# CSIS CENTER FOR STRATEGIC & INTERNATIONAL STUDIES

Americas Program

# Hemisphere Insider

**Program News** Americas Program Discusses Exchanges with Cuba



November 28, the Americas Program hosted a roundtable based on its recent report, U.S.-Cuba Academic and Science-Based Exchanges: Prospects for a Two-Way Street published through a grant by the Richard Lounsbery Foundation. Panelists included Vaughan C. Turekian, chief international officer of the American Association for the Advancement of Science (pictured); Alan Robock, distinguished professor of climatology at Rutgers University; and Philip Peters, vice president of the Lexington Institute. Participants discussed experiences with science-based exchanges between the United States and Cuba, problems conducting them, and the potential for increased interaction, given the recent liberalization of travel regulations in Cuba.

# In Depth

Vol. II: Issue 31, November 30, 2012

# Enrique Peña Nieto: Reboot or Stay the Course?

Fresh from meetings with U.S. president Barak Obama and Canadian prime minister Stephen Harper, Enrique Peña Nieto will be inaugurated as president of Mexico on Saturday. As he takes office following months of speculation over his priorities, questions remain whether Peña Nieto will radically change the course of Mexico's government. Behind any plans to reform the economy and energy sectors and restructure security policies lies one emerging priority-first do no harm. That is, do not make changes that will jeopardize recent progress. Mexico has experienced economic growth in the last two years, with its current rate of almost 4 percent surpassing Brazil. Yields on Mexican bonds are roughly half of those of Argentina and Venezuela, reflecting investor confidence in the Mexican government, which has no doubt been increased by the new labor reform law. Add to this a boomlet in Mexican manufacturing, with labor and transportation costs increasingly competitive with Asia, and the promise of tapping newly discovered oil reserves. Although Peña Nieto has discussed opening state-owned oil company Pemex to foreign investors, the scope of investment could be limited, given opposition among Pemex executives and union leaders. On the security front, his plans seem modest as well: to continue the Mérida Initiative, fold the federal police into the Gobernación secretariat (interior ministry), and reduce violence without negotiating with cartel leaders. None of this is likely to make a difference as the problem is weak law enforcement at state and municipal levels. In light of Mexico's recent successes, it should be no surprise that the new Peña Nieto administration may take baby steps at first, saving fundamental transformations for when he has the necessary backing. -- Anna Lukacs

# In the News

# Caribbean: Haiti

The Haitian government has launched a new "Framework for the Coordination of External Development Aid," which President Martelly praised as restoring "Haiti's sovereignty in the management of aid." The mechanism will help the government reconcile outside aid with internal development priorities. Haiti's Ministry of Planning and External Cooperation proposed it, in part, to reduce dependence on foreign donors. —*Haiti Libre* (Haiti)

# Regional

Jamaica, the Bahamas, and Cuba are taking measures to prepare for the widening of the Panama Canal. Anthony Hylton, Jamaica's minister of

# Recommendations for a New Administration

Interests, Policies, and Challenges in the Americas

Base Hemispheric Relations on Opportunities, Not Threats

# **Americas Blog Posts**

Doing Business Report: Is Human Capital Latin America's Handicap?

Will Brazil's "Mensalão" Decision End Impunity?

# Americas Calendar

December 1: Inauguration of Enrique Peña Nieto (Mexico) December 16: Venezuela Gubernatorial Elections January 2013: Barbados Parliamentary Elections February 17: Ecuador General Elections, First Round

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industry, investment, and commerce, stated that his government has started an \$8 million–\$10 billion project to expand ports to accommodate larger ships, build a dry dock, and link up transportation networks. Cuba is renovating its Mariel Port in hopes of becoming a transshipment hub, though analysts predict that the U.S. embargo will reduce that potential. —*The Gleaner* (Jamaica)

# Central America: Honduras

The results of Honduran primary elections held November 18 are still to be announced as the Supreme Electoral Tribunal (TSE) has undertaken a recount of some 2,000 bags of ballots, because of suspected irregularities. The TSE has until December 18 to declare the official winners.

*—La Prensa* (Honduras)

#### North America: Mexico

Following news in September that Mexico's state oil company will buy ships from Spain, Pemex and the Spanish oil company Repsol are now engaged in formal talks to establish a more meaningful partnership. With the incoming Peña Nieto administration, Repsol hopes the companies can move past recent disagreements to revive previous ties. The Argentine nationalization of YPF earlier this year and the promise of Mexico's deep-water oil reserves could be a motivating factor for Repsol; however, much depends on the energy reforms Peña Nieto has promised for early 2013. —*Milenio* (Mexico)

### South America: Brazil

Brazilian president Dilma Rousseff defended proposed legislation that would distribute oil revenues in support of federal projects. This came in the wake of protests in Rio de Janeiro, where citizens and state politicians complained that diverting the royalties will hurt projects in the states of Rio and Espirito Santo, which depend heavily on taxes collected from offshore oil production. President Rousseff contends that the move, which has been passed by the Brazilian congress, is needed for national development. She has until November 30 (today) to veto the bill. —*Estadão* (Brazil)

#### Colombia

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The FARC guerrillas released their only known foreign prisoners—a group of four Chinese oil workers held 17 months before being freed. According to the Chinese embassy, no ransom money was sought for the captives. The unprecedented prisoner release came after talks started between the FARC and the Colombian government and after the rebel group's unilateral ceasefire announcement. —*New York Times* (U.S.)

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