

## HEMISPHERE HIGHLIGHTS

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## Upcoming Events

Tuesday, December 1

8:30 a.m. – 3:00 p.m.

Conference: “Indigenous  
Politics in the  
Andean Region:  
New Advances or  
Lost Momentum?”

“Beyond the challenges residents of Mexico City face because of the drought and reduced supplies, communities in the areas that traditionally dedicate themselves to cultivation of such foodstuffs as corn, beans, and rice are facing food shortages because of inadequate water to sustain their crops.”

## Headlines

A water shortage in the capital of **Mexico** has prompted the government to take new measures to prevent agricultural and health crises. Also in **Mexico**, federal agents targeted state and municipal police forces in Hidalgo on charges of colluding with drug traffickers. The Clinton Global Initiative has increased aid to **Haiti**, which recently signed an agreement with the United States and the Paris Club to cancel its foreign debt. The president of **Guatemala** has declared a national state of emergency, requesting assistance from the World Health Organization to combat widespread malnutrition. The H1N1 influenza pandemic continues to test the health systems of **Chile**, **Brazil**, and **Argentina**. In **Venezuela**, a new educational law has exacerbated domestic tensions domestically. Candidates are gearing up for presidential elections in **Bolivia** in December as opposition candidates seek to defeat Evo Morales' bid for re-election. **Uruguay** is also preparing for presidential elections in late October, though a first round winner is expected. In **Brazil**, the Workers' Party's (PT) potential presidential candidate, Dilma Rousseff, trails her possible Social Democratic rival in early polls.

## North America

## Mexico

Over the last two months the government of Mexico City has accelerated efforts to confront a water scarcity crisis that has affected the capital since at least last spring. The Federal District has implemented a new service alert system to inform residents when water supplies are down; requested that district localities, or *delegaciones*, cut water usage by 20 percent; and threatened to suspend water deliveries to those who consume excess water or who do not pay fees for their water service. It has also elaborated plans to control the loss of water through older systems that leak supplies; at one point the District government reportedly considered proposals to train female homemakers as plumbers, enabling them to repair leaky pipes through which considerable water at the household level is lost each day. With over 20 million inhabitants and a significant industrial base, capital city authorities since the 1950s have had to pipe water from hundreds of miles away to service the increasing metropolitan population, first by transferring water from the Río Lerma and later through the Cutzmalá system, which pipes distant supplies to the Federal District. But with a drought affecting Mexico's central region, from which much of the water for the capital is piped, and with inadequate infrastructure to capture and store rainwater that falls in the city during the rainy season, *capitalinos* have experienced insufficient water supplies for cooking and hygiene in recent months. *As a natural resource, water is overseen by the federal government according to the Mexican Constitution of 1917, and a national commission on water, CONAGUA, manages water resources in the country. Legal reforms in the 1990s allowed for privatization of some metropolitan water supplies, and a variety of international water companies now hold contracts for water service in Mexico City neighborhoods. While the World Health Organization estimates that the majority of the urban*

## Recent Events

Thursday, September 24

8:30 a.m. – 3:00 p.m.

Conferece: “Trafficking in the MesoAmerican Corridor: A Threat to Regional and Human Security”

Tuesday, September 29

10:00 a.m. – 11:00 a.m.

CSIS Americas report launch: “Countering Threats to Security and Stability in a Failing State: Lessons from Colombia”

“The small amount of Mérida Initiative funds going to municipal police (only 1 percent of the total to be released this year) reflects the U.S. concentration on the federal police and military.”

population in Mexico enjoys access to an improved water source, residents of new or informal settlements fare the worst in the context of water shortage, suffering first when piped supplies run out and paying more per capita for water delivered by tanker trucks. In recent weeks, tensions over water access have led to confrontations between officials and residents of some low-income communities frustrated that their services have been cut off while services in high-income neighborhoods remain. Beyond the challenges residents of Mexico City face because of the drought and reduced supplies, communities in the areas that traditionally dedicate themselves to cultivation of such foodstuffs as corn, beans, and rice are facing food shortages because of inadequate water to sustain their crops. Communities dependent on the production of corn are the worst off, according to Secretary of Agriculture Alberto Cárdenas Jiménez. With a modicum of arable land available under the most propitious circumstances, commercial growers as well as subsistence farmers have scaled back plantings and reduced expectations for harvest this year. **Katherine E. Bliss**

On September 14, Mexican authorities in the central state of Hidalgo arrested 124 police officers on suspicion of links to “Los Zetas,” a group believed to be the armed wing of the Gulf cartel. Using a border checkpoint, 400 federal agents detained officers belonging to the Secretaría de Seguridad Pública Municipal (Office of Municipal Public Security), the recently created Policía Metropolitana (Metropolitan Police), and the Policía Estatal (State Police). On the basis of information gathered during an arrest of Gulf cartel members last October, federal agents accused the officers of providing protection for Los Zetas and serving as informants for the criminal outfit in exchange for payment. Additionally, the officers allegedly participated in kidnappings, extortion, and execution of rival gang members. The Secretaría de Seguridad Pública recently stated that, since February, 248 people with alleged links to Los Zetas have been arrested in Hidalgo. The arrests reflect the Calderón administration’s latest efforts to combat the corruptive effect of drug traffickers and other criminal organizations on Mexico’s law enforcement structure. Earlier this year federal officials arrested 10 mayors and 20 local officials in the state of Michoacán on the claim that the officials are linked to the La Familia cartel. Mexican intelligence agencies estimate that La Familia has links to 83 of 113 municipalities in Michoacán. Despite improvements by the Mexican government to vet and train police recruits, local police forces are chronically underfunded. The \$400 million Mérida Initiative, through which the United States is providing funding and technical support to Mexican law enforcement efforts to combat criminal organizations, allots \$4.5 million to activities involving municipal police. Although \$74 million of the Mérida Initiative budget is designated for judicial reform, institution-building, human rights and rule-of-law issues, the majority of the funding has been directed toward equipment and technology. The Mérida funds will help newly trained Mexican police learn to use advanced technology and intelligence techniques to combat Los Zetas and other traffickers, reducing the advantage that the cartels have had. *The small amount of Mérida Initiative funds going to municipal police (only 1 percent of the total to be released this year) reflects the U.S. concentration on the federal police and military. Consequently, Mexico will have to take another route to enhance municipal forces and improve their accountability.* **Clement Carrington**

## The Caribbean

### Haiti

At the Fifth Annual Clinton Global Initiative (CGI) meeting in New York on September 24, 21 projects totaling more than \$258 million — \$88 million more than CGI funds for 2008 — were announced for Haiti, the poorest country in the Western Hemisphere. The projects are part of a commitment to action by a member list including current and former heads of state, Nobel Peace Prize winners, CEOs, NGOs, and philanthropists. The projects focus on a range of development objectives including building public infrastructure, such as hospitals, markets, and schools; increasing distribution of basic supplies; and improving access to and quality of educational programs. One of the most significant plans launched during the meeting was a \$2 million water and sanitation project created by Water.org, a U.S. nonprofit dedicated to providing safe drinking water in developing countries; the project will service 50,000 Haitians over the next three years. *United Nations Special Envoy to Haiti, former President Bill Clinton, called more attention to the Caribbean nation, which has suffered several external shocks in recent years. Last year, Haiti's political stability became more precarious as food riots spread violence throughout the country due to the rise in global food prices. Water sanitation and management programs launched during the meeting are critical to Haiti in light of last year's record hurricane season — in which approximately 800 people lost their lives, damage to homes and infrastructure displaced more than 150,000 families, and supplies of safe drinking water were dramatically reduced. This announcement follows the recent agreement between Haiti and the United States to cancel all of Haiti's \$12.6 million debt with the United States. The CGI funding represents a step in the right direction toward alleviating the unstable living conditions for the large portion of the Haitian population that lives in extreme poverty. David Angel & Michael Graybeal*

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## Central America

### Guatemala

With malnutrition rates increasing throughout Guatemala, on September 8 President Alvaro Colom declared a state of national calamity. Several factors converged to cause the current malnutrition crisis in Guatemala. Basic foodstuffs are now out of reach for many Guatemalans, due to higher international food prices and a decrease in remittances. At the same time, the severe drought in Eastern Guatemala has led to shortages of food staples, thus increasing the upward pressure on prices. According to the United Nations' World Food Program, Guatemala now has the fourth-highest rate of chronic malnutrition in the world and the highest in Latin America and the Caribbean. Rural children, who are mostly indigenous, suffer the most, with several areas reporting malnutrition rates of up to 70 percent for children under five. The World Food Program confirms that Guatemalan requests for food aid are overwhelming the agency, which already provided enough aid to feed 30,000 families for a month. *President Colom's televised speech to the nation was a public recognition of pressures that have been building since the economic crisis hit in the fall of 2008. With remittances accounting for more than 10 percent of Guatemalan GDP, the decline in transfers from Guatemalans working in the United States leaves many families increasingly vulnerable. In his speech, President Colom pointed out that while there is sufficient food available in some parts of the country, many Guatemalans simply cannot afford it. The Guatemalan government's ability to respond to the crisis is still uncertain. With one of the highest inequality rates in Latin America and limited tax income, the government does not appear to have the resources to enact social welfare programs, such as Oportunidades in Mexico or Bolsa Familia in Brazil, which succeeded in reducing malnutrition levels in children. While several Latin American nations*

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*pledged to donate rice and other grains, the current demands being placed on international food organizations may mean that the malnutrition crisis in Guatemala may not be resolved until the recovery of the U.S. labor market and remittances rebound to previous levels. Michael Graybeal*

**“Current data suggest that Brazil, Argentina, and Chile will continue to experience several and different socio-economic effects and a further decline in tourism as a consequence of the H1N1.”**

## South America

The world continues to suffer from the largest influenza pandemic in 40 years, when the H3N2 strain killed approximately 1 million people worldwide and nearly 34,000 in the United States between 1968 and 1969. The overall consequences of the new H1N1 strain around the world, and more specifically in the Americas, are still uncertain, though all indicators point toward a substantial economic cost for the Americas. A World Bank study has predicted that the H1N1 pandemic could cost the global economy US\$3 trillion and cause global GDP to decrease by 5 percent. South America has experienced the greatest challenges with respect to H1N1 this year. Mexican officials originally reported the outbreak in the spring of 2009, and shortly thereafter authorities in South America reported cases. Brazilian and Pan-American Health Organization (PAHO) authorities confirmed that by the end of September the number of deaths attributed to the H1N1 virus in Brazil had reached 899, the highest number of deaths reported by any country worldwide. The pandemic has spread regionally, affecting the states of Rio de Janeiro, São Paulo, Rio Grande do Sul, and Paraná the most, while sparing others. In response to the outbreak, Brazil's government announced that it will allocate US\$1.13 billion toward the purchase of vaccines to protect the most vulnerable numbers of its population. It also began a public information campaign and began monitoring passengers arriving into Rio de Janeiro and São Paulo from abroad as well as sterilizing their luggage. Most states have decided to close public venues temporarily, especially schools, to control the spread of the virus. Since the outbreak began, Argentina has reported 514 deaths and has the highest mortality rate in South America. Prioritizing “individual freedom” and the June legislative elections rather than developing an overarching health policy at the national level, the federal government left each local government with the duty and responsibility of developing a response of its own. Some provinces implemented mandatory holidays for those affected with the virus, and some others decided to suspend classes for a month and close public venues temporarily, which affected hotels, restaurants, tourism, and transport. PAHO announced that Chile reported 132 deaths and more than 11,000 confirmed cases. Unlike Argentina, however, Chile had already begun to take precautionary measures even before the virus reached the country by recommending against nonessential travel to the United States or Mexico, implementing border policies that included the completion of health questionnaires at land borders, hiring more health care workers, and purchasing the necessary equipment and antivirals to contain the virus in the most severe cases. *Current data suggest that Brazil, Argentina, and Chile will continue to experience several and different socioeconomic effects and a further decline in tourism as a consequence of the H1N1. In light of these predictions, the H1N1 pandemic appears to be the latest “exogenous event” to test the already weakened world markets and economies, although recent indicators point toward lower economic costs than the originally estimated by the World Bank.*

Santiago Zalazar

## Venezuela

**Controversy surrounds Venezuela's new Organic Law of Education.** President Hugo Chávez claims the law will provide education for all without exclusion while critics argue it is another step by the president to consolidate control of the country in the name of a twenty-first century socialist revolution. The law was passed by the National Assembly on August 14, enacted by Chávez on August 15, and went into effect on September 16. It requires a minimum 200-day school year, a ban on payments for registration in public schools, and a guaranteed retirement for teachers with pensions equal to 100 percent of salary, and it grants to students, teachers, and staff an equal vote in the election of key university authorities in autonomous universities (universities that receive financial support from the state but are run independently). The government reported that approximately 8 million public and private school students, from preschool to secondary school, registered for the 2009–2010 school year, an increase of 24 percent from a decade ago when Chávez first came to power. Critics argue the law effectively nationalizes education and is another scheme by which Chávez aims to establish his revolutionary hegemony over Venezuelan society. Opponents argue that among its wide-sweeping ramifications the law places primary schools under the supervision of communal councils (akin to the ruling socialist party) and that it will indoctrinate schools with Chávez ideology. They believe it seeks to weaken or abolish students' and teachers' unions and that it will undermine university autonomy by granting the government control over university admission and membership in the teaching profession. They also argue that it will restrict freedom of the press by allowing for the suspension of media outlets, that it censors religion by threatening to end subsidies to church-run schools, and that it is unconstitutional because it was passed without sufficient public discussion. Government officials refute opposition accusations and state the law was enacted to reorganize the education system in a more democratic way and to end educational inequality by giving all Venezuelans access to a free, secular, and high-quality education. Proponents claim the new law will benefit the poorest social groups and will ensure teacher stability and autonomy. *Like other pieces of controversial legislation in Venezuela, the impact of this law depends on how it is interpreted and applied in the future.* Zachary Bedard

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## Bolivia

**Eight slates are inscribed to compete in Bolivia's general elections scheduled for December 6.** Several were signed up only minutes before the midnight deadline approached on September 7. President Evo Morales and Vice President Alvaro García Linera head the government Movement Toward Socialism (MAS) coalition, with several former MAS supporters inscribed as separate and competing candidates. The opposition to Morales proved unable to field a unified candidate and goes into the election divided. Its two leading forces are former prefect of Cochabamba and 2002 third-place finisher Manfred Reyes Villa heading a coalition called “*Plan Progreso Para Bolivia-Convergencia Nacional*” (PPB-CN), with the jailed Prefect of Pando Department Leopoldo Fernández as his running mate, and the National Unity Front (UN) coalition headed by cement magnate Samuel Doria Medina, who polled 7.8 percent of the vote against Evo Morales in the election of 2005. A number of prominent opposition figures dropped out of the race, including former president Jorge Quiroga and former vice president Víctor Hugo Cárdenas. For the first time since 1949, the Nationalist Revolutionary Movement (MNR), Bolivia's key political party of the second half of the twentieth century and whose nominee (Gonzalo Sánchez de Lozada) won the presidency in 2002, will not field a candidate for president. An Ipsos/APOYO poll conducted in mid-September in 56 communities nationwide gives Morales a commanding lead of 54 percent of projected votes cast — 57 percent if intended blank

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votes are deducted, with Reyes in second place with 20 percent and Doria third with 11. For the first time, Bolivians residing in foreign countries (limited to the United States, Spain, Brazil, and Argentina) will vote. Some 4 million Bolivians are registered under the new “biometric” system requiring a photograph, finger print, and signature as a means of preventing fraud. *Past experience has shown that the very strong traditional Morales/MAS vote in rural areas is underrepresented in polls, projecting an even wider lead for Morales two months before elections. The same polls show the MAS only several points away from a two-thirds majority in both houses of the new Congress, which would facilitate Morales’ ability to further change the constitution. While Morales is on course to emulate his political mentor Hugo Chávez in further consolidating political power, his opposition is also mimicking its Venezuelan counterpart by failing to unite around a single candidate or coherent platform.* Peter DeShazo

## Uruguay

Uruguay’s presidential elections on October 25 are likely to lead to a second round of voting, with no candidate obtaining the required majority of votes cast to win outright in the first round. Recent polls show José “Pepe” Mujica of the ruling Frente Amplio coalition in the lead with about 45 percent support, trailed by former president Luis Alberto Lacalle of the National (“Blanco”) Party at around 32–34 percent and the once-powerful Colorados near 10 percent. Some 7–10 percent of voters are still undecided, adding an element of uncertainty to final predictions. Mujica, a former *Tupamaro* revolutionary who spent more than a decade in prison during the military regime, has exploited a folksy “man-of-the-people” image while highlighting the presence in the vice-president slot on the Frente Amplio ticket of former economy minister Danilo Astori to reassure voters that the successful economic policies of popular outgoing president Tabaré Vázquez will be maintained. Astori was in fact Vazquez’ preferred candidate for president, but lost out to Mujica in the Frente’s June primary and after some political maneuvering agreed to take the second spot on the ticket. Many of the Frente’s TV and publicity ads in the campaign feature the presence of both candidates, with Mujica claiming that “Danilo is second to nobody.” Responding to the two key issues on the minds of voters, the economy and crime, Lacalle for his part promises “a firm hand” on personal security, claiming in his campaign that “there is no issue more important than to be able to go out at night without fear.” He portrays Mujica as a “*chavista*, *castrista*, and man of the 1970s” while at the same time reassuring independents and other voters that he will not discontinue the economic and social support programs of the Vázquez administration. *Tabaré Vázquez’ first-round victory with 51.7 percent of the votes in the last election does not appear to be in the cards for Mujica, unless the independent vote goes overwhelmingly for him or some surprise occurs during the final weeks of the campaign. That opens the door to Lacalle picking up further support in the second round from other opponents of the Frente and from independents. Unless the Frente Amplio surges in the final weeks of the campaign, the new president will likely have to contend with a divided Congress, with no faction having a majority of votes. Regardless of which side wins the presidency, however, Uruguay appears headed toward relative continuity in the overall orientation of policy.* Peter DeShazo

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## Brazil

Brazil's Ministry of Finance announced the country has emerged relatively unscathed from the global recession, predicting a 4 percent expansion of GDP in 2010 that may influence the preferences of Brazilians as they head to the polls next year to elect a new president. Although other economic analyses have supplied different estimates, all agree that Brazil's sound macroeconomic fundamentals will result in positive gains. President Lula's departure after two consecutive four-year terms is not expected to reverse any economic gains made during the financial recovery, but may be a political blow to the Worker's Party (*Partido dos Trabalhadores*, or PT) to which the president belongs. The PT's leading presidential candidate for the October 2010 elections, Dilma Rousseff, who currently serves as Lula's chief of staff, continues to trail her potential Social Democratic rival, José Serra, in polls and has been the subject of media scrutiny for inconsistencies surrounding the validity of her doctoral degree. Polls by IBOPE (*Instituto Brasileiro de Opinião Pública e Estatística*) show Dilma hovering in second place at 18 percent, followed closely by Ciro Gomes of the Brazilian Socialist Party (*Partido Socialista Brasileiro*, or PSB) at 17 percent and a handful of third-party candidates, such as former PT members Heloíse Helena and Marina Silva representing the Socialism and Freedom Party (*Partido Socialismo e Liberdade*, or P-SOL) and the Green Party (*Partido Verde*, or PV), respectively. José Serra, governor of São Paulo and potential candidate for the Brazilian Social Democratic Party (*Partido da Social Democracia Brasileira*, or PSDB), remains the front runner at 34 percent. Reconfiguring these numbers with the possible candidacy of Aécio Neves, the governor of Minas Gerais for the PSDB, the poll places Gomes in the lead, followed by Dilma and then Neves. *Although Lula boasts high approval ratings due to a significant expansion of the middle class and successful government cash transfer programs to the poor during his tenure, his energetic pre-campaign efforts have done little to improve Dilma's standing in the polls. In addition, Brazil's two-round election process may prove damaging for her, as third-party candidates could draw votes away from the PT in the first round. To combat the powerful café-com-leite politics of São Paulo and Minas Gerais (a phrase derived from the principal agricultural products of both states), the PT has embraced new campaign techniques, for example, hiring President Barack Obama's Web development team to reach out electronically to voters. Though the presidential race is still in its beginning stages, the PT has to overcome serious challenges to secure a victory, including Lula's inability to transfer his political dynamism to Dilma.* Taylor H. Jardno

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