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Latin America and the Caribbean: Legislative Issues in 2001

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Latin America and the Caribbean: Legislative Issues in 2001

Summary

This report provides an overview of the major legislative issues facing Congress in 2001 relating to the Latin American and Caribbean region, and provides reference and linkages to other reports covering the issues in more detail. The report is organized by the regions and subregions of the Western Hemisphere.

At the hemispheric level, the major legislative issues include the implementation of the Declaration and Action Plan of hemispheric leaders at Summit of the Americas III in Quebec City, Canada, on April 20-22, 2001. This includes individual and collective action to achieve the goal of creating a Free Trade Area of the Americas (FTAA) by 2005, to promote democracy throughout the hemisphere, to strengthen multilateral mechanisms for counter-narcotics activity, and to further sustainable development and environmental protection in the region. The hemispheric response to the September 2001 terrorist attacks on the United States is also included.

With neighbor Mexico in North America, the major bilateral issues for the United States are related to trade, drug trafficking, and migration, as new President George W. Bush seeks to advance friendly relations with new President Vicente Fox, the first President of Mexico from an opposition party in over 70 years.

With regard to the Central American and Caribbean region, the major issues are disaster relief and reconstruction in both Central America and the Caribbean, earthquakes in El Salvador, implementation of the peace accords in Guatemala, elections in Nicaragua, and dealing with Panama's new control of the Panama Canal. President Bush has announced a "Third Border Initiative" to strengthen the development of the smaller Caribbean countries, and will be seeking ways to advance democracy in Cuba and Haiti.

In the Andean region, the major issues are President Bush's Andean Regional Initiative for Colombia and regional neighbors, the Andean Trade Preference Act (ATPA) under consideration for renewal, dealing with a new government in Peru, and finding ways to engage the "maverick" government in Venezuela.

In the region encompassing Brazil and the Southern Cone countries of South America, the major issues are dealing with trade and economic issues with Brazil, dealing with a serious economic crisis in Argentina, and completing negotiations for a U.S.-Chile Free Trade Agreement with Chile.

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I. Hemispheric Issues

Summit of the Americas III

Summit of the Americas III was held in Quebec City, Canada, from April 20-22, 2001, with 34 democratically elected Presidents and Prime Ministers from the Western Hemisphere in attendance, including George W. Bush from the United States. The hemispheric leaders dealt with three major themes: (1) Strengthening Democracy, where they agreed to a democracy clause that specified that democratic government was an essential condition for participation in the summit process; (2) Creating Prosperity, where they agreed to advance toward the conclusion of the agreement on the Free Trade Area of the Americas (FTAA) by January 2005; and (3) Realizing Human Potential, where they agreed to initiatives to promote education, health, and greater equity for women, youth, and indigenous peoples.

For more information, see CRS Report RL30936, *Summit of the Americas III, Quebec City, Canada, April 20-22, 2001: Background, Objectives, and Results*, by K. Larry Storrs and M. Angeles Villarreal.

Free Trade Area of the Americas (FTAA)

A centerpiece of the Third Summit of the Americas discussions was the Free Trade Area of the Americas (FTAA). The FTAA would support greater Western Hemisphere economic integration by creating a comprehensive framework for reducing tariff and nontariff barriers to trade and investment. Despite protests from various interest groups, all countries except Venezuela signed the Declaration of Quebec City adopting the bracketed or draft text of the FTAA and reaffirming the commitment to complete negotiations of the FTAA by January 2005, with the agreement's entry into force no later than the end of the same year. There are still many areas where negotiations present formidable challenges including market access

¹ For information on legislative issues in 2000, see CRS Report RS20474, *Latin America: Overview of Legislative Issues for Congress in 2000*, coordinated by Mark P. Sullivan. The current report, organized by regions, is entitled *Latin America and the Caribbean* to include the English-speaking countries in the Caribbean area. The term "Latin America" is a cultural rather than a geographical term, and includes all countries where Latin-based languages are spoken. "Latin America" includes Mexico in North America and most countries in Central America and South America. It also includes Cuba and the Dominican Republic in the Caribbean where Spanish is spoken, Haiti in the Caribbean where French is spoken, and Brazil in South America where Portuguese is spoken.

issues (particularly with agricultural products), investment rules, antidumping provisions, dispute settlement, and the perennial issues over environmental and labor provisions. To the surprise of some, President Bush gave a nod toward addressing many of these issues at Quebec, including labor and environment provisions. All these issues have been sufficiently contentious as to threaten progress in negotiations if extreme positions cannot be resolved. Negotiators are eager to see what guidance, particularly on the most controversial issues, the U.S. Congress may offer should it decide to pass trade promotion authority legislation. On October 9, 2001, the House Ways and Means Committee ordered favorably reported H.R. 3005, the “Bipartisan Trade Promotion Authority Act of 2001,” as amended, by a recorded vote of 26-13. This measure includes compliance with labor and environmental laws as negotiating objectives in the granting of trade promotion authority, but critics argue that the environmental and labor protections are inadequate.

For more information, see CRS Report RS20864, *A Free Trade Area of the Americas: Status of Negotiations and Major Policy Issues*, by J. F. Hornbeck; CRS Issue Brief IB95017, *Trade and the Americas*, by Raymond J. Ahearn; and CRS Report RL30935, *Agricultural Trade in the Free Trade Area of the Americas*, by Remy Jurenas.

Democracy in Latin America and the Caribbean

Latin America has made enormous strides in recent years in the development of democracy, with all countries but Cuba led by democratically-elected heads of state. Nonetheless, many government institutions in the region have proven ill-equipped to deal with challenges to their further development, such as strong, often autocratic presidents; violent guerrilla conflicts; militaries still not comfortable with civilian rule; and narcotics trafficking and related crime and corruption. The Organization of American States has also made progress in efforts to promote democracy in the hemisphere by establishing procedures for collective action when democracy is interrupted, beginning with the Santiago Commitment to Democracy in 1991, and culminating most recently with the adoption of the Inter-American Democratic Charter in Lima, Peru, on September 11, 2001, the same day as the terrorist attacks on the United States.

For more information, see CRS Report 98-684, *Latin America and the Caribbean: Fact Sheet on Leaders and Elections*, by Mark P. Sullivan, as well as references cited above on Summit of the Americas III and cited below on Haiti and Peru.

Hemispheric Response to September 2001 Terrorist Attacks

Latin American nations strongly condemned the September 11, 2001 terrorist attacks on New York and Washington, D.C. and took action through the Organization of American States (OAS) and the Rio Treaty to strengthen hemispheric cooperation against terrorism. The OAS, which happened to be meeting in Peru on September 11, 2001, swiftly condemned the attacks, reiterated the need to strengthen hemispheric cooperation to combat terrorism, and expressed full solidarity with the United States. At a special session on September 19, 2001, OAS members invoked

the 1947 Inter-American Treaty of Reciprocal Assistance, also known as the Rio Treaty, which obligates signatories to the treaty come to one another's defense in case of outside attack. Another resolution approved on September 21, 2001, called on Rio Treaty signatories to "use all legally available measures to pursue, capture, extradite, and punish those individuals" involved in the attacks and to "render additional assistance and support to the United States, as appropriate, to address the September 11 attacks, and also to prevent future terrorist acts." Although Canada and most English-speaking Caribbean nations are not parties to the Rio Treaty, it is expected that they will participate in efforts to coordinate hemispheric action. In another resolution, the OAS called on the Inter-American Committee on Terrorism to identify urgent actions aimed at strengthening inter-American cooperation in order to combat and eliminate terrorism in the hemisphere.

For more information, see "The Americas' Response to Terrorism" on the Organization of American States (OAS) Web site at [http://www.oas.org/OASpage/crisis/crisis_en.htm].

Drug Certification Process and the OAS Multilateral Evaluation Mechanism (MEM)

Since the mid-1980s, Congress has required the President to certify that drug producing and drug-transit countries are cooperating fully with the United States in counter-narcotics efforts in order to avoid a series of sanctions, including suspension of U.S. foreign assistance and financing, and opposition to loans in the multilateral development banks. The sanctions would also apply if the Congress, within 30 calendar days, passed a joint resolution of disapproval to overturn the presidential certification, although any resolution would be subject to veto.

Over the years, spokesmen from many countries have complained about the unilateral and non-cooperative nature of the drug certification requirements, and have urged the United States to end the process and to rely upon various multilateral methods of evaluation that have been developed recently. Mexico, often the focus of congressional debate, particularly expressed dissatisfaction with the process, even though it was regularly certified as being a fully cooperative country. Following the July 2000 election of opposition candidate Vicente Fox as President of Mexico, a number of legislative measures were introduced to modify the drug certification requirements, and these initiatives were mentioned when President Bush met with President Fox in Mexico in mid-February 2001, and in the United States in early September 2001.

Acting to soften existing requirements, on April 5, 2001, the Senate Foreign Relations Committee reported out a substitute version of S. 219, which would (1) suspend the existing drug certification procedures for a 3-year trial period, and (2) require the President to identify by October 1 of each year major drug-transit or major illicit drug producing countries and to deny assistance to any country that has failed demonstrably, during the previous 12 months, to make substantial efforts to adhere to its obligations under international counternarcotics agreements. The measure expresses the sense of Congress that the United States should at the earliest feasible date in 2001 convene a multilateral conference of relevant countries to develop

multilateral drug reduction and prevention strategies. It also urges the President to request legislative changes to implement the strategies no later than one year after enactment. On August 1, 2001, the Senate Foreign Relations Committee approved S. 1401, the Foreign Relations Authorizations Act for FY2002-FY2003, with the provisions of S. 219 incorporated as Sections 741-745 in Title VII, Subtitle D, Reform of Certification Procedures Applicable to Certain Drug Producing or Trafficking Countries. The Committee reported out S. 1401(S. Rept. 107-60) on September 4, 2001, and the measure was placed on the Senate Legislative Calendar.

One of the multilateral mechanisms most frequently mentioned is the Multilateral Evaluation Mechanism (MEM) developed by the Inter-American Drug Abuse Control Commission (CICAD) of the Organization of American States (OAS). Under the MEM, all hemispheric countries are evaluated on the basis of 61 common criteria. Representatives of each country evaluate all countries except their own. Hemispheric leaders at Summit of the Americas III noted with satisfaction the first set of evaluations and recommendations under the MEM procedures and called for strengthening the MEM process and for strengthening hemispheric counter-narcotics cooperation.

For more information, see CRS Report RL30892, *Drug Certification Requirements and Proposed Congressional Modifications in 2001*; CRS Report RL30949, *Drug Certification Procedures: Side-by-side Comparison of Existing Procedures and S. 219 as Reported*; and CRS Report RL30950, *Drug Certification Procedures: A Comparison of Current Law to S. 219 and S. 1401 as Reported*, by K. Larry Storrs.

Sustainable Development and Environmental Protection

Roughly 50% of the world's tropical forests, 40% of its biological diversity, and extensive freshwater and marine resources are located in the Latin American and Caribbean region. The U.S. Agency for International Development (USAID) has devoted about \$65 million per year to environment programs in the region in recent years, supporting sustainable forestry, improved hillside agriculture, conservation of biological diversity, prevention of industrial pollution, and better water management. In Brazil, for example, USAID, working with other bilateral and multilateral donors and non-governmental organizations (NGOs), supports programs to conserve the Brazilian rainforest. The programs' goals are to suppress fires, and to develop and train leaders for sustainable development activities that will reduce the extensive burning/clearing of tropical forests in Brazil's vast Amazon region which allegedly contributes to the loss of biological diversity and increased global warming.

For further information, see CRS Report RL30121, *Brazil under Cardoso: Politics, Economics, and Relations with the United States*, by K. Larry Storrs; CRS Report 97-291, *NAFTA: Related Environmental Issues and Initiatives*, by Mary E. Tiemann; and CRS Electronic Briefing Book on "Global Climate Change" on the CRS web site, [<http://www.congress.gov/brbk/html/ebgcc1.html>] as well as references to Summit of the Americas III above. See also the explanation of USAID's environment programs in Latin America and the Caribbean at USAID's web site [<http://www.usaid.gov/environment/lac.html>].

II. Mexico

Fox Administration in Mexico

Vicente Fox of the conservative Alliance for Change was inaugurated as President of Mexico on December 1, 2000, for a six year term, promising to promote free market policies, to strengthen democracy and the rule of law, to fight corruption and crime, and to end the conflictive situation in the state of Chiapas. Fox's inauguration ended 71 years of presidential control by the long dominant party. Since his inauguration he has worked with a divided Congress to obtain passage of his budget along with fiscal and tax reforms calculated to produce resources for his educational and social initiatives. However, the proposals have been controversial because they remove tax exemptions on medicine and food.

President Fox has sought to resolve the conflictive situation in Chiapas by submitting legislation to strengthen indigenous rights, withdrawing military from certain areas, releasing some Zapatista prisoners, and calling for peace talks with the rebels. The Zapatistas made a peaceful march from Chiapas to Mexico City from February 24 to March 9 to generate support. They pressed their proposals in the Chamber of Deputies on March 28, 2001, and eventually agreed to renew a peace dialogue with the government. After the Mexican Congress passed a modified version of the indigenous rights legislation on April 28, 2001, the Zapatistas denounced the legislation as inadequate and withdrew from any dialogue with the Government.

President Fox has indicated that Mexico will pursue a more activist and diversified foreign policy, with greater involvement in UN activities, and stronger ties to Latin America and Europe. He has also indicated that it will be more aggressive in defending the interests of Mexicans living in foreign countries, particularly those in the United States, and he established a Special Office for Mexicans Abroad. On various occasions, President Fox has indicated that he expects to have warm and friendly relations with the United States, and he has called for greater cooperation under NAFTA and for a more open border between the countries over time.

The United States Congress has closely followed political and economic developments in Mexico, and is interested in President Fox's efforts to advance democracy, promote free market reforms, and resolve the conflictive situation in Chiapas because of the effects of these developments on bilateral relations and because of the threat of possible instability on the southern border.

For more information, see CRS Issue Brief IB10070, *Mexico-U.S. Relations: Issues for the 107th Congress*, by K. Larry Storrs.

Mexico-U.S. Bilateral Issues

The United States and Mexico have a special relationship under the North American Free Trade Agreement (NAFTA), which removes trade and investment barriers between the countries. The friendly relationship has been strengthened in 2001 by President Bush's meetings with President Fox in mid-February in Mexico, in mid-April in Canada, and in early May, early September, and early October in the

United States. During the official state visit in early September 2001, the two leaders called for full adherence to NAFTA, measures to strengthen the North American Development Bank (NADBank) and the Border Environmental Cooperation Commission (BECC), heightened cooperation on legal issues, including sharing of seized assets and new mechanisms for multilateral cooperation, and agreement as soon as possible on border safety, a temporary worker program, and the status of undocumented Mexicans in the United States. During President Fox's visit to Washington, D.C. and New York City on October 4, 2001, he expressed solidarity with the United States and the willingness to cooperate with the United States as a partner and as a neighbor on security and counter-terrorism issues. In the early part of the year, Congress had been considering a number of immigration initiatives to broaden temporary admission or to permit legalization of status, but since the September 2001 attacks the trend seems to be toward tighter border control. With regard to drug certification issues, the Senate Foreign Relations Committee has reported out S. 1401 that would suspend the drug certification requirements for 3 years (See discussion above on Drug Certification Process).

For more information on congressional action on bilateral issues, including trade, drug trafficking, and migration issues, see CRS Issue Brief IB10070, *Mexico-U.S. Relations: Issues for the 107th Congress*; and CRS Report RL30886, *Mexico's Counter-Narcotics Efforts under Zedillo and Fox, 1994 to 2001*, by K. Larry Storrs; as well as CRS Report RL30852, *Immigration of Agricultural Guest Workers: Policy, Trends and Legislative Issues*, by Ruth Ellen Wasem and Geoffrey K. Collver; the section on Border Security in the CRS Electronic Briefing book on Terrorism, by William Krouse, available online [<http://www.congress.gov/brbk/html/ebter124.html>] and the section on NAFTA in the CRS Electronic Briefing Book on "Trade," by J.F. Hornbeck, available online [<http://www.congress.gov/brbk/html/ebtra42.html>]

III. Central America and the Caribbean

Disaster Relief and Reconstruction

Following the destruction caused by Hurricane George in the Caribbean and Hurricane Mitch in Central America in late 1998, the United States responded with some \$312 million in emergency relief, and an additional \$621 million in grant assistance through AID and other agencies, funded through the 1999 Emergency Supplemental Appropriations Act. Donors and country officials pledged to be better prepared for disasters, and to "build back better" in reconstruction efforts, including work to reduce poor conservation and land use practices that often contributed to the severity of the disaster damage in the countries. Congress is interested in oversight over this major project in Central America, with expenditure of the designated funding continuing until the end of 2001.

For background, see CRS Report 98-1030, *Central America: Reconstruction after Hurricane Mitch*, coordinated by Lois McHugh. For current status, see USAID's Hurricane Reconstruction Site on the web [<http://hurricane.info.usaid.gov/>].

Earthquakes in El Salvador

El Salvador experienced several major earthquakes in January and February 2001 that killed over a one thousand people, and displaced nearly two million people. The United States and other countries have responded with emergency and relief assistance. U.S. emergency assistance totaled nearly \$10 million by mid-February 2001, with \$6.1 million provided in response to the mid-January earthquake, and \$3.3 million in response to the mid-February earthquake. When President Bush met with Salvadoran President Francisco Flores in early March 2001, he said that the United States had provided over \$16 million in emergency relief assistance, and he pledged to provide \$52 million in reconstruction assistance in FY2001, and an equal or greater amount in FY2002. He also notified the Salvadoran President of the U.S. Attorney General's decision to grant Temporary Protected Status (TPS) to Salvadoran immigrants in the United States for a period of 18 months. The Salvadoran government had expressed concern about the additional strain that returned immigrants would place on already stretched resources. The Foreign Operations Appropriations Act for FY2002 (H.R. 2506), passed by the House on July 24, 2001, provides in Section 582 that not less than \$100 million in rehabilitation and reconstruction assistance will be provided to El Salvador.

For background, see CRS Report 98-1030, *Central America: Reconstruction after Hurricane Mitch*, coordinated by Lois McHugh. For current status, see USAID's updates on Earthquake in El Salvador [http://usaid.gov/about/el_salvador/].

Guatemala and the Peace Accords

Guatemala is beginning the fifth year of implementation of the historic peace accords signed in December 1996, which called for programs to transform Guatemala into a more participatory and equitable society. The United States is the single largest bilateral donor in this area, having offered \$260 million in support over the four-year period from 1997 to 2000. Additional support was pledged through FY2003, although multilateral institutions are making larger contributions. Bush Administration-requested assistance for FY2002 includes \$24 million in development assistance, \$18 million in food assistance, and \$10 million in Economic Support Funds, largely to support the peace process. U.S. assistance helps the Guatemalan Government to implement its social reform program, modernize the justice sector, carry out land bank and titling programs, and encourage participation from marginal communities.

For background, see CRS Report 98-1030, *Central America: Reconstruction after Hurricane Mitch*, coordinated by Lois McHugh. For current status, see USAID's reports on Guatemala [<http://www.usaid.gov/countries/gt/index2.html>].

Nicaragua

Ongoing congressional concerns regarding Nicaragua include resolution of property claims, U.S. assistance to Nicaragua, and human rights issues. Resolution of property claims by U.S. citizens regarding expropriations carried out by the Sandinista government in the 1980s remains the most contentious area in U.S.-

Nicaraguan relations. After a 3-year freeze in property-related lawsuits, new property tribunals began hearing cases in July 2000. According to the State Department's 2001 Human Rights Report, almost 100 cases had been filed, and 35 cases settled as of December 2000. The report also said "it was too early to judge [the tribunals'] fairness and efficiency." U.S. technical assistance is aimed at improving the mechanism for settling property disputes. The Bush Administration has requested \$35.9 million for Nicaragua in FY2002, including \$10.4 million in food aid. U.S. law prohibits aid to countries that have confiscated assets of U.S. citizens, but U.S. administrations have granted annual waivers to allow Nicaragua to receive aid.

Additional concerns for the 107th Congress are the national elections scheduled for November 4, 2001, and subsequent Nicaraguan international relations. The top two presidential candidates, who are in a virtual tie according to polls, are former President Daniel Ortega of the Sandinista National Liberation Front (FSLN), and Enrique Bolanos, of the ruling Liberal Constitutional party. From 1979 to 1990, Ortega headed Sandinista governments that were socialist and pro-Soviet and fought a bloody civil war against U.S.-backed "contras". Bolanos was Vice-President under current President Aleman but resigned last year in accordance with the law in order to run for president. As perceptions of corruption in the Aleman Administration have risen, Bolanos has distanced himself from Aleman, denouncing the January 2000 agreement between Aleman and Ortega on constitutional changes that have been criticized as helping the latter two maintain a hold on power.

The Bush Administration stated on October 5 that "The United States will respect the result of a free and fair election that expresses the will of the Nicaraguan people." Echoing concerns of some Members of Congress, the State Department added, "However, we continue to have grave reservations about the FSLN's history of trampling civil liberties, violating human rights, seizing people's property without compensation, destroying the economy, and ties to supporters of terrorism [such as Iraq and Libya]." The Sandinistas say they have abandoned their socialist policies and anti-American rhetoric of earlier years and will now try to create jobs through the free market and pay for any land confiscated for continued land redistribution. Skeptics, including some representatives of the business sector, worry that an Ortega victory would trigger capital flight and halt investment in Nicaragua.

For further information, see CRS Report RS20983, *Nicaragua: Country Brief*, by Maureen Taft-Morales.

Panama

The 1977 Panama Canal Treaty terminated on December 31, 1999 and the United States turned operation of the Panama Canal over to Panama on that date. All U.S. troops withdrew from Panama and all U.S. military installations reverted to Panamanian control. Under the terms of the 1977 Treaty on the Permanent Neutrality and Operation of the Panama Canal, which has no termination date, Panama now has responsibility for operating and defending the Canal. However, the treaty gives the United States the right to use military force to reopen the Canal or restore its operations.

In 1999, some Members of Congress and politicians in Panama suggested that there was an opportunity for the United States to negotiate the use of facilities in Panama for U.S. antidrug flights, similar to the Forward Operating Locations (FOLs) arrangements being made with Ecuador, Aruba, and Curacao. However, in 2000, Panamanian President Moscoso resisted a request from the United States to allow the U.S. military to establish a military presence in Panama for antidrug flights.

For background, see CRS Report RL30981, *Panama-U.S. Relations* by Mark P. Sullivan and M. Angeles Villarreal.

Caribbean “Third Border Initiative”

At the 2001 Summit of the Americas in Quebec, Canada, President Bush announced the “Third Border Initiative” for the Caribbean region. According to the Administration, the initiative aims to deepen U.S. commitment to fighting the spread of HIV/AIDS, to respond to natural disasters, and to make sure the benefits of globalization are felt in even the smallest economies, particularly those in the Caribbean, which can be seen as a “third border” of the United States. U.S. initiatives include \$20 million in HIV/AIDS funding, establishment of a teacher training “Center for Excellence,” increased funding for Disaster Preparedness and Mitigation, assistance to improve regional civil aviation oversight, and additional funding for anti-corruption and anti-money laundering law enforcement efforts.

For more information on the “Third Border Initiative,” see the U.S. Department of State, Washington File, Fact Sheet: Caribbean “Third Border Initiative” on the State Department Web site [<http://usinfo.state.gov/regional/ar/summit/factb.htm>].

Cuba

Cuba, a hard-line Communist state with a poor record on human rights, has been led by Fidel Castro since the 1959 Cuban Revolution. Since the early 1960s, U.S. policy toward Cuba has consisted largely of isolating the island nation through comprehensive economic sanctions. These were made stronger with the Cuban Democracy Act (CDA) in 1992 and the Cuban Liberty and Democratic Solidarity Act in 1996, often referred to as the Helms/Burton legislation. Another component of U.S. policy consists of support measures for the Cuban people, including private humanitarian donations and U.S.-sponsored radio and television broadcasting to Cuba. In May 2001, President Bush stated that his Administration would oppose any efforts to weaken sanctions against Cuba, and in July 2001, he asked the Treasury Department to enhance and expand its embargo enforcement capabilities. Yet in mid-July 2001, President Bush also extended for 6 months the waiver of Title III of the Helms-Burton law that would allow U.S. nationals to sue for damages those persons who traffic in property confiscated in Cuba.

Although there appears to be broad agreement among those concerned with Cuba on the overall objective of U.S. policy toward Cuba — to help bring democracy and respect for human rights to the island — there have been several schools of thought on how to achieve that objective. Some advocate a policy of keeping maximum pressure on the Cuban government until reforms are enacted, while

continuing current U.S. efforts to support the Cuban people. Others argue for an approach, sometimes referred to as constructive engagement, that would lift some U.S. sanctions that they believe are hurting the Cuban people, and move toward engaging Cuba in dialogue. Still others call for a swift normalization of U.S.-Cuban relations by lifting the U.S. embargo.

Legislative initiatives introduced in the 107th Congress reflect these divergent views on the direction of U.S. policy toward Cuba (whether sanctions should be eased or intensified) and also cover a range of issues including human rights, migration, drug interdiction cooperation, and broadcasting to Cuba. On July 25, 2001, in action on the Treasury Department Appropriations for FY2002 (H.R. 2590), the House approved an amendment that would prohibit the Treasury Department from using funds to enforce restrictions on travel to Cuba, but it rejected another amendment that would prohibit enforcement of the overall economic embargo.

For further information, see CRS Report RL30806, *Cuba: Issues for Congress*, by Mark P. Sullivan and Maureen Taft-Morales.

Haiti

Former President Jean-Bertrand Aristide was inaugurated on February 7, 2001 to a second, non-consecutive term. Aristide and his Fanmi Lavalas party swept presidential and legislative elections on November 26, 2000. All of the major opposition parties boycotted the elections, however, citing widespread fraud by Aristide supporters and the unresolved dispute over May 2000 legislative elections. Also on February 7, a coalition of 15 political parties, the Convergence Democratique, formed an alternative government and repeated its call for new elections.

As President-elect, Aristide pledged in December 2000 to make several political, judicial, and economic reforms, including correcting the problems of the May elections, in which Aristide supporters were awarded 10 disputed Senate seats. At the Summit of the Americas on April 22, 2001, hemispheric leaders singled out Haiti as a country whose problems are limiting its democratic and other development, and urged President Aristide to carry through on his pledges to reform.

In **H.R.2506**, the Foreign Operations appropriations for FY2002 bill (approved by the House on July 24, 2001), **Section 520** would prohibit providing assistance to Haiti except through regular notification procedures to the Committees on Appropriations. No other conditions on aid to Haiti are currently in the proposed bill. **Section 554** would allow the Haitian government to purchase defense articles and services for the Haitian Coast Guard. USAID currently provides humanitarian assistance to Haiti only through non-governmental organizations and will probably only provide direct assistance to the government once it makes the reforms it has promised, including resolving the disputed elections.

H.R. 1646, the Foreign Relations Authorization Act for FY2002 and 2003 (passed by the House May 16, 2001) would authorize \$6,000 to the Organization of American States for each fiscal year to be appropriated only for the investigation and dissemination of information on violations of freedom of expression by the

Government of Haiti. The Senate version, **S. 1401** (reported by Committee on Foreign Relations September 4, 2001), contains no such provision.

For further information see CRS Issue Brief IB96019, *Haiti: Issues for Congress*, by Maureen Taft-Morales.

IV. Andean Region

Andean Regional Initiative (ARI)

President Bush announced in budget submissions and at the 2001 Summit of the Americas III in Quebec, Canada, the “Andean Regional Initiative” that is extended to provide \$882.29 million in FY2002 economic and counter-narcotics assistance to Colombia and regional neighbors to deal with drug trafficking and related activities.

According to the Administration, distinctive features of the initiative, compared to last year’s Plan Colombia assistance, are that the economic and social programs are roughly equal to the counter-narcotics programs, and that more than half of the assistance is directed at regional countries that are experiencing the spill-over effects of illicit drug and insurgency activities. Assistance is requested for the following countries:

- Colombia (\$399 million), the major producer of cocaine and the central challenge in dealing with guerrillas, paramilitaries; and drug traffickers;
- Peru (\$206 million) and Bolivia (\$143 million), where past successes in reducing cocaine production could be threatened by expected progress in Colombia;
- Ecuador (\$76 million), the most exposed neighbor because of its proximity to Colombian areas controlled by drug producers and guerrillas; and
- Brazil (\$26 million), Venezuela (\$21 million), and Panama (\$11 million), where the threat is primarily confined to common border areas with Colombia.

Critics of the Andean Regional Initiative argue that it is a continuation of what they regard as the misguided approach of last year’s Plan Colombia, with an overemphasis on military and counter-drug assistance, and with inadequate support for human rights and the peace process in Colombia. Supporters argue that it continues needed assistance to Colombia while providing more support for regional neighbors and social and economic programs.

In action on the FY2002 foreign operations appropriations bill, H.R. 2506, the House on July 24, reduced ARI funding to \$826 million, while the Senate Appropriations Committee voted on July 26 to reduce ARI funding to \$718 million and to add conditions on the aerial fumigation program. Four related reporting requirements and a prohibition on the issuance of visas to members of illegal armed groups in Colombia were included in the Foreign Relations Authorization for FY2002-FY2003 (H.R. 1646) passed by the House on June 16, 2001.

For additional information, see CRS Report RL31016, *Andean Regional Initiative (ARI): FY2002 Assistance for Colombia and Neighbors*, by K. Larry Storrs and Nina M. Serafino; see also material available under Plan Colombia on the U.S. Department of State's International Information Programs Internet site [<http://usinfo.state.gov/regional/ar/colombia/>].

Andean Trade Preference Act (ATPA)

For ten years, the Andean Trade Preference Act (ATPA) has provided preferential, mostly duty-free, treatment of selected U.S. imports from Bolivia, Colombia, Ecuador, and Peru. It is scheduled to expire on December 4, 2001. Enacted in 1991, ATPA was part of a broader Andean initiative to address the growing drug trade problem in Latin America. ATPA reduces the cost of certain imports in the United States, improving access to U.S. markets, which in turn is an incentive for Andean workers (particularly farmers) to pursue economic alternatives to the drug trade (e.g. growing coca). Because many Andean imports are not eligible under ATPA, or enter the United States under other preferential trade arrangements, most studies conclude that ATPA's effects on trade diversification and reducing drug production have been positive, but nonetheless, small. ATPA supporters also argue that there may be economic development and broader regional political cooperation (good will) benefits related to ATPA, although they are even less tangible.

ATPA's reauthorization provides the opportunity to evaluate its efficacy as a counternarcotics policy tool. On a broad scale, ATPA is part of a larger "alternative development" strategy, which, given the extraordinary profitability of coca production, is fighting an uphill battle. Some analysts believe that for ATPA to be considered successful, there must be some evidence of export diversification into ATPA-eligible products, which to date is not overwhelming. One option suggested is to expand the category of eligible products to include apparel, footwear, tuna, and sugar, among other products. On October 5, 2001, the House Ways and Means Committee approved an amended extension of ATPA entitled the Andean Trade Promotion and Drug Eradication Act (H.R. 3009). It would extend the program through December 31, 2006, and provide duty-free treatment to selected apparel, tuna, and other products previously excluded. The bill would also expand the conditions countries would have to meet to remain eligible for the program benefits.

For further reading, see CRS Report RL30790, *The Andean Trade Preference Act: Background and Issues for Reauthorization*, by J. F. Hornbeck. Updated information can be found in the CRS trade electronic briefing book at [<http://www.congress.gov/brbk/html/ebtra1.html>].

Colombia

U.S. ties to Colombia have broadened extensively with Congress' approval of the Clinton Administration's "Plan Colombia" legislation (P.L. 106-246) in July 2000, which stirred a new set of congressional concerns about the future of U.S. policy there. The Bush Administration has requested some \$399 million in FY2002 funding for Colombia, which will be used to continue to carry out the "Plan Colombia" programs. These focus on developing and sustaining three Colombian Army

Counternarcotics battalions (CACBs) to assist the Colombian National Police in the fumigation of illicit narcotics crops and the dismantling of laboratories, beginning with coca fumigation in the southern provinces of Putumayo and Caquetá.

Last year, Congress approved some \$1.3 billion in regular and supplemental FY2000 and FY2001 appropriations for “Plan Colombia” programs (some of which will carry into FY2002). Congressional approval came in June 2000, as President Andres Pastrana was completing the second year of a 4-year term, unable to advance significantly in the peace process he had launched to bring two leftist guerrilla groups into the political system and grappling with a depressed economy. The rationale for this “Push Into Southern Colombia” program was to debilitate the guerrillas by depriving them of the substantial income they derive from taxing narcotics cultivation, processing, and marketing. The Congress also provided substantial assistance for economic development, displaced persons, human rights monitors, and administration of justice and other governance programs.

However, even as Plan Colombia-financed fumigation operations began in Putumayo in December 2000, debate over the wisdom and prospects of success for the policy intensified. The European nations that were expected to contribute substantial amounts for economic development have been reluctant to contribute, alleging a U.S. “militarization” of the Pastrana plan. In addition, the Pastrana government has been unable to come up with the \$4 billion that it had expected to contribute to its Plan Colombia. The missing funds raise another area of concern because economic opportunities will be unavailable to those whose livelihoods are being disrupted by coca fumigation, and others who may be attracted to guerrilla or paramilitary groups because of economic deprivation.

On the human rights front, despite the Pastrana government’s efforts to curb the rightist “paramilitaries” or “self-defense” groups and the Colombian military leaders who have directly or indirectly supported them, the paramilitaries have conducted many massacres since the beginning of 2001. In an effort to push the Colombian military further, to not only cease support but to take action against the paramilitary organizations, in September 2001, the State Department designed the largest of them, the United Self-Defense Forces (AUC), a foreign terrorist organization (FTO). However, new human rights concerns had been raised when the Colombian Congress approved in June, and President Pastrana signed on August 13, 2001, a national security law that expanded the military’s powers to hold suspects, enabled it to subordinate local civilian officials to military control in military “theaters of operations,” and shortened the time period in which human rights violations by members of the security forces must be completed.

The U.S.-backed fumigation of crops has also caused considerable controversy both in the United States and Colombia, many groups lobbying for a cessation of all spraying until alleged ill health effects are investigated and all those whose subsistence crops could be affected by the spraying are given the opportunity to join voluntary eradication and well-supported alternative development efforts. As a result, spraying was suspended in “Plan Colombia” target areas of Putumayo and Caquetá. Finally, some question whether the net result of the U.S. initiative will be just to push the cultivation of illegal narcotics, along with its attendant labor flows and criminality,

into neighboring countries, thus spreading Colombia's instability throughout the region.

Although the 107th Congress appears favorable to continuing some level of assistance to Colombia under the Bush Administration's Andean Regional Initiative, it is unclear at this point how much funding will be available for Colombia. (See discussion on funding for the ARI under that section, above.) Because 55% of the ACI funding was requested for Colombia, other countries would have to be cut deeply if funding for Colombia were to remain at the full level of the request.

Members of Congress, however, have been of varying minds on conditions regarding Colombia, as reflected in action on the foreign operations appropriations and on other legislation. The House version of the foreign operations appropriations legislation, H.R. 2506, would exempt any ACI-funded programs from the mandatory cap of 300 civilian contractors in Colombia set by the Plan Colombia legislation (P.L. 106-246, Section 3204 (b)(1)(B)), but not from that act's 500 person limit on U.S. military personnel in Colombia. It would also exempt the use of ACI funds from Section 482 (b) of the Foreign Assistance Act of 1961, as amended, which prohibits procurement of weapons and ammunition, with certain exceptions. The Senate Appropriations Committee version of H.R. 2506 would also waive the Section 482 (b) prohibition, but would retain both caps. It would condition require the Secretary of State to report that the chemicals used in fumigation spraying were safe, being used in accordance with instructions, and that mechanisms were in place to evaluate claims of damage, before funds could be used for their purchase. If the Colombian military did not observe specified human rights conditions, helicopters would be withdrawn.

In action on other legislation, in the Foreign Relations authorization bill for FY2002 and FY2003, H.R. 1646, the House prohibited the issuance of visas to any alien found to have willfully provided direct or indirect support to either of the two leftist guerrilla groups in Colombia, or to the rightist self-defense forces (Section 236). The House included a cap of 500 on the number of military personnel in Colombia (with exceptions for emergency and transiting personnel, and those stationed with the U.S. Embassy) in Section 1209 of its version of the National Defense authorization act for FY2002, H.R. 2586.

For more information, see CRS Report RL31016, *Andean Regional Initiative (ARI): FY2002 Assistance for Colombia and Neighbors*, cited above, which tracks action on FY2002 assistance to Colombia; CRS Report RL30541, *Colombia: Plan Colombia Legislation and Assistance (FY2000-FY2001)* for information on legislation approved in 2000, and assistance through mid-2000; and CRS Report RL30330, *Colombia: Conditions and U.S. Policy Options*, by Nina M. Serafino.

Peru

Alejandro Toledo was inaugurated as President of Peru on July 28, 2001, following two-round presidential elections in April and June 2001 that were widely regarded as free and fair. Toledo's primary tasks are seen as stimulating economic growth, maintaining stability, and restoring the independence of democratic institutions – and public confidence in them – by continuing to root out the widespread political corruption that is part of the legacy left behind by former

President Alberto Fujimori. Fujimori fled to Japan and resigned in November 2000, following allegations of electoral fraud and a series of corruption and human rights scandals involving his top aide. An interim government was formed according to constitutional rules of succession and was praised for maintaining calm, attacking corruption, and organizing presidential and legislative elections in its eight months in office. An anti-Fujimori opposition leader, Toledo was elected with 53% of the valid vote, against left-leaning former Peruvian President Alan Garcia with 47% of the vote.

In legislation and committee reports, the 106th Congress expressed concern about the Clinton Administration's provision of counter narcotics assistance to Peru's intelligence service, which was widely reported to be responsible for a wide array of human rights violations. Since the fall of the Fujimori government, many observers have also expressed concern regarding the former head of that intelligence service, Vladimiro Montesinos, and his relationship to U.S. agencies, especially the Central Intelligence Agency, and to counter narcotics operations. Montesinos also fled, was captured in Venezuela and returned to Peru, where he faces some 168 criminal investigations into crimes including money laundering, illicit enrichment and corruption, organizing death squads, protecting drug lords, and illegal arms trafficking. In its oversight of counter narcotics programs in Peru, the 107th Congress can be expected to monitor these investigations, especially as they relate to relations between Montesinos and U.S. agencies.

Congressional support for a U.S.-Peruvian aerial drug interdiction program waned following an accident on April 20, 2001, in which an American missionary plane was accidentally shot down in Peru, killing a missionary woman and her infant daughter. The program, which involves intelligence sharing between Central Intelligence Agency-contracted private military personnel and Peruvian authorities, has been suspended and is under review. The U.S. and Peruvian governments conducted a joint investigation into the accident. Their report, released August 2, 2001, concluded that lax procedures, including the inability of Peruvian and U.S. personnel to communicate in the same language, contributed to the erroneous shoot down. Another report making recommendations for the program's future is yet to be released. Peru's Foreign Minister, Diego Garca-Sayan, reportedly asked that the program be resumed, arguing that is the only practical way to combat narcotics traffickers in Peru. Others argue that the flight interdiction program's impact is minimal because traffickers use a variety of other means to export coca from Peru.

A provision of H.R.2506, the Foreign Operations appropriations for FY2002 bill (approved by the House on July 24, 2001), would withhold \$65 million of the program's funds until the Secretary of State submits a full report to Congress on the April 20, 2001 shutdown, and the Secretaries of State and Defense, and the Director of Central Intelligence certify to Congress, 30 days before any resumption of U.S. involvement in a counter-narcotic aerial interdiction program, that such a program will include enhanced safeguards and procedures to prevent the occurrence of any incident similar to the one of April 2001. The Senate version (reported by Committee on Appropriations with an amendment in the nature of a substitute on September 4, 2001) omits any reference to the aerial interdiction program. It instead sets forth health and safety guidelines for aerial coca fumigation and specifies that not less than \$200 million shall be applied to USAID economic and social programs in the Andean region.

H.R. 1646, the Foreign Relations Authorization act for FY2002 and 2003 (passed by the House May 16, 2001), would authorize \$6,000 to the Organization of American States for each fiscal year to be appropriated only for the investigation and dissemination of information on violations of freedom of expression by the government of Peru.

Members of Congress have also expressed concern regarding the case of Lori Berenson, an American jailed in Peru on charges of treason. Berenson was convicted in January 1996 by a secret Peruvian military tribunal of helping plan a thwarted attack against the legislature by the Tupac Amaru Revolutionary Movement (MRTA), a guerrilla group, and given a life sentence. A new trial concluded in June 2001 with a new conviction – which she is appealing – and a sentence of 20 years on charges of collaboration with terrorists. 143 Members of Congress signed a letter to the Peruvian government in July 2001 asking for the immediate release of Berenson, who maintains her innocence. Others, including former U.S. Ambassador to Peru Dennis Jett, say it would be “a major mistake” to make Berenson’s pardon a high priority in U.S.-Peru relations, and would risk making President Toledo appear to be soft on terrorism or as interfering with the courts. Jett, who was serving in Peru when the MRTA took hundreds of people hostage at the Japanese ambassador’s residence in 1996, says it would be asking President Toledo “to commit political suicide” by pardoning Berenson.

For further information, see CRS Report RL30918, *Peru: Recovery from Crisis*, and CRS Report RS20536, *Peruvian Elections in 2000: Congressional Concerns and Policy Approaches*, by Maureen Taft-Morales.

Venezuela

Since the election of former coup leader Hugo Chavez as President in 1998, Venezuela has undergone enormous political changes, with a new constitution and revamped political institutions. Chavez remains widely popular, with an approval rating of over 60%, but critics and other observers have raised concerns about his government and fear that the President is moving toward authoritarian rule with his domination of most government institutions. Many analysts agree that Chavez’s continued popularity will depend on progress in improving living conditions in Venezuela, which have eroded over the past decade. Key U.S. interests in Venezuela include continued U.S. access to Venezuelan oil reserves, the largest outside of the Middle East; promotion and protection of U.S. trade and investment; the preservation of constitutional democracy; and continued close anti-narcotics cooperation. Venezuela would like to be included in the reauthorization of the Andean Trade Preference Act, the U.S. preferential trade program for Andean nations, and the Bush Administration has requested \$10.5 million in assistance for Venezuela as part of the anti-drug strategy of the Andean Regional Initiative.

For additional information, see CRS Report RS20978, *Venezuela under Chavez: Political Conditions and U.S. Relations*, by Mark P. Sullivan.

V. Brazil and the Southern Cone

Brazil

President Fernando Henrique Cardoso, first elected President of Brazil in 1994, was resoundingly reelected to a second term in 1998, largely on the basis of the success of his anti-inflation Real Plan and voters' confidence that he could best deal with mounting difficulties resulting from the 1997-1998 global financial crisis. In late October 1998, Cardoso announced a major package of reforms to reduce the budget deficit, and in December 1998 he obtained a \$41.5 billion support package from the International Monetary Fund (IMF) and the international community. In mid-January 1999, the government was forced to let the real float, and the currency's value fell about 40% and then rebounded. In March 1999, the government had to set even more austere budgets to obtain the second tranche of the IMF support package.

Brazil recovered remarkably well in late 1999 and 2000, and prospects were promising for 2001 until the country was forced to announce energy rationing when a severe drought hampered hydroelectric energy production. It was forced to announce new austerity measures and to obtain an additional \$15 billion in IMF funding in early August 2001 to contain the contagion effects from neighbor Argentina that was approaching the brink of default. In the midst of these difficulties, new presidential, congressional, and gubernatorial elections are approaching in October 2002, with doubts about the survivability of the pro-government center-right coalition.

In the foreign policy area, Brazil's relations with the neighboring countries of Argentina, Uruguay, and Paraguay, which together with Brazil form the Southern Common Market (Mercosur), strengthened significantly in the 1990s, although Brazil's devaluation of the *real* and Argentina's economic difficulties are posing new challenges to the subregional bloc. Brazil and members of Mercosur have emerged as the major advocates of a slower approach to achieving an agreement on a Free Trade Area of Americas (FTAA). Even so, relations with the United States have also warmed considerably as demonstrated by President Cardoso's visits with President Bush in Washington, D.C. and Quebec, Canada. The two countries are cooperating in many areas, despite continuing trade disputes.

For additional information, see CRS Report RL30121, *Brazil under Cardoso: Politics, Economics, and Relations with the United States*, by K. Larry Storrs, and CRS Report 98-987, *Brazil's Economic Reform and the Global Financial Crisis*, by J.F. Hornbeck.

Argentina

Argentina faces an extended financial and economic crisis, brought on by a 3-year recession, persistent fiscal deficit, and large contraction in exports, in part, resulting from Brazil's 1999 devaluation. These trends have made it difficult for Argentina to meet payments on its \$130 billion in public debt, which represents some 20% of emerging market bonds. As confidence in Argentina's future began to fade in 2001, it was faced with increasing capital flight, higher interest rates, and the

prospect of a full blown financial crisis. In response, the Argentine government in 2001 completed a \$29.5 billion debt swap earlier in the year to reduce interest payments, legislatively forced a balanced budget, and has been given two financial stabilization assistance packages. The first included a December 2000 \$39.7 billion joint effort involving the International Monetary Fund (IMF), World Bank, Inter-American Development Bank (IDB), and government of Spain. An August 2001 \$8 billion follow-on IMF loan was made in response to Argentina's decisive move to eliminate its fiscal deficit. It was supported by the United States. These measures are intended to provide Argentina with the liquidity to halt capital flight and assure investors and debtors that the country will not have to resort to either defaulting on its debt or turning to devaluing its currency. At the heart of the issue is protecting Argentina's currency board arrangement, which rests on a one-to-one peg between the peso and the U.S. dollar with provisions for automatic convertibility. This monetary arrangement served as the pillar of Argentina's economic stability in the 1990s, until fiscal policies and external shocks compromised the system.

President Bush has pledged to work with President de la Rúa to expand regional trade and expressed support for the government's economic stabilization program, but many doubt whether Argentina will be able to fix its financial dilemma given that assumptions of meeting future debt payments rest on strong economic growth. This is an unlikely prospect given that Argentina has imposed strict austerity measures and that there is an increasing possibility of a global recession following the September 11, 2001 terrorist attacks in the United States. Argentina faces strong resistance to its severe budget cuts, which include major reductions in public sector wages and benefits, including social security. Default fears are still being expressed, which would be a costly option, but so too would abandoning the currency board. Observers are concerned that given the lack of maneuvering ability in Argentine public policy, it may yet have to consider one of these unthinkable outcomes. Given that confidence may take a long time in coming, the prospect of a self-fulfilling crisis cannot be discounted.

For more information, see CRS Report RS20781, *Argentina: Political and Economic Conditions and Relations with the United States*, by M. Angeles Villarreal.

Chile

Chile and the United States enjoy good political and economic relations. Since 1994, U.S.-Chilean relations have centered on negotiating a free trade agreement, with the hope initially that Chile would accede to the NAFTA. The United States and Chile commenced formal negotiations on a bilateral free trade agreement (FTA) on December 6-7, 2000, in Washington, D.C.. Because Chile is a relatively minor trading partner and one of the most open, reformed, and developed economies in Latin America, expectations are running high that there is a good chance of congressional approval of the FTA even without trade promotion (fast track) authority (TPA) in place, which requires Congress to consider trade agreement implementing legislation within a limited time frame, under limited debate, and with a single up or down vote. Despite Chile's widely regarded economic track record and willingness to address a wide spectrum of issues, differences in how to address controversial provisions, such as those on labor, environment, and antidumping measures are the main hurdles to clear. Although TPA may not be needed to pass a

U.S.-Chile FTA, negotiators currently appear to be expecting action on such legislation to provide guidance on these more controversial matters.

For background information see CRS Report RL30035, *Chile: Political/Economic Conditions and U.S. Relations*, by Mark P. Sullivan. For information on U.S.-Chile trade relations, see CRS Issue Brief IB95017, *Trade and the Americas*, by Raymond J. Ahearn, and CRS Report RL31144, *A U.S.-Chile Free Trade Agreement: Economic and Trade Policy Issues*, by J.F. Hornbeck.

The Community of Latin American and Caribbean States (CELAC) is a regional bloc of Latin American and Caribbean states thought out on February 23, 2010, at the Rio Group's Caribbean Community Unity Summit, and created on December 3, 2011, in Caracas, Venezuela, with the signature of The Declaration of Caracas. It consists of 32 sovereign countries in the Americas. Due to the focus of the organization on Latin American and Caribbean countries, other countries and territories in the Americas, Canada and... Latin America and the Caribbean as a whole boasts huge development potentials and bright prospects, making it a rising force in the global landscape.

Part II China's Relations with Latin America and the Caribbean in the New Stage of Comprehensive Cooperation. China stands ready to strengthen exchanges with Latin American and Caribbean governments, legislative bodies, political parties, and entities at the local level and cooperation in the fields of education, science and technology, culture, sports, health, journalism and tourism. China will actively hold dialogues between civilizations to bring the hearts of our peoples closer, and make contributions to promoting the harmonious coexistence of different civilizations in the world. Many Latin American and Caribbean (LAC) nations have experienced monumental growth and change in the past several decades, and USAID has partnered with these countries to make important progress. Despite the global financial crisis, the region averaged a three percent annual increase in economic growth between 2000 and 2012. Health indicators have greatly improved in the region: for example, maternal mortality has fallen from 140 to 81 deaths per 100,000 live births since 1990. While these are impressive gains, the region still faces significant challenges. Latin America and the Caribbean continue to have some of the highest rates of income inequality in the world and economies have slowed. Severe, chronic drought threatens lives and livelihoods. This report provides an overview of the major legislative issues facing Congress in 2001 relating to the Latin American and Caribbean region, and provides reference and linkages to other reports covering the issues in more detail. The report is organized by the regions and subregions of the Western Hemisphere. At the hemispheric level, the major legislative issues include the implementation of the Declaration and Action Plan of hemispheric leaders at Summit of the Americas III in Quebec City, Canada, on April 20-22, 2001.

Table 2. Latin American and Caribbean Countries: Basic Facts. Country. In December 2020, Human Rights Watch issued a report documenting how the Cuban government has used regulations designed to prevent the spread of COVID-19 to harass and imprison government opponents.¹⁴ In August 2020, the Inter-American Dialogue published a report with the Special Rapporteur for Freedom of Expression at the Organization of American States (OAS) expressing concern about the criminalization of free speech in the region related to governments' responses to the pandemic, restrictions on pandemic-related reporting, and stigmatization of media organizations by some leaders for repor...