for reelection ironic, as Zelaya was ousted by his country's congress and military for attempting to do the same thing. In Ortega's view, as he told the crowd, every leader should have a right to reelection so that the

"Although Ortega's announcement prompted many comparisons between Nicaragua and Honduras, an attempt by Ortega to make constitutional changes and extend his term in office would likely play out very differently."

people can award or punish their leaders with their vote. *Although Ortega's announcement prompted many comparisons between Nicaragua and Honduras, an attempt by Ortega to make constitutional changes and extend his term in office would likely play out very differently from the attempt made by Zelaya. Whereas Zelaya had lost the support of most institutions in Honduras, including the Supreme Court and the military, Ortega maintains a strong political base and has consolidated control over Nicaragua's congress and judicial system. His desire to remain in office reflects a growing trend among leaders in Latin America. In the past year, voters in Ecuador, Bolivia, and Venezuela have all supported amendments that could allow their presidents to be reelected. The trend is not limited to Latin America's leftist governments either; in Colombia, President Álvaro Uribe is eyeing a third term as well. The question for Nicaragua is whether, following so close on the heels of the Honduran crisis, Ortega's moves could further damage Nicaragua's reputation in the international community at a time when it desperately needs trade and foreign assistance.* **Jessica Marsh**

South America

Colombia

A new military agreement would change the nature of U.S. presence in Colombia. Ten years ago Ecuador agreed to allow U.S. military aircraft on anti-drug missions to land and resupply at an air force base at Manta on the country's coast near Colombia's southern border. The United States calls Manta a "forward operating location," not a military base, but critics of the Manta operation as well as large sectors of public opinion term it a "U.S. base." President Rafael Correa, taking advantage of the nationalistic sentiment it generated, made closure of the U.S. facility when the ten-year accord expired part of his populist platform. To be able to continue to support U.S. surveillance of the eastern Pacific, the U.S. Department of Defense began talks with Colombia, where the United States is already deeply involved in counter-drug activities. Colombia does not, however, have a base as well located as Manta. The Colombian air force field best prepared to support U.S. flights is Palenquero, far inland and separated from the Pacific Ocean by the western chain of the Andean mountains. A navy base at Málaga is located in a bay off the Pacific coast but is not well equipped to support U.S. flights because, among other things, it is located in one of the rainiest places on earth. If the agreement being considered doesn't adequately replace Manta, it seems designed to serve a wider purpose as it would give the United States access to Apiay—a large Colombian air force base in Meta near the center of the country on the traditionally guerrilla-dominated eastern plains—and air force and navy landing strips on the northern Caribbean coast. U.S. and Colombian authorities insist the United States will not be establishing "bases" or even "forward operating locations" and the current ceiling of 800 U.S. military personnel and 600 contractors in Colombia will not be exceeded. Those who claim to have seen the language of the agreement say, however, it would add allowances for "antiterrorism" and other activities, not spelled out, to justify further U.S. access to Colombian bases. *Colombians, like other Latin Americans, can usually be expected to oppose foreign troops on their soil, but consented a decade ago under Plan Colombia to an in-country U.S. military role because it was specifically to help harness the violence-producing drug trade. To accommodate the U.S. presence, the Colombian governments bent laws, constitutional provisions, and tradition. It is not clear whether Colombian public opinion will now follow their leaders in accepting a wider scope for foreign military involvement without an anti-drug justification. It may if the public comes to believe that closer identification with the United States is necessary to ward off threats from three of their populist neighbors—Venezuela, Ecuador and Nicaragua. With U.S. Plan Colombia military aid decreasing, Colombian military leaders may also believe that a larger U.S. presence will encourage continued U.S. financial support.* **Phillip McLean**

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To address pressing issues in the Ministry of Defense, President Álvaro Uribe has appointed a new minister of defense to replace Juan Manuel Santos, who resigned in May. Gabriel Silva Luján, president of the Colombian Coffee Federation for the last seven years, bowed to President Uribe's urging and accepted the defense post for what is likely to be the president's last year in office. News of the appointment was greeted with some surprise because the Coffee Federation job, a powerful position in Colombian society, is a post often held by future presidents. Silva, who had little background in the coffee trade when he took the office at the Coffee Federation, was praised thereafter for his energy and imagination in rebuilding the organization after a worldwide slump that had damaged Colombia's coffee industry. As a young man he had studied at John Hopkins School of Advanced International Studies in Washington and then served as a foreign affairs adviser to presidents Virgilio Barco and César Gaviria. He was Gaviria's ambassador in Washington in 1993–1994 and then for a brief period served with Gaviria when he became secretary general of the Organization of American States. *With his international background and management experience, Silva should prove to be a strong successor to outgoing minister Juan Manuel Santos, who is said to be a personal friend of Silva. President Uribe was slow to replace Santos, and since the minister resigned in May, armed forces commander General Freddy Padilla has been in charge of the ministry, causing some fear that the practice of having civilians lead the defense ministry might be broken. Silva should comfortably assume charge of the military and police, two institutions that have been reinvigorated in recent years. He is well known and respected in Washington, but he is also a strong Colombian nationalist, even prickly at times, who can be expected to manage relations with the United States well.* **Phillip McLean**

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On June 29, 2009, an Ecuadorian judge issued an arrest warrant for former defense minister Juan Manuel Santos for his alleged involvement in the death of 25 people in a Colombian military operation in Ecuador. In the joint operation conducted in March 2008, the Colombian Army and Police raided a military camp of the Revolutionary Armed Forces of Colombia (FARC) that was located in Ecuador near the Colombian border. The 25 people that died as a result of this operation included the FARC's international spokesman “Raul Reyes” and Franklin Aisalla, an Ecuadorian citizen. In response to what it saw as a violation of its sovereignty by the Colombian military, the Ecuadorian government cut off diplomatic relations with Colombia on March 3, 2008. The warrant, issued by Ecuadorian prosecutor general Washington Pesántez Muñoz, charged former minister Santos for “crimes against life,” arguing that Santos was responsible for planning, ordering, and executing the assault on the FARC's military camp. After the charges were laid, Correa's administration requested that Interpol issue a Blue Notice against Santos to collect information on his whereabouts and, subsequently, a Red Notice calling for his arrest and extradition to Ecuador. Interpol denied both petitions, arguing that article 3 of the Interpol Constitution clearly states that it is forbidden for the organization to intervene in situations of political, military, religious and racial character and that the allegations against Santos were military and political in nature. *The charges laid against Santos are part of a political confrontation in which Colombia and Ecuador have used the media and diverse political instruments to gain support within the region by questioning each other's credibility in the international community. Tensions between the countries worsened in July, when the Colombian government released a video of a speech by “Jorge Briceño Suárez,” aka “Mono Jojoy,” the military leader of FARC, in which he mentioned that the FARC allegedly financed the presidential campaign of Rafael Correa. The release of the video can be seen as retaliation by the Colombian government against Ecuador for the arrest warrant issued for Minister Santos.* **Brian Townsend**

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“The GAO’s findings have spurred calls in Congress for a comprehensive review of policy toward Venezuela and given ammunition to critics of Obama’s efforts to reach out toward the Chávez government.”

Venezuela

Venezuela is becoming an important transit point for cocaine destined for the United States, Europe, and West Africa, according to a U.S. report issued on July 20. The Government Accountability Office (GAO) report found that four times as much cocaine flowed through Venezuelan rivers, ports, and airstrips in 2007 as three years earlier, at least partly because of high levels of government corruption and President Chávez’ refusal to cooperate with U.S. drug authorities. The report emphasized the increasing evidence that the Venezuelan government itself is playing a part in the country’s drug trafficking problem: Chávez twice canceled the signing of an addendum to the 1978 Memorandum of Understanding that would allow for renewed cooperation between U.S. drug officials and Venezuelan authorities, the U.S. Treasury Department designated three of Chávez’ aides as “drug kingpins” for cooperating with the FARC, and a recently released video speech by FARC leader Mono Jojoy referenced the strategic importance of maintaining “good political relations, friendship, and confidence” with the Venezuelan government. Overall corruption in the country also remains high, with the nation ranking at 158 on a list of 180 countries scored according to Transparency International’s Corruption Perceptions Index. *The GAO report, entitled Drug Control: U.S. Counternarcotics Cooperation with Venezuela Has Declined, has produced outrage in both Washington and Caracas. Senator Richard Lugar, who commissioned the investigation for the Senate Committee on Foreign Relations, worries that Venezuela is “in the process of becoming a narco-state, heavily dependent [on] and beholden to the international trade in illegal drugs.” Others in Congress are concerned that the perpetuation of a permissive environment in Venezuela will jeopardize the fragile security gains made in neighboring Colombia. Above all, the GAO’s findings have spurred calls in Congress for a comprehensive review of policy toward Venezuela and given ammunition to critics of Obama’s efforts to reach out toward the Chávez government. Venezuela has been quick to defend its policies, claiming that the country is a victim of geography, stuck between the world’s largest cocaine producer, Colombia, and the greatest cocaine consumer, the United States. The Venezuelan president has also called the report an unfair “set-up” to besmirch his and his nation’s reputation, citing his efforts to control the 1,370 mile border of rugged jungle and mountains that the country shares with Colombia and the 60 percent increase in cocaine seizures since he forced the Drug Enforcement Administration (DEA) out in 2005 on accusations of espionage. At lower levels of the Venezuelan government, however, attitudes toward the DEA are more favorable—officials interviewed by GAO investigators said that they would welcome greater technical cooperation with U.S. drug authorities if their government was to allow it. Anna Nelson*

Uruguay

Presidential slates for the October 25 Uruguayan elections were firmed up in July when the governing Frente Amplio coalition formed a ticket composed of José “Pepe” Mujica for president and Danilo Astori for vice-president. President Tabaré Vázquez, elected in 2004 when the Frente was first successful in a presidential bid, is barred by the constitution from consecutive reelection. Mujica and Astori were rivals in the June 28 presidential primary, and although Astori was strongly backed by President Vázquez, he lost the nomination by a wide margin. The primary represented a clash of personalities and, to a lesser extent, ideology within the leftist Frente Amplio. Astori, the highly successful minister of economy for more than three years under Vázquez, represented the more conservative wing of the Frente, while Mujica, a former *Tupamaro* revolutionary who spent some 14 years in prison during the military regimes in power until 1985 and served subsequently as a senator and agriculture minister, is a favorite of the left wing of the coalition. Meanwhile, the center-right National (“Blanco”) Party selected former president Luis Alberto Lacalle (1990–1995) as its presi-

dential candidate in the June 28 primary, with the runner-up, Senator Jorge Larrañaga (who ran unsuccessfully against Vázquez in 2004), agreeing to take the vice-presidential spot on the ticket. Recent polling shows the Frente ticket with a modest six-point advantage (42 to 36) over the *Blancos*, with the once-powerful Colorado Party ticket a distant third with about 10 percent support. *The inclusion of Astori in the Frente Amplio ticket was important for the Frente's image and chances to repeat in power in the October 25 election. Mujica, with his folksy "man of the people" personality and lack of university education, contrasted with Astori's academic and technocratic background and commitment to orthodox macroeconomic policies, which remain unpopular with leftist sectors within the Frente Amplio. During the campaign, Mujica played down his revolutionary and ideological past in an attempt to moderate his image. In his blog "Pepe as he is," Mujica makes much of Astori's presence on the ticket, vowing that "Danilo is not second to anyone" and, responding to charges from Lacalle that his candidacy will scare off investment in Uruguay, has urged potential investors to "invest with tranquility because the country will continue to offer the stability and security that capital requires." This will probably be a common theme in the upcoming presidential campaign as Mujica tries to thread the needle between energizing his support base in the Frente while reassuring independents—as President Vázquez has done successfully—that his candidacy does not imply a shift to the left.* Peter DeShazo

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