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Canada's Spotlight on the Americas

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International FARC Network Targeted

The investigation into the Revolutionary Armed Forces of Colombia's (FARC) international network has identified eight individuals in Australia, Denmark, Italy, and Spain affiliated to the rebel group, according to an AFP report. Investigators said their names were found on computers seized during the cross-border raid by Colombia forces into Ecuador earlier this year. Colombia has requested the help of Interpol to find the Australian. Only one arrest has happened to date. Spanish police arrested 57-year-old Maria Remedios Garcia Albert on July 26, alleging that she had provided logistical and financial aid to the FARC and had met with high-level commanders of the guerrilla group.

Making the Fifth Summit the Finest So Far

Richard Feinberg

The 2005 Summit of the Americas in Mar del Plata, Argentina was made a shambles by a duplicitous host government, an out-of-control Hugo Chávez, and an inept delegation from the United States. That Fourth Summit also lacked compelling themes with tangible supportive initiatives. Nor were there significant roles for private business and non-governmental organizations.

These are the serious errors that the organizers for the important Fifth Summit, scheduled for Trinidad and Tobago next spring, must plan to avoid.

The good news is that Trinidad's Prime Minister, Patrick Manning, is considerably more responsible and experienced than was the Argentine host, Nestor Kirchner. Manning attended the inaugural 1994 Summit in Miami during his first term as prime minister. Also encouraging is the awesome effort by Trinidadian officials to forge a meaty, consensual agenda. Offering unusual clarity and depth, the concept paper they submitted to the Organization of American States (OAS) in April is one of the finest documents in the history of inter-American summitry. Learning from past mistakes, the document calls for initiatives that promise measurable benefits and for a robust management structure to guide implementation.

It will be incumbent upon the Trinidadians, and other responsible states, to negotiate guarantees from all participants that the norms of diplomacy will be observed: no presidents holding counter-demonstrations in the streets, no *ad*

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Summit of the Americas Edition

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Note from the Editor

For many Canadians, the Summit of the Americas was a one-time event that happened in Quebec City in April 2001. There were a lot of protesters and police in the street, separated by a fence and clouds of tear gas.

The silver lining of this event—aside from linking democracy as a criterion to membership in the proposed Free Trade Area of the Americas—was that it forced Canadians to ask that critical question: beyond the U.S., what is our place in the Americas? The Quebec Summit opened Canadians up to the idea that their historical affiliations in Europe and crucial modern alliance to the United States might not be enough or all that Canada can or should be.

Certainly, this is not a new question, but it has yet to be answered with satisfaction or a strong popular commitment. Yet, there is a curiosity among Canadians to know more. With the return of democratic ideals and security, if not wholly effective in practice, to the region, Canadians are looking southward. Thousands travel each year as tourists and return to spread the travel bug to others. Some Canadians are working there while others are buying retirement homes. The children of refugees and immigrants from the region are taking their place voting and making their voice heard in Canada and in the region.

I do not doubt that these are some of the factors motivating the government when it launched its Americas re-engagement strategy with the Prime Minister's trip last July. What is lacking, however, is Canada's engagement strategy with Canadians themselves who need to be persuaded that being a part of the Americas beyond North America is what Canada should be. Certainly, it is difficult enough to convince someone from Moose Jaw, Saskatchewan, that Mexico City is 3,600 km closer to Canada than London, England, and that, aside from

speaking Spanish, Mexicans and Canadians have much more in common than sharing a border with the U.S.


As momentum builds toward the Trinidad and Tobago Summit of the Americas in April 2009, Canada should use this opportunity to re-engage its own population about how being a full partner in the hemisphere matters to a Canadian in Moose Jaw.

As Peter Hakim says in his article, the countries of the region now face a time when "most countries of the hemisphere do have alternatives." Why should Canada not duly consider and engage in the Americas in order to build its own alternative to the current status quo? Certainly, the economic troubles in the United States make diversifying the regional economy in the long-term and exploring other models for economic governance and social protection are ideas worth considering.

To attract Canadian attention and interest, a big idea or two would help the government engage its citizens. In his article, Paul Haslam suggests either linking the FTAA to poverty alleviation or setting up a way to channel Canadian and U.S. private resources into dealing with climate change in the region. Richard Feinberg suggests incorporating the private sector into an APEC-style CEO Summit.

Canada needs to show its population that the Summit of the Americas is much more than a chance for the hemisphere's leaders to talk, even if it is Canada's only forum to do so. Canadians are rightly skeptical about declarations from any high-level meeting; they want to see results. Engaging citizen groups, as Racquel Smith writes, to mobilize public opinion and generate the political will to ensure that words turn into deeds is a crucial element to ensuring the Summit of the Americas process retains credibility.

Finally, the government of Canada needs to reach out to the media and capture its interest in the Summit of the Americas. What should be major news for a country with the Americas as its #2 foreign policy priority—the release of the draft Summit of the Americas declaration and plan of action on July 24—merited little or no coverage in the Canadian media. If the media doesn't know what the Summit agenda is, then the government and its civil society partners need to think creatively about how to tell the story of Canada in the Caribbean and Latin America.

Surely, supporting our friends in the Americas, building social justice and discovering new opportunities are stories worth telling. 

FOCALPoint Editorial Board

Editor-in-Chief

Peter Moore

Associate Editor

Leslie Fillion-Wilkinson

Finest Summit *(continued from page 1)*

hominem abusive language. The Venezuelan president needs to recognize that misbehaviours will be publicly repudiated by the host and the inter-American community.

On the assumption that Barack Obama is leading the U.S. delegation, it would be foolish of Chávez to antagonize the new American president. The rock-star reception that Obama recently received in Europe surely will be repeated in Trinidad and Tobago. Chávez will gain one prize: a photo-op with Obama. For his part, Obama will be relieved to fulfill his primary campaign pledge, to personally meet with the likes of Chávez, in the cushioned, multi-lateral context of summitry.

Should John McCain prevail, a harmonious Summit would be harder to orchestrate. Indeed, whether McCain would even agree, at least so early in his presidency, to step into such a potential minefield is uncertain.

But on the Obama assumption, the process of summitry still will need to move beyond good feelings to tangible initiatives that deliver serious resources to real people. But if experience is any guide, the U.S. government will be too distracted and too broke to be counted on. Latin American governments—many now sitting on massive international reserves—may chip in, yet remain fearful of diverting significant funds from already over-stretched domestic budgets.

Fortunately, there is a promising new complement to official funds: the private sectors, many much stronger and wealthier than they

were when modern inter-American summitry began 15 years ago. Moreover, during the intervening years, the new concept of “corporate social responsibility” (CSR) has gained ground, particularly in Brazil and Canada. CSR maintains that while firms must make profits for share-

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holders, they also have responsibilities to other stakeholders—their workers, consumers, communities, nations. Leading businesses increasingly accept—in principle, if not always in practice—that it is in their long-term self-interest to contribute to the broader social welfare.

Among the leading Western Hemisphere corporations that advertise their social responsibility, including respecting international labour and environmental standards, and give millions of dollars annually to social investment projects, are the Brazilian mining firm Vale, the Mexican construction company Cemex, the Argentine candy manufacturer Arcor, the Venezuelan food

and beverage producer Polar, and the Canadian mining giant Alcan. Most impressively, Banco Real Do Brasil won the *Financial Times*’ top prize for sustainable banking in 2007. Many U.S. (Microsoft, Chiquita, Wal-Mart) as well as European (Nestle, Nokia, Shell) firms actively pursue CSR programs in Latin America, often in conjunction with local and international NGOs.

The Trinidad and Tobago Summit could seize upon this new social awareness of corporations and solicit their financial, technical and logistical resources in support of Summit-approved initiatives. Governments would be encouraged to include among their delegations corporate executives eager to lend a hand. At the Summit, executives would make concrete pledges, and join in public-private partnerships with governments and international agencies, as well as with NGOs, to advance the common agenda.

In just about every area of Summit activity, there are strong private firms in the Western Hemisphere with competence to assist. Whether the initiative addresses clean energy, digital access, combating communicative diseases, nutrition for poor families or gender mainstreaming, the private sector has tremendous capacity to help move the Summit agenda from words to deeds.

This concept of private support for public diplomacy is not without precedent. The Asia-Pacific Economic Cooperation (APEC), whose 21 members includes Canada, Chile, Mexico, Peru, and the United States, each year convenes a CEO Summit that attracts hundreds of corporate

executives, some of whom participate in APEC-driven initiatives. This year it will be in Lima, Peru.

The Summit could also embrace a recent proposal by Rebeca Grynspan, the Latin American director of the UN Development Program (UNDP), and Bernardo Kliksberg, director of the Spain-UNDP Trust Fund: governments and private sectors working together to achieve a new fiscal pact that would curb tax evasion and enhance the potential for social investment in education and health.

Ideally, the drive to introduce corporate social responsibility into the Summit agenda would be spearheaded by a coalition of Latin American governments, private sector firms, and their national CSR associations. Should his aversion to private enterprise cause Chávez to object, he can be reminded that CSR is, by definition, voluntary. If Chávez prefers, he could sideline Venezuelan firms and programs.

Engaging the corporate and NGO sectors into Western Hemisphere summitry would bring important new constituencies into a process that has become overly-dominated by relatively isolated foreign ministries. These new participants also command resources that too many Summit initiatives have sorely lacked. Of course, the overall design of the Fifth Summit's Plan of Action must remain primarily in the hands of governments, the democratically-elected representatives of their peoples. 

Richard Feinberg, who teaches at the University of California, San Diego, is the author, most recently, of "How to Fulfill the Promise of CSR," in Americas Quarterly (Winter, 2008).

Why We Are Together

Peter Hakim

In his book, *City of Words*, Argentine-Canadian essayist Alberto Manguel focuses on the question "Why are we together?", referring to the long-standing inclination of humans to congregate. That is also the question that the Western Hemisphere's 34 elected heads of state will have to answer when they assemble next April in Port of Spain, Trinidad and Tobago for the Fifth Summit of the Americas.

There are good answers—embedded in geography, economic interests, history, values, and institutions. But, with inter-American relations now discordant and strained, it is far harder to respond to the question today than it was when Bill Clinton convoked the first hemispheric Summit 14 years ago in Miami. That 1994 gathering was a celebration of the post-Cold War convergence among the nations of the Americas. By then, there was a decisive turn toward democracy across the hemisphere, with freely-elected governments in charge in every country except Cuba. Market-oriented economies had become the norm almost everywhere.

But the leaders came to Miami not only to celebrate. Most of them aspired as well to set the foundations for greater political cooperation and to start building a more economically integrated hemisphere that would offer a surer path toward development and prosperity. The 1994 Summit's most prominent achievement was the agreement among all par-

ticipating countries to reach a hemisphere-wide free trade arrangement by 2005. Participants also pledged to strengthen collective efforts to protect democracy and called for a follow-on summit in Chile.

Today, 14 years later, the so-called "Spirit of Miami" has largely dissipated. Regional free trade negotiations reached an impasse in 2004, and no one expects they will be revived any time soon. The U.S. and other nations of the hemisphere have shifted to negotiating bilateral trade deals. Intended to codify and reinforce existing arrangements for the collective defence of democracy, the Inter-American Democratic Charter has scarcely been invoked since it was approved in 2001. Instead of advancing cooperation, the most recent Summit, held in the Argentine city of Mar del Plata in 2005, exacerbated the growing tensions and divisions in hemispheric affairs. Last year, Latin America and the Caribbean was the only region of the world that was unable to select its candidate for a temporary seat at the UN Security Council by consensus. Anti-U.S. sentiment, although now gradually declining, remains widespread across the region.

Why are we together? "Because there are no alternatives" was Alberto Manguel's response to his own question. Today, however, with the acceleration of globalization, most countries of the hemisphere do have alternatives. Latin American and Caribbean countries are developing

political and economic ties with nations across the globe; a few, such as Brazil, Mexico, and Venezuela, are taking on expanding international roles. China and India have joined the U.S., Europe and Japan as major trading partners with the region and their presence and influence is growing.

Latin Americans also seem increasingly intent on bringing themselves more closely together. Despite their multiple disputes and continued, often bitter, wrangling, the countries of South America have taken the first steps toward creating the Union of the South (UNASUR) and fashioning a new security arrangement for the continent. Brazil recently announced a Latin American-Caribbean summit meeting that would bring together 33 of the hemisphere's 35 countries, excluding only the U.S. and Canada. It is by no means certain, however, that Latin America's diverse global ties and more active regional initiatives will diminish the value of regular hemispheric summits that include the U.S. and Canada. To the contrary, a more unified Latin America with diverse international links may make hemispheric relations more productive.

So far, expectations for the April 2009 Summit in Trinidad are modest—and they should be, given the results of the Argentine Summit. Indeed, several critical issues, including trade and migration, have been omitted from the agenda for fear their inclusion would provoke conflict and add to the animosity in inter-American relations. Still, there

are reasons to be encouraged that the Summit can constructively contribute to greater comity and cooperation in the hemisphere.

The presence of a new U.S. president will give the Trinidad Summit a special significance. Justifiably or not, the Bush Administration was disliked and distrusted in most Latin American and Caribbean nations. They opposed Washington's international policies and were, by and large, disappointed by its approaches

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to the region. Latin Americans and their governments are looking for change on many fronts. They want and expect an administration that is far less confrontational and one that will be more attentive to Latin American and Caribbean opinion, show more respect for multilateral institutions and international rules, and be willing to live with complexity, rather than dividing the world into them and us.

The Summit will make a substantial contribution simply by giving the

assembled heads of state the chance to take their measure of the new U.S. president and his foreign policy team and learn what they are thinking about the region. Even more important, it will be an opportunity for the new U.S. leader to listen to his Latin American and Caribbean counterparts. They will surely let him and his advisors know what they think about U.S. policies and strategies in the region, including those that are not part of the formal agenda. It will be useful for the U.S. leader to hear first hand about Latin American and Caribbean discomfort with U.S. immigration laws and their distaste for fence-building on the border—but he should make sure to ask what more they can do to help the U.S. deal with this politically-charged problem.

The president will also learn how important the U.S. economy is to Latin America and the Caribbean; how much nearly every country wants to increase its access to U.S. markets, investment capital, and science and technology; and how damaging U.S. agricultural protectionism can be. He should also get an earful about the need to revise U.S. policy toward Cuba.

But the Summit is not only about U.S. relations with Latin America. It is also about rebuilding relations with neighbours throughout the Americas. It is about revitalizing the many institutions that address the hemisphere's shared problems, reaffirming commitments to strengthening democratic politics and human rights, and opening opportunities for advancing the economic inter-

ests, bolstering the security, improving the governance, and meeting the social demands of all countries. The official agenda will bring needed attention to themes that are of central importance to nearly every nation in the Americas—including energy supply, environmental protection, the reduction of poverty and inequality (where Latin America and the Caribbean are demonstrating increasing commitment and ingenuity), and control of crime and violence (where the U.S. and Latin America are increasingly cooperating).

These are the reasons why the nations of the Americas will be together in Port of Spain—and why they will stay together. 🌐

Peter Hakim is President of the Inter-American Dialogue.

The Fifth Summit Needs a Big Idea to Stay Relevant

Paul Haslam

In many ways we can view the Summits of the Americas as performance art—a theatrical reiteration of Arthur Whitaker's *Western Hemisphere Idea*—that enacts the notion that we, the nations of the Americas, share a common history and common destiny. It is this idea that forms the foundation of the current institutions of the inter-American system, such as the Organization of American States (OAS) and the Inter-American Development Bank (IDB).

But the Americas have always been cross-cut by alternative ideas that, since Simón Bolívar, have sought to undermine the Western Hemisphere Idea. Pan-Americanism and Bolivarianism are such ideas. They find their institutional manifestation in institutions such

as the Rio Group and now Unasur, and have coexisted with the inter-American institutions, at times rising to challenge them, and, at times, sinking into obscurity.

Historically, inter-American cooperation has been cyclical, exhibiting periods of high cooperation followed by down-cycles. High points of inter-American cooperation include the birth of the Pan-American Union in the 1880s, the creation of the basic institutions of the system from 1933-1959, and the “third cycle” beginning in 1991 with the adoption of the Santiago Commitment to Democracy, continuing through the Nineties with the Summits of Miami, Santiago and Quebec. I would argue that this period ended in November 2003, with the effective collapse of the Free Trade

Ideological Shift in Cuba?

In his July 11 address to the Cuban National Assembly, President Raúl Castro declared that “socialism means social justice and equality, but equality of rights, of opportunities, not of income” and that “equality is not egalitarianism”. Since taking over from ailing older brother Fidel Castro, Raúl Castro has pushed through a series of reforms that have raised expectations for more profound changes in the future. His presidency began with various small, but symbolic changes that focused on expanding access to consumer goods like cellphones and DVD players and allowing Cubans to stay in hotels that cater to foreigners. Trying to combat rising import costs, he has undertaken broader reforms in agriculture to increase food output by allowing private farmers and cooperatives —more productive than state-run operations— to cultivate more land. He also has taken steps to boost productivity by lifting wage limits so that better workers can make more money. He also said Cuba needed to raise its retirement age and start collecting more taxes. But rather than offer any radical policy shifts or significant new plans to complement the rash of modest changes announced in recent months, he used his first July 26 Revolution Day address since officially taking over as president in February to call on everyday Cubans to prepare for tough times in the days ahead. Dampening expectations, he suggested that if he does offer more changes, they're going to be gradual. And he vowed that Cuba would remain prepared for any potential U.S. attack regardless of who wins the U.S. presidential vote.

Area of the Americas (FTAA) negotiations at the Miami trade ministerial, later confirmed by the failure of the 2005 Mar del Plata Summit, where summitry passed from performance art to the theatre of the absurd.

Analysts do not entirely agree why cooperation is so cyclical. All agree that ideas are important in the inter-American system. Inter-American cooperation is facilitated by the expectation that the U.S. will offer economic benefits to the developing countries of the region. The 1933-1959 period came with the expectation of a Marshall Plan for Latin America, while both the 1880s and the Summit Period revolved around the promise of “free” trade with the U.S. When the expectation proves to be a mirage, inter-American cooperation breaks down and Pan-American cooperation revives.

We may summarize the state of inter-American cooperation as follows:

inter-American summitry is caught in a down-cycle; Pan-Americanism is vibrant, creative and on the up-swing; and the United States has little interest or ability to engage the region politically or economically. I think something much more fundamental has changed than simply another half-turn of the inter-American cycle: the United States no longer has the political or economic capacity to lend dynamism to the inter-American system. Following Francis Fukuyama’s rather premature prediction of the *End of*

History, perhaps we may predict the “End of Hegemony”—Latin America is nobody’s backyard anymore.

The United States is simply less important economically for many of the larger Latin American countries, except Mexico. Although the single largest investor in the region, the U.S. share of Foreign Direct Invest-

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ment (FDI) inflows declined from approximately 30 per cent of the regional total over the 1998-2002 period to less than 20 per cent in 2007, according to the Economic Commission for Latin America and the Caribbean (ECLAC). Flows from developing and transition economies to the region (including intra-Latin America flows) now exceed U.S. flows. Since U.S. investment is concentrated in Mexico, this only underlines the country’s growing irrelevance beyond the Panama Canal. Furthermore, many Latin American

countries have discovered that rising commodity prices, fueled by global demand, may offer more benefits than the mirage of access to the U.S. domestic market. In sum, trade (even if it were possible to conclude an agreement) doesn’t cut it anymore: the FTAA is no longer a big idea capable of rallying the nations of the hemisphere.

So with Latin America getting together politically and economically, what happens to the Summits and the other inter-American institutions? The OAS will probably continue to play a key role for Latin American nations (as it always has) in managing the risk of the United States’ intervention in their affairs. This scenario would see the OAS doddering along and Summits continuing to generate laundry lists of “action items” that improve bureaucracy-to-bureaucracy coordination on technical issues but lose the dynamism and *élan* brought by the more

ambitious Summit agenda items of the past.

The invigoration of the Summit process requires a big idea that fits with the historical reasons for the upswings of the inter-American system. Rather than Pan-American, it should be inter-American and must, for its success, include the U.S. and Canada. It must promise to transfer resources from the two rich economies to the less wealthy ones, be economically feasible in the current climate (meaning it does not require more foreign aid dollars), and be po-

litically saleable everywhere. I briefly outline two such ideas below.

1) A reformed FTAA that is more institutionally robust and explicitly concerned with poverty alleviation. Free trade by itself is no longer saleable or believable, thanks to the U.S. position on agricultural subsidies. Instead, the Mexican proposal of several years ago for a redistributive institution linked to a trade agreement should be revived. Liberalized trade flows could be taxed at some minimal non-distorting level such as one per cent, and redistributed through an equalization formula. Such a scenario could address the concerns of small island states who were unambiguous losers from full scale trade liberalization, due to the proportion of government receipts derived from tariffs. Furthermore, Canada could offer a certain exper-

tise on equalization. Perhaps most importantly, such an arrangement would not only lead to a net liberalization of trade flows, but would strengthen the inter-American system by directly linking it to poverty alleviation, and help address the region's terrible injustices in income distribution.

2) A Hemispheric Emissions Trading Exchange. The Chicago Climate Exchange, based on voluntary private sector commitments (rather than nationally-established cap and trade systems) could be a model, or even the parent exchange, during the initial phase of such a plan. The key would be to design a mechanism that principally works to channel northern (private sector) resources into emission-reducing projects in Latin America. Such an idea would fit with concerns about

global warming (particularly relevant to island states), but also represents an avenue for financing Latin American firms and contributing to technology transfer and upgrading, both longstanding concerns in Latin America.

In conclusion, the Fifth Summit of the Americas faces the challenge of coming up with a "big idea" that is capable of re-invigorating inter-American cooperation or limiting itself to the further proliferation of bureaucratic level commitments, and perhaps the collapse of regional summitry altogether. 🌐

Paul Haslam is assistant professor at the School of International Development and Global Studies at the University of Ottawa and a co-editor of Governing the Americas: Assessing Multilateral Institutions published by Lynne Rienner Press, 2007.

Summit Fatigue?



There are currently 15 heads-of-state summits in, or significantly involving states in, the Americas. Eighty per cent of these summits are annual events. The average summit burden appears to be about five per year, with a potential single year high of nine for Mexico and Venezuela, followed by Colombia and Brazil with potentially eight, and then by most Andean and Central American countries with seven each. Barbados, Canada and the United States have four potential obligations. For the U.S. and Canada, only one of these summits is truly hemispheric, the Summit of the Americas. The others, the Asia Pacific Economic Cooperation, the UN General Assembly and the North American Security, Peace and Prosperity (SPP) meeting, bring the U.S. and Canada into close contact with only a handful of countries in the hemisphere.

Summit Reform and Civil Society: Taking a Deeper Look

Racquel Smith

On July 24, Trinidad and Tobago's ambassador to the Organization of American States (OAS) unveiled the Draft Declaration of Commitment for the Fifth Summit of the Americas to be held in Port of Spain next April.

The draft declaration marks a break from the past by targeting measurable Summit mandates, over specified time periods, with institutions assigned or encouraged to start finding the most efficient ways to work together and avoid duplication of efforts in fulfilling Summit commitments. Though the commitments in this document are more focused in scope and on issues of paramount relevance to the region as a whole, it will be a big job to get done. The OAS, Inter-American Development Bank, country ministries and the various other institutions identified for collaborating on the work outlined could also partner with civil society. Civil society is still often the last place people look to for solutions, but on a working methodology for Summit implementation they might be the first to ask.

The draft declaration as the Summit's flagship document marks a high-level attempt by governments to deal with the limited success of recent Summits and the low level of implementation of Summit mandates. "The Fifth Summit must be a Summit of renewal that reconnects with the people of our Hemisphere," said Trinidad & Tobago Ambassa-

dor Luis Alberto Rodriguez, who is his government's Coordinator of the National Secretariat for the Fifth Summit of the Americas and Special Envoy for the Americas. The draft declaration, he said, "is essentially a strategy of cooperation."

The brevity of this draft declaration is unique in comparison to past Summits. In the past, the quixotic language and elusive mandates were ultimately disconnected from in-country decision-makers and citizens and defied disciplined follow-up. The past four Summits of the Americas have left a legacy of some 649 mandates to advance economic, social and democratic outcomes in the region, all within undefined time-frames. In contrast, the Port of Spain draft declaration proposes 25 mandates in four themes, with 11 specific targets. It also combines the traditional Summit Declaration and Plan of Action into one document and hones in on measurable implementation targets with institutions, if not resources, identified for action. The draft declaration's hemispheric vision is to advance by 2010 key areas related to human prosperity (greater social equity); energy cooperation; environmental sustainability (climate change); strengthening public security (drug and small arms trafficking, organized crime); and strengthening democratic governance in general.

While narrowing the mandates makes the job of coordinating im-

Ecuador Lets U.S. Air Base Lease Expire

Ecuadorian president Rafael Correa has announced that an American lease on an air base in Manta, Ecuador, will not be renewed when it expires in 2009. The loss of this airbase will impact the ability of the United States to impede the activity of drug smugglers in the East Pacific. Sixty per cent of drug seizures in the region are accomplished by planes launched from the coastal air base, with seizures of 200 metric tons of illegal substances in 2007 alone.

A new Ecuadorian constitution to be voted on in September would ban the presence of any foreign military bases in the country. Ecuador considers its own multimillion-dollar investment in policing transborder drug activity a justification for ending the bilateral arrangement. The decision is further motivated by concern that instead of using it strictly for "counter-narcotics" missions, the U.S. may be using the air base for military purposes in neighbouring Colombia. The U.S. still retains air bases in El Salvador and Curacao. Flights from Manta are expected to end in August of next year, while the 250 American staff at the base will depart by November 2009.

plementation a little easier, resources and capacity to do the job are still short, both at the OAS and the various country ministries. The political will to follow through also remains in question.

For help in mustering the political will and capacity to follow through with next year's Summit mandates, governments and the OAS should look to the strongest proponents of Summit reform: civil society. Though often criticized for being long on criticism and short on solutions, civil society over the last ten years has gradually but successfully transformed a system of sideline consultation with non-governmental organizations at the earliest Summits into an institutionalized system of wide civil society representation at most Summit and OAS fora. Many civil society organizations helped shape the current consensus throughout the region that recognized the low level of implementation and follow-up of Summit commitments and the need for reform.

While countries have reported on how they implemented the Summit mandates, there is no common standardized reporting form at the OAS. At the least, a standardized system would be useful in generating better understanding about the linkages between advances in democratic governance and Summit mandate implementation in very different countries of the region.

A few pioneering and creative civil society groups designed the only

such tested methodology and presented it at the OAS General Assembly in Medellín, Colombia, this year. The Active Democracy Network, consisting of leading civil society organizations from 24 countries in Latin America and the Caribbean,

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was formed out of the Satiago Summit (1998). The Network focused on tracking the implementation of commitments their governments made to strengthen certain baseline democratic conditions in their countries: freedom of expression; access to public information; local governance and decentralization; and commitments to strengthen civil society participation in national governance. The Network's country coordinators, of which FOCAL is one, use standardized survey tools to consult nationally and produce national reports on Summit implementation in each of these areas. Before publishing the reports, they offer their governments a chance to

review or correct the information they collect. In the process of applying the research methodology, the Network is creating and helping to identify a capacity base of specialized civil society expertise and recommendations that can help advance Summit implementation. Across the hemisphere, the Network interfaces with over 100 such civil society organizations on Summit implementation and spreads awareness to many more.

David Morris, Director of the Summit of the Americas Secretariat at the OAS, acknowledged the Network's findings of governments' slow pace of implementation of mandates at the OAS General Assembly in Medellín and urged the upcoming Summit to devise strategies to address this shortcoming. Trinidad and Tobago's Minister of Foreign Affairs

Paula Gopee-Scoon also acknowledged the need "to translate past Summit mandates into specific, realistic, measurable and enforceable policies." This draft declaration appears to be a sign that he and the Summit Secretariat took the Network's message to heart.

Under the leadership of this small Caribbean state, we now have a draft declaration that resembles the minimum every citizen stakeholder should expect: a relatively clear identification of commitments, relevant institutions to do the job and time-frames within which to do it. Further, an entire section is devoted to directions for reform in Summit implementation.

There still remains, though, the job of refining the commitments and planning for their execution. The role of civil society should not be overlooked. The Network's contribution shows how civil society can be a constructive and cost-effective partner in helping to implement Summit commitments both for the OAS and governments. By not only being a critical voice but also offering innovative solutions and partnerships, civil society at the OAS has helped to promote greater specificity, as well as develop methodological rigor, in monitoring compliance with Summit mandates. 

Racquel Smith is the project manager for FOCAL's Governance and Civil Society (OAS) and Afro-Latino projects. She can be reached at rsmith@focal.ca.

OAS and Summit-Related Documents

- The Draft Port of Spain Declaration is available at the OAS Summit Secretariat website <http://www.summit-americas.org/>.
- The website of the Fifth Summit of the Americas is <http://fifthsummitoftheamericas.org/home/>.
- For more about the Active Democracy Network and Summit implementation reports generated by its country coordinators see www.democraciactiva.org.

Energy Security and Energy Cooperation in the Americas

Anthony T. Bryan

The upcoming Fifth Summit of the Americas Trinidad and Tobago (T&T) is an appropriate locale for the discussion of hemispheric issues of energy and energy security.

T&T's hydrocarbon resources and natural gas reserves have made it the most industrialized country in the Caribbean. It is a mature petroleum economy and the world's first natural gas economy, supplying 70 per cent of U.S. imports of Liquefied Natural Gas (LNG). It is also the world's major producer of methanol and ammonia. T&T's democratic political stability; the ability of successive governments to understand, drive, and orchestrate the technocratic human talent in the service of the energy sector; and its consistently positive attitude toward foreign investment in the energy sector are ingredients Summit delegates should note.

However, T&T is only one part of Latin America and Caribbean's regional energy picture. Global competition for oil and natural gas is more aggressive and resource nationalism, involving the recentralization of control over the energy industry, is taking ownership and profit potential away from the international oil companies (IOCs) and giving national oil companies (NOCs) majority interests in most concessions. With growing demand, potential confrontations over oil and gas supplies and transportation

networks have become geopolitical flashpoints in the region and globally.

Currently, the United States and Canada are experiencing accelerated exploration in the oil and gas sectors and the countries of Latin America and the Caribbean (LAC) present the profile of an energy-rich area. The Andean region also has vast reserves of petroleum, natural gas, coal and hydroelectric power. Colombia, Ecuador, Mexico, T&T, and Venezuela are exporters, while Argentina and Bolivia produce enough to satisfy their internal demand. Net petroleum importers are Brazil, Chile, Paraguay, Peru and Uruguay as well as all Central American and Caribbean countries, save T&T. Given the rapid changes in the global energy picture, energy security—access to a reliable supply of affordable energy—has emerged as an important factor. This means more cooperation is needed.

Regional Energy Cooperation

In *Energy Cooperation in the Western Hemisphere: Benefits and Impediments* (CSIS Press 2007), we concluded that hemispheric countries have made more of a hash of energy policy than a success. In the countries studied, the political impediments to working together have overwhelmed cooperative endeavours. By cooperation, we had in mind such things as providing accurate information on oil and

gas reserve levels; coordinating oil and gas pipeline construction; vetting changes in regulations with other countries before adopting them; collaborating when planning liquefaction of natural gas and re-gasification facilities in importing countries; and giving attention to limiting environmental degradation in producing oil, gas, and electricity. To achieve greater energy cooperation, we recommended what is done in international trade, setting rules for the conduct of trade while facilitating competition in the actual trading of goods and services.

One of the vaunted examples of regional energy cooperation is the PetroCaribe agreement launched by Venezuela in 2005. It is a program consisting of deferred payments, a fund for social and economic programs, and, more recently, support for refining, storage and delivery systems. It offers considerable relief for member countries in times of high oil prices when foreign exchange outflows can be crippling.

While PetroCaribe provides a lifeline at a difficult time for regional economies, it has implications for regional energy security. The PetroCaribe model of regional energy cooperation is based on the primacy of Venezuelan oil, its current high revenue stream due to global markets, and the use of ideology as a strategy for regional cooperation. There is an increasing macro-economic reliance in the Caribbean on Venezuela for energy and development support as well as the underwriting of their economies. Depending on only one provider, such as Venezuela's state

petroleum company PDVSA, can create vulnerable supply and accelerate the debt of PetroCaribe member countries.

By contrast, in years past there have been several agreements implemented by Mexico, Venezuela and T&T to provide regional energy assistance plans to energy-deficient Caribbean and Central American countries. These plans have now been made redundant by the apparent generosity of PetroCaribe.

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However, if energy security and energy cooperation are key objectives for the region, then free markets and open competition are necessary components.


Alternative energy sources

Renewable energy also has an important place in the LAC region's search for energy security. The Caribbean region and some Central American countries are a potential powerhouse of renewable energy sources—including hydroelectric, solar, wind, geothermal power, and potentially ocean thermal—that could supply a substantial portion of the region's needs.

LAC nations can no longer depend on finite hydrocarbon resources and should assist in the global development of alternative

sources of energy that would increase their energy independence as well as create new jobs, increase agricultural productivity, attract new investment and technology, and expand and diversify their exports. To attract needed investment, stable rules and public and private sector transparency are required. According to the June 2007 *A Blueprint for Green Energy in the Americas* report by the Inter-American Development Bank, the Western Hemisphere today produces 80 per cent of the world's biofuels (mainly from the United States and Brazil). Latin America alone accounts for 40 per cent of the world's biofuels. The recent agreement between Brazil and the United States to cooperate in the development of ethanol in Central America and the Caribbean through

investment and technology transfer is viewed as a step in the right direction.

Such policies that can include the development of sustainable sources of alternative energy (whatever their initial unforeseen consequences) will do more in the long term for energy security than total dependence on hydrocarbons. 

Anthony T. Bryan, Ph.D. born in Trinidad and Tobago, is Senior Associate, Americas Program, Center for Strategic and International Studies (CSIS) in Washington, D.C. and Professor Emeritus, University of Miami. He works on Latin American and Caribbean energy security and cooperation, and on Caribbean border security. Anthony can be reached at atb39@bellsouth.net.

Doha Stalled Over Agricultural Subsidies

A meeting of world powers in Geneva has failed to break a seven-year stalemate in the Doha Round of trade talks. The World Trade Organisation (WTO) initiated the Doha Round in 2001 with the goal of further reducing barriers to international trade. The key issue of contention plaguing the Doha Round is tariffs on agricultural goods. India and China, the most economically influential developing countries, led the way in resisting attempts to limit agricultural tariffs.

Another controversial issue on the Doha agenda was the attempt by wealthier countries to secure higher access to foreign markets and export larger volumes of their agricultural commodities. This issue also met with resistance from many leaders in the developing world, who resent the threat posed to their own farmers by heavily subsidized North American and European crops. An offer by the U.S. to place a cap on the dollar value of the subsidies they provide American farmers annually was not enough to reach a compromise, despite the representatives of some developing countries, such as Brazil's Celso Amorim, supporting the agreement. In an international climate of rising food prices, the achievement of a universal agreement on agricultural trade remains distant.

The OAS at Sixty: Renaissance or Senescence?

John W. Graham

The Organization of American States (OAS) celebrated its 60th anniversary this past June in Colombia, the country that gave it birth. More accurately, Colombia, at the behest of the United States, recast the old Pan-American Union as a hemispheric bulwark in the Cold War. Mao Tse-Tung was still pushing Chiang Kai-shek out of mainland China, Joseph Stalin was very much alive and Fidel Castro was an unknown law student. Sixty years on and at a time when Canada is promoting its re-engagement with the Americas, this is as good a time as any to reassess the viability and utility of this institution.

Sometimes caricatured as a place of siestas, cigars and nepotism, the OAS has outperformed its image. Particularly in the almost 20 years since Canada joined, the OAS has played a key role in the consolidation of the democratic process in Latin America. In a major advance, all countries in the Americas, with the exception of Cuba, have verifiable and reasonably transparent electoral systems. This change, which relates to democratic form more than democratic substance in many countries, has been significantly facilitated by the technical support and observation missions provided by the OAS. Successful mediation, frontier settlement dialogues and peacebuilding operations have been conducted in Central America, the

Caribbean and the Andean nations. Most recently, the OAS has been cementing the *modus vivendi* among Colombia, Ecuador and Venezuela arising out of the March 2 Colombian army raid on the rebel FARC base inside Ecuador.

Well out of the public eye, extraordinary work is being accomplished by the Inter-American Drug Abuse Commission in the development of practical and apolitical tools for the ongoing battle with the narcotics industry. The fragile constitutional successes in Haiti are being fortified by a successful OAS campaign that has provided civil identity to over half of the population. In quite different but equally challenging conditions, the OAS Mission to Support Peace in Colombia (MAPP) is encouraging and verifying the dismantling of the armed structures of former guerilla organizations and the reintegration of some 30,000 former combatants.

The range of valuable work includes protecting human rights and providing for redress when those rights are abused; acting as the technical secretariat for the Summit of the Americas' process and numerous inter-American ministerial meetings; natural disaster mitigation, trade liberalization and anti-corruption. The programs and achievements of the Organization demonstrate why the OAS remains relevant and why a steady increase

in the Canadian contribution—approximately \$40 million over a four-year period, well above the quota—is a sound investment.

The danger in this positive analysis is the misleading impression that the Organization is on sound financial footing; that its value is widely recognized by its member states; that further significant reform will take place; and that its future as the preeminent hemispheric political forum is secure. None of the above is assured.

Earlier this year, an OAS audit contrasted the growth of the United Nations (UN) budget since 1990 with that of the OAS. The UN budget grew by 131 per cent and the OAS by three per cent. At approximately \$90 million, the regular budget of the OAS is less than that of a small university. An inevitably rising proportion of this budget is consumed by pensions and salaries, leaving an already tiny and shrinking portion for vital operations. In these circumstances, the Organization is dependent on voluntary contributions, the use of which is determined not by the Secretary General but by the donors. Not surprisingly, the question arises: “How can the OAS continue to serve the vital interests of the hemisphere when it hangs precariously from a shoe string?”

Worse still, the present relatively high level of voluntary contributions is a function of the energy and authority of the present Secretary General, José Miguel Insulza. What will happen when Insulza leaves—possibly as early as next year—is a major concern.

The solution is not an *ad hoc* cash infusion by member states. What is required is the agreement of all member states to an automatically adjusted quota system linked to cost increases. This is the mechanism that allows the UN to survive.

The good news is that agreement on such a mechanism is in


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sight. The second last hold-out, Argentina, agreed to the formula at the General Assembly in Medellín, leaving only the United States. Admittedly, with its present quota at 59 per cent, U.S. approval is key. The U.S. should recognize that it has a growing stake in the effectiveness of the OAS, especially as its bilateral leverage has diminished. There is reason to expect change in 2009.

The OAS is the unique political organization that binds Canada to the hemisphere. However, its value is sometimes viewed differently by much of Latin America. The Latin countries have the Ibero-American Summit process which, for an increasing number,

has the advantage of excluding the sharp elbows of the United States (and the less sharp ones of Canada and the English-speaking Caribbean). Since the arrival three years ago of Enrique Iglesias, the Ibero-American system has become more competitive with the OAS. The other competitor and the one exclusively Latin American (plus Guyana) is the Rio Group. Faced with seriously escalating tensions between Colombia, Ecuador and Venezuela in March, this forum demonstrated that Latin America feels more comfortable about addressing regional conflict with the U.S. out of the room. The negotiations led by Dominican President Fernandez were a stunning success.

For the moment, the OAS is still able to cope with the competition. This was evident at its General Assembly in June in Medellín where private dialogue in advance of the meeting by Insulza allowed the General Assembly to proceed productively without the expected incendiary encounters.

Despite miserly funding and undeserved obscurity, the OAS continues to serve vital Canadian and hemispheric interests. Bureaucratically and like many international organizations, it is still a zoo, but it is a more professionally managed zoo than it was 14 years ago when I was one of its senior staff members. 

John W. Graham is the Chair of FOCAL's Board of Directors. He served as the first head of the Unit for the Promotion of Democracy in the OAS.

Letter to the Editor

Re: "Ecuador's Mineral Crossroads," FOCALPoint, June 2008

The mining industry was indeed surprised by the Constituent Assembly's April 18 mining mandate, but only in the sense that it indicated a failure of their extensive lobbying campaign. Their heavy investment in this campaign would indicate that they were quite aware of the demands being put before the Assembly by mining-affected communities, indigenous organizations, human rights organizations, public health organizations, and environmentalists.

Readers should know that the majority of the country's voters demanded the writing of a more inclusive and just Constitution. In the Nineties, the World Bank-led neoliberal reform of Ecuador's mining code removed many of the safeguards that had restricted exploration activity. That the duly-elected Constituent Assembly decided that large-scale mining activities in Ecuador should stop

for 180 days while a new mining law is written, is a sign that the conflicts caused by mining companies have become unbearable for large sectors of the population.

Harris notes that junior mining companies have identified over \$200 billion in mineral resources, but he fails to say that for the last 40 years, Ecuador has had an economy heavily reliant on extractive industries—oil in particular—from which the bulk of the profits have clearly not stayed in the country, much less benefited the majority of the population.

The fact that 49 per cent of Canadian investors own mining stocks speaks less to investors' interest in or knowledge of the sector or even the public relations and investor relations efforts than to the key role that analysts and brokers play in securing funding for mineral exploration. Most of those stocks are wrapped in mutual funds and most investors don't even know which stocks they own.

Meanwhile, Harris notes that the Canadian Embassy "has worked tirelessly to affect change in the mining policy" begging the question of whether this is the legitimate role of Canadian diplomats in Ecuador. We have written to the Canadian ambassador in Ecuador to ask how the embassy decides which policies and which Canadian interests to support. We are still waiting for a response almost a year later.

Finally, Harris invokes the myth that mining will bring "desperately needed development" to Ecuadorians, who need no more than to look south to their neighbours in Peru to see that large-scale mining is more likely to leave communities with contaminated land and water and increased poverty than with sustained economic development.

Jamie Kneen, Mining Watch
Ottawa, Canada

FOCAL Would Like to Hear from You

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ANNOUNCEMENTS

After four years, FOCAL's participation in the Mapping the Media in the Americas project will officially conclude. Ownership of the project and individual country maps were successfully handed over to regional partners in Argentina, Brazil, Canada, Guatemala, Mexico and Peru. The Instituto Prensa y Sociedad (IPYS) has assumed responsibility of the project website (www.mediamap.info) and will continue to manage and further develop the project. On behalf of the project team and regional partners, FOCAL would like to thank all of our colleagues and donors who made the project a success. A special thank you is extended to the Carter Center, CIDA, the Open Society Institute and Ford Mexico for their generous support. Ensuring the sustainability of the project, regional partners will work together to further develop the project through the addition of new data sets and the production of new research and analysis using the media maps. Individual country maps can be viewed at:

www.mediamapcanada.info
www.mapamediosargentina.info
www.mediamapbrasil.info (*under construction*)
www.mapamediosguatemala.info
www.mapamediosmexico.info
www.mapamediosperu.info

PUBLICATIONS

Health and Education Conference Summary

Following the successful conference *Health, Education and Marginalized Population in Latin America and the Caribbean: An Initial Review of Policy*, FOCAL has produced a summary highlighting the panel discussions and outcomes. The summary is available on our website.

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Articles between 700-1000 words in English, French or Spanish are welcome. All submissions are on a volunteer basis and must be exclusive to FOCALPoint. For full submission guidelines, please contact pmoore@focal.ca or visit www.focal.ca.

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1, rue Nicholas Street

Suite/Bureau 720

Ottawa, Ontario

K1N 7B7 Canada

Tel/Tél: 613.562.0005

Fax/Télé: 613.562.2525

Email/Courriel: focal@focal.ca

www.focal.ca