



Latin American Action Agenda for the New Congress

By Roger F. Noriega

After years of passivity and improvisation, US policy in Latin America is dysfunctional. It must be retooled to confront grave and growing security challenges, as well as to cultivate promising economic opportunities in the region. Vigorous bipartisan oversight by the newly elected Congress will encourage the Obama administration to develop a more sensible policy toward this key region that addresses Mexico's antidrug campaign, Hugo Chávez's hostile regime, free trade with Colombia, and relations with Brazil and Cuba.

The 112th Congress is justified in questioning whether the United States has sound policies and sufficient resources in place in the Americas. President Barack Obama's commitment during the 2008 campaign to build a policy with the region stoked expectations of a sustained and serious dialogue with our neighbors that, frankly, never happened. Secretary of State Hillary Clinton's numerous trips to the region have not advanced any particular objective, theme, or principle. Congress's refusal to consider pending trade agreements has undermined economic ties with two friendly nations. And the failure to recognize the challenges of a hostile regime in Caracas has left our adversaries emboldened and our allies isolated.

Embracing Our Shared Responsibility in Mexico's Antidrug Fight

US policy toward Mexico is crying out for new energy and attention from Congress. Some observers—notably conservative opinion leaders—have been quick to paint the troubles in Mexico as indicative of endemic corruption. These critics,

however, ignore the fundamental fact that the upheaval in Mexico is the result of a conscientious battle against corruption. The violence that Mexico's antidrug offensive unleashed is tangible evidence that President Felipe Calderón ended the unwritten policy of past Mexican political leaders who kept the peace with “narcos” by turning a blind eye to their criminal activities. Seeing the profound threat that such tolerance posed to the effectiveness of a modern, legitimate Mexican state, Calderón opted instead to apply the rule of law. He also set aside Mexico's hypersensitivity about sovereignty to welcome historic levels of US support and collaboration.

Key points in this Outlook:

- Congress should show more leadership in supporting Mexico's courageous antidrug campaign.
- Vigorous oversight from Congress should subject Venezuela's oil-dependent regime to crippling sanctions unless it changes its aggressive, illegal activities.
- Approval this year of the pending free trade agreement with Colombia, a key US ally, will consolidate the gains made by a bipartisan policy.

Roger F. Noriega (rnoriega@aei.org), a senior State Department official from 2001 to 2005, is a visiting fellow at AEI and managing director of Vision Americas LLC, which represents foreign and domestic clients.

Bloody turf wars have erupted as authorities have arrested drug kingpins and shaken up gangs that operated with virtual impunity for decades. Honest Mexican authorities are in the narcos' crosshairs, and innocent Mexicans are caught in the crossfire. At this early stage in the battle, the tools available to Calderón—trustworthy and capable police, prosecutors, and courts—have proved incapable of containing the violence. While the vast majority of the approximately thirty thousand people who have been killed since Calderón launched his offensive were involved in the illegal drug trade, the gang wars and violence have touched the lives of many innocent Mexicans and created a climate of insecurity in dozens of cities. Many of Calderón's constituents are questioning whether their country can afford to sustain his campaign once his successor takes over on January 1, 2013.

While it may be fair to liken Calderón's initial tactics to swatting a hornet's nest, it is impossible to estimate the costs of the past policy of tolerating criminality. Rather than retreating, Mexico's government has begun to refine its tactics, adopting a community-development strategy to recuperate embattled cities and establish a strengthened state presence in urban areas liberated from lawlessness.

The threat of a drug war on the southwest border of the United States is grave, but a renewed bipartisan commitment can make a historic difference. The United States can play a pivotal role in ensuring that Mexico becomes more willing and able to attack illicit drug trafficking. Indeed, Mexicans are fighting the other end of the same monster that the US Justice Department called the greatest single organized-crime threat for the United States.¹

For this to happen, the US government must treat the matter as an urgent priority. The \$1.6 billion US aid package launched in 2007 to support antidrug efforts in Mexico and Central America—dubbed the Mérida Initiative after the site of the summit where it was conceived—has been hobbled by bureaucratic delays in both countries. At the beginning of 2010, less than 10 percent of its funds had been spent.² Clearly, the program has failed to keep pace with the staggering spike in murder and mayhem. Although the State Department team responsible for managing this aid

has increased disbursements and focused its efforts, the US response to this pressing threat has left most Mexicans underwhelmed.

Congress should show more support for the Mexican

Policymakers justify their inaction as a conscious ploy to avoid provoking Chávez, failing to notice that US passivity has sent the message to Iran, China, and Russia that the United States does not care if they join his conspiracy.

government's courageous campaign. The Republican representatives and senators who were central in shaping and supporting "Plan Colombia" have been absent on the Mérida Initiative. If Mexicans see the Republican congressional leadership join the Obama administration in acknowledging the antidrug fight as a shared responsibility, they will be encouraged to sustain their efforts even after Calderón leaves office at the end of 2012. The new Congress can make the first move to launch a vigorous bipartisan response to this critical foreign policy challenge. Of course, Calderón can reassure the United States of his seriousness if he redoubles efforts to secure his

northern border from the illegal crossings that are a major part of the illicit drug trade and an irritant to security-conscious conservatives in Congress.

As Congress reviews the drug-trade problem, it will likely recognize that additional funds, hardware, and technical support are desperately needed in Central America. Guatemala and Honduras are too weak to fend off the onslaught of narcotraffickers displaced by Mexico's increased policing. The Obama administration has conceived a follow-up program of roughly \$500 million for Mexico and Central America. But that level of support is not commensurate with the challenge of preventing these Central American states from becoming ungovernable territories where criminals operate with impunity.

Assess and Confront Venezuela's Hostile Campaign

Congress should provide sustained and focused oversight to uncover illegal activities and should press Venezuela's oil-dependent regime to end its aggressive conduct or face crippling sanctions. Because US diplomats are doing little to confront this threat, Congress, law enforcement agencies, and the judicial branch must take the lead in responding to the grave and growing threat posed by Chávez, the anti-American *caudillo* (strongman).

Bipartisan congressional leaders have already indicated their serious concerns regarding the conduct of the Chávez

regime.³ The appropriate congressional committees—including those responsible for policy, intelligence resources, and law enforcement—should combine efforts to conduct a thorough review of Venezuela’s aggressive posture and the passive US response.

Congressional inquiry will reveal the extent to which Chávez has transformed his country into a bandit state. Democratic institutions have been neutralized, so his reckless regime is unaccountable. Billions of dollars in petroleum revenue have been looted by corrupt officials, and the state oil company is suspected of laundering illicit funds. Venezuela is willfully violating international prohibitions against aiding Iran’s illegal quest for nuclear weapons and uranium. Civilian and security officials are implicated in drug trafficking that threatens neighbors in the Andes, the Caribbean, Central America, Mexico, and the United States, as well as countries in Africa and Europe. An \$8–9 billion arms buildup threatens to fuel an arms race in the region, and weapons have been shipped from Venezuelan caches to terrorists in South America and the Middle East.⁴ A once-proud democracy and reliable US friend has been twisted into a hostile and potent criminal enterprise.

Clearly, the response of US diplomats and the intelligence community has been inadequate. Policymakers justify their inaction as a conscious ploy to avoid provoking Chávez, failing to notice that US passivity has sent the message to Iran, China, and Russia that the United States does not care if they join his conspiracy. Under Washington’s nose, Chávez has made strides toward terminating US access to Venezuelan oil by finding a new buyer in China, provided Iran’s terrorist state with a strategic platform from which to operate near US shores, and resuscitated Cuba’s implacable dictatorship.⁵

Some in Congress have advocated designating Venezuela as a terrorist state. Although it is inconceivable that the State Department will abandon its passive stance in this way, Congress can question why US law enforcement agencies have yet to bring indictments against Chávez’s circle of corrupt cronies and to launch an inquiry against state-run *Petróleos de Venezuela, SA* (PDVSA). By exposing suspected money-laundering activities conducted by PDVSA and a network of complicit bankers, US prosecutors can attack the foundation of Chávez’s criminal enterprise and his corrupt power base.

The incoming chair of the House Committee on Foreign Affairs, Representative Ileana Ros-Lehtinen (R-FL), has targeted PDVSA for abetting Iran’s energy sector, which would subject Venezuela’s largest company

to US sanctions. In a September 24, 2010, letter to PDVSA president Rafael Ramírez, congressional leaders demanded that the company prove that it is not doing business with Iran. Evidence from sources within the Venezuelan regime clearly indicates that Chávez is making good on his commitment to provide gasoline to Iran to help it circumvent sanctions. Any serious US investigation will find that Chávez has engaged oil companies from China, Algeria, and other countries in these suspect transactions.

For the time being, the Venezuelan economy depends on US oil revenue for its survival, so US sanctions against PDVSA would have a devastating impact on the country. Chávez has managed to hold on to his power base, despite wreaking havoc on the domestic economy and making his country an abettor of terrorism and drug trafficking. Venezuelans across the board—honest and otherwise—may be moved to pull the plug on Chávez’s provocative policies if they threaten the lifeblood of the country.

Reinforcing Gains in Colombia

The bipartisan US support for Colombia that began a decade ago has produced tangible results, such as a significant decline in the production of heroin and cocaine, thereby saving South America’s oldest democracy from a drug-induced downward spiral. Colombia’s coca production has been reduced by about half, while terrorist attacks and kidnappings have been cut by nearly 90 percent and homicides by about 50 percent.⁶ By applying the rule of law against the narcoterrorist threat, Colombia has become a healthier, safer, and more prosperous country. Today, Colombia is an ally in the war on illegal drugs, not only in the Andean region, but also in places like Mexico and Afghanistan.

Congress can reinforce these hard-won gains by continuing critical antidrug assistance, selling defensive military equipment to Colombia, and ratifying the free trade agreement negotiated by the George W. Bush administration. Inaction already has undermined US standing in the region and damaged US exporters.

By applying the rule of law against the narcoterrorist threat, Colombia has become a healthier, safer, and more prosperous country.

Canada moved ahead of the United States in 2010 by ratifying a trade accord with Colombia, so Canadian farmers have a price advantage that could help them grab about \$1.7 billion in US agricultural exports to Colombia.⁷

More than money is at stake. Many Latin Americans believe the United States has failed to stand by a key ally due to pressure from US labor unions and unfounded criticisms of Colombia's workers' rights record. Colombia's close US ties have cost its exporters dearly, with the hostile Venezuelan government threatening to further restrict imports from its neighbor in retaliation for granting US security forces access to local bases.

Obama and the leaders of the Republican House majority have called for the ratification of free trade agreements with Colombia and Panama; in addition, the president has made recent efforts to fine-tune a similar accord with South Korea. Swift congressional approval of the Colombia agreement will send a positive message to a good friend and other regional neighbors.

Modernize Win-Win Relations with Brazil

Brazil's economy is one of the fastest growing in the world, and millions of Brazilians have managed to pull themselves out of poverty as a result of free-market policies, sound macroeconomic management, and innovative investment in health and education benefits for the very poor. Recent presidential elections reflect a national consensus among Brazilians that they must do more to make their economy and their politics more modern, open, competitive, and productive. Popular president Luis Inacio "Lula" da Silva's handpicked successor, Dilma Rousseff, took office on January 1, 2011. Like Lula, she comes from the country's hard-left union movement, but she is expected to continue the market-oriented policies that have taken Brazil from the economic precipice to a global success story in just twenty years. It remains to be seen whether Rousseff has the political will and weight that Lula used to keep the radical unions in check.

Congress should initiate regular meetings with counterparts in the Brazilian Congress, a bicameral body that has the power and dynamism of a great multiethnic democracy. A constructive, permanent dialogue among legislators from both countries will help elevate the relationship above the zero-sum formulas that

have applied in the past. Congress's systematic engagement with Brazil is a win-win proposition.

Help Cubans Plan for Their Future

As actuarial tables and decades of chronic economic mismanagement have begun to catch up with the Castro regime, US moral and material support to Cuban dissidents, independent journalists, and civil society should be intensified. Modest support to independent sectors of Cuban society—in the form of books, medicine, and other humanitarian aid—helps them sustain the struggle for freedom. Those in Congress who have resisted these programs should be required to defend their obstructionism. Members of Congress should raise their voices to press for the immediate and unconditional release of American aid

worker Alan Gross, who has been held without charges by the regime for a year for trying to help Cuba's oppressed Jewish community reach out to the outside world.

Obama has honored his pledge to loosen some forms of family travel to the region, but he has refused to accept superficial gestures by the Castro brothers as justification for unilateral US concessions. Those in Congress who have sought in recent years to hand the dictatorship a billion-dollar-plus windfall by allowing US tourism to Cuba will have to set aside these ill-conceived plans once the Obama administration energizes its own efforts to help Cubans plan for their future.

Invigorate Congressional Oversight

The first step in retooling US policy in the Western Hemisphere is planning a series of focused hearings in which the House and Senate subcommittees responsible for the region can exchange views with policymakers. The subjects should be announced well in advance, at the beginning of 2011, and it should be clear that the purpose is serious and sober reflection on significant issues—not the "gotcha" game that the executive branch may be expecting from the Republican House.

Republican congressional oversight in the mid-1990s—led by Benjamin A. Gilman, Dennis Hastert, Mark Souder, and others—conceived a program of robust US support for Colombia that blossomed into a \$5 billion, multiyear aid package and produced a bipartisan success story. President Bill Clinton still gets much credit for his

If Obama's team is open and honest with the new Congress, good things can happen for the country and the region.

willingness to embrace Plan Colombia and to spend precious political capital early in his first term to secure ratification of the North American Free Trade Agreement. In short, if Obama's team is open and honest with the new Congress, good things can happen for the country and the region.

Fresh leadership in the relevant committees will jump-start oversight activities. For example, it is very good news for Latin America that the new chair of the House Committee on Foreign Affairs is Ros-Lehtinen, a veteran legislator with deep and abiding interest in the region. The regional subcommittee will be led by Representative Connie Mack (R-FL), who has led the call for greater attention to the threats posed by Venezuela's links to terrorism and drug trafficking; Mack can expect support from his Democratic counterpart, Representative Eliot Engel of New York, who has been a stern critic of the Chávez regime. In the Senate Committee on Foreign Relations, Senator Robert Menendez (D-NJ), a fierce anticommunist who has challenged the Obama administration on Cuba, takes over the chairmanship of the Western Hemisphere subcommittee. Menendez will find an influential ally in Senator Richard Lugar (R-IN), the ranking member and a recognized leader on Venezuela, Haiti, and reform of the Organization of American States.

Whether or not Congress is in "opposition" hands, vigorous bipartisan oversight from the legislative branch can identify troubling issues that otherwise might be ignored. An open debate on foreign policy initiatives can help shape a consensus behind national policies and goals.

Notes

1. US Department of Justice, *National Drug Threat Assessment 2009* (Washington, DC, December 2008), [www.justice](http://www.justice.gov/ndic/pubs31/31379/index.htm)

[.gov/ndic/pubs31/31379/index.htm](http://www.justice.gov/ndic/pubs31/31379/index.htm) (accessed December 28, 2010).

2. US Government Accountability Office, *Mérida Initiative: The United States Has Provided Counternarcotics and Anticrime Support but Needs Better Performance Measures* (Washington, DC, July 21, 2010), www.gao.gov/products/GAO-10-837 (accessed December 28, 2010).

3. See recent statements by Representative Ileana Ros-Lehtinen (R-FL), incoming chair of the House Committee on Foreign Affairs, and Connie Mack (R-FL). House Committee on Foreign Affairs, "Ros-Lehtinen Condemns Chávez Power Grab, Says Responsible Nations Must Support People of Venezuela," news release, December 17, 2010, http://republicans.foreignaffairs.house.gov/press_display.asp?id=1662 (accessed December 28, 2010); and Congressman Connie Mack, "Mack Pressures Chávez to Take His Business Elsewhere," news release, November 30, 2010, http://mack.house.gov/index.cfm?p=PressReleases&ContentRecord_id=80a12dca-885b-40cf-97d3-972ecce3fea1&ContentType_id=8c55a72b-64f8-4cba-990c-ec1ed2a9de24&Group_id=adaef130-07c0-44c2-a4ac-0019d1b5426a (accessed December 28, 2010).

4. Roger F. Noriega, "Chávez's Secret Nuclear Program," *Foreign Policy*, October 5, 2010, www.aei.org/article/102623.

5. See, for example, Roger F. Noriega, "Chávez and China: Challenging US Interests," *AEI Latin American Outlook* (August 2010), www.aei.org/outlook/100981.

6. Leo Palmer, "Plan Colombia Delivered \$8B in US Aid over Last Decade," *Colombia Reports*, July 14, 2010, <http://colombiareports.com/colombia-news/news/10797-plan-colombia-delivered-8b-in-us-aid-over-last-decade.html> (accessed December 28, 2010).

7. National Association of Wheat Growers, "Canada-Colombia FTA Puts Critical US Wheat Market at Risk," news release, July 6, 2010, www.wheatworld.org/2010/07/canada-colombia-fta-puts-critical-u-s-wheat-market-at-risk (accessed December 28, 2010).