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China in the Caribbean: A Benign Dragon?

Dan Erikson

China's remarkable economic expansion has provoked ripples across the globe, and this is especially true in Latin America and the Caribbean. Once largely absent from the region, China has emerged in recent years to become both a potent competitive threat and an important economic partner. While Mexico and Central America worry about losing jobs and investment to China, the commodity-producing countries of South America have seized upon the opportunity to supply their goods to a hungry new market. Since former Chinese Premier Jiang Zemin's landmark visit to the region in 2001, successive delegations of Chinese and Latin American officials have crisscrossed the Pacific Ocean to exchange pleasantries, discuss security concerns, and, most significantly, sign trade and investment deals and economic cooperation pacts. In the Caribbean, China's new strategy of engagement has already reaped important dividends for a number of small, poor countries struggling to navigate troubled economic waters.

In January 2005, Grenada became the latest island to open diplomatic relations with communist China—and unceremoniously revoke longstanding support for Taiwan. The decision was motivated by a bid for Chinese assistance to help the country recover from the destruction wrought by Hurricane Ivan last fall. After signing a joint *communiqué* declaring support for the "One China" policy, Grenada tallied up an impressive windfall. In exchange for recognition of China, Grenada received support for rebuilding and expanding the national stadium for the 2007 Cricket World Cup; the construction of 2,000 housing units; new hospital facilities; agricultural support; a US\$6 million grant to complete projects previously financed by Taiwan; and an additional US\$1 million scholarship fund. It is little wonder that Grenada's Prime Minister Keith Mitchell later declared: "I cannot see that the Caribbean has any other choice but to develop a relationship with China".

Roosevelt Skerit, the 32-year old Prime Minister of Dominica, would surely agree. Last year, his government fetched US\$112 million pledged over six years in exchange for granting diplomatic recognition to mainland China instead of Taiwan. These two countries are far from alone. The region has witnessed mounting defections to China over the last decade, and today only five Caribbean countries continue to recognize Taiwan: Belize, the Dominican Republic, Haiti, St. Kitts & Nevis, and St. Vincent & the Grenadines. Nearly half of the approximately 25 countries that back Taiwan are located in the Western Hemisphere—including all of the Central American countries plus Paraguay—but that number is certain to shrink in the coming years. Under President Martín Torrijos, Panama is already wavering, further stoking the concerns of US observers worried about the influential Chinese presence at the Panama Canal. China has also established commercial missions in the Dominican Republic and Haiti, and even crossed a new threshold by deploying 125 Chinese riot police as part of the Brazil-led United Nations peacekeeping mission in Haiti.

In 2004, Chinese trade with the Caribbean totaled US\$2 billion, an increase of more than 40% over the previous year. This growth partially reflects China's pursuit of raw materials, such as Trinidadian oil and gas, Jamaican bauxite, and Cuban nickel. Although China has recently emerged as a major presence, the country has been laying the foundation for its Caribbean relationships for years. In 1997, the Bahamas became the envy of its neighbours when recognition of China was followed by handsome trade and aid packages. In 1998, China joined the Caribbean Development Bank, taking a 6% capital stake and establishing a special US\$1 million trust fund for Chinese experts to provide regional assistance. China presently accounts for about 4% of Caribbean trade, but that figure is poised to rise rapidly in the near future. In February 2005, Chinese Vice-President Zeng Qinghong led a 120-member high-level delegation to Kingston, Jamaica for the first China-Caribbean Economic and Trade Cooperation Forum to promote greater integration. The Caribbean is also well-positioned for the coming boom in Chinese tourism: Antigua, the Bahamas, Barbados, Dominica, Jamaica, and St. Lucia have recently been added to China's list of approved travel destinations.

China has also directed new energies towards its relationship with Cuba, the lone remaining communist country in the Western Hemisphere. In his visit to Havana last November, Chinese President Hu Jintao presided over 16 trade and cooperation agreements, including a US\$500 million investment in the island's nickel industry, which already provides half of China's nickel imports. With US\$400 million in annual bilateral trade, China is now Cuba's third largest trading partner, behind only Venezuela and Spain. In 2003, Fidel Castro visited Beijing, and last April his brother Defence Minister Raúl Castro led a delegation to China and received an additional US\$7 million contribution to help upgrade Cuban technology. China also has a strong interest in Cuba's signals intelligence base at Lourdes that had been leased by Russia for decades during the Cold War.

Testifying recently before the US Congress, General Bantz Craddock, the head of the Miami-based US Southern Command, declared that "an increasing presence of the People's Republic of China in the region is an emerging dynamic that must not be ignored". Chinese defence officials made 20 visits to Latin America and the Caribbean in 2004. By contrast, the US has cut military training and support to 11 nations that have not signed the Article 98 agreement, which prohibits US soldiers from being handed over for prosecution to the International Criminal Court at The Hague. In 2004, China won observer status in the Organization of American States, and it hopes the Inter-American Development Bank will soon follow suit. China, mindful of Washington's anxieties, is taking measures to ensure that its increasing engagement is not seen as a challenge to US interests. In the short term, China poses the most serious threat to Taiwan's tenuous grasp on its diminishing allies in the Caribbean and Central America. Still, China's growing influence may compel US policymakers to pay greater attention to Caribbean leaders when they complain about neglect from Washington. Ironically, it is China's diplomatic success that may ultimately place the Caribbean back on the US radar screen as an important strategic concern. ■

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Democratic Breakdown and the Role of the International Community: The Case of Ecuador

Andrés Mejía Acosta

On April 20, 2005 the Ecuadorian people ousted their third president in the last eight years. Lucio Gutiérrez—former military officer and leader of the insurrection that ended former President Jamil Mahuad's government in 2000—could not stand the intense pressure of street protesters who rejected his flagrant violations to the rule of law and alleged corruption scandals. As with previous presidential overthrows, the congressional opposition capitalized on popular protest and the withdrawal of military support, to thwart the constitution and declare the presidents' inability to govern. This time, Congress claimed that Gutiérrez abandoned office—while the president was still in the Carondelet Palace—and legitimized the succession of Vice-President Alfredo Palacio. Unlike previous presidential crises, the contents of street demonstrations were not economic demands for salaries, cost of living or reforms, but rather the protection of civil liberties of citizens.

The origin of the Ecuadorian crisis can be traced back to a failed government scheme that intended to shield the president from an imminent congressional impeachment for corruption accusations, sponsored by the traditional Social Christian (PSC) and Social Democrat (ID) parties back in October 2004. To compensate for his weak party support in Congress, Gutiérrez formed an "anti-establishment" coalition with the populist Rodolsist Party (PRE) and the National Action Institutional Renewal Party (PRIAN). As part of the agreement, the involved parties also proceeded to illegally purge—and stack with their own cronies—nearly all Supreme Court Judges, as well as Constitutional Tribunal members, the Electoral Authority and the leadership of Congress. Angry citizens filled the streets of Quito when, four months later, the new Chief Justice dropped all pending corruption charges against former president and PRE leader Abdalá Bucaram, and allowed his return from exile in Panama. Social discontent turned into political

instability when Gutiérrez tried to repress demonstrations by declaring a state of siege on April 15, but had to retract it 24 hours later, because the military refused to obey presidential orders. The ousted President Gutiérrez sought and obtained political asylum in Brazil.

In the aftermath of the crisis, there is a shared need for rebuilding democratic institutions and recovering the rule of law in Ecuador, but there is no domestic consensus on the means to achieve this goal. If the country decides in favour

OAS

Red Alert for New OAS Secretary General

After a hard fought race José Miguel Insulza must be wondering what sort of prize he has won as new Secretary General of the Organization of American States (OAS). Since its inception the organization has never faced so many ominous, interlocking challenges. The defence of democracy, particularly in the 1990s, has been its proudest achievement. But now, the OAS has little traction in the destabilizing dramas unfolding in Nicaragua, Bolivia, Ecuador and Haiti. Image problems were exacerbated by unexpected disaster when newly elected Secretary General Miguel Ángel Rodríguez resigned last October to face corruption charges at home in Costa Rica. Decision-making is hobbled by unproductive competition between the United States and Venezuela.

Strong, focused leadership could make a difference and revitalize the organization, but even the most dynamic secretary general can accomplish little without a secure financial foundation—and that Mr. Insulza does not have. His organization is going broke and so far his member states do not appear to have taken notice. With non-discretionary expenditures assuming a growing proportion of his budget, and a quarter of the membership in arrears, the OAS is moving toward stagnation (all funds from the regular budget are assigned to salaries and pensions, leaving nothing to discharge its mandate except voluntary contributions). And how secure are these voluntary contributions, which last year almost equalled the value of the regular budget, especially given the launch of a generously resourced and astutely led Ibero-American Summits Secretariat?

At the centre of this quagmire is the refusal of member states to come to grips with quota reform. As of three years ago, the OAS is legally bound to pay its employees at United Nations (UN) rates, but has so far failed to obtain agreement from members that annual quotas would be automatically adjusted by a formula for cost of living increments. It is this formula that allows the UN to survive and without it the OAS slides toward bankruptcy.

When the new Secretary General examines the ambitious agenda of his first General Assembly in Fort Lauderdale, it may occur to him that without vital changes OAS commitments will be hollow rhetoric, regardless of their relevance and urgency. As he takes up these challenges, we wish him strength, resolve and compliant member governments.

of a Constitutional Assembly, it would be the twentieth in its republican history. Deep regional and ethnic divisions, fragile legislative alliances, and entrenched political animosities among a highly discredited political elite are imminent obstacles in the proposed reform process. New institutions are likely to reflect once again the narrow political interests of the current political elite, unless reforms are discussed and adopted through a more inclusive and transparent consultation process. Another constraint to consider is the narrow time frame available for carrying out the political reform process, since the next general election is scheduled for October 2006.

Outside its borders, there is wide expectation about what the international community can achieve in helping rebuild Ecuadorian democracy and preventing future political crises in the region. The international community (with the exception of a special United Nations Commission on Human Rights envoy) hesitated to condemn systematic violations of constitutional principles including judicial independence, separation of powers and the rule of law in Ecuador. During the four-month period between the court stacking and the ousting of President Gutiérrez, the Organization of American States (OAS) failed to acknowledge repeated calls made by individuals and organized groups inside and outside Ecuador to apply the Inter-American Democratic Charter. The Charter, of which Ecuador is a signatory, calls on member states to collectively defend democracy whenever an “unconstitutional alteration of the constitutional regime” occurs that “seriously impairs the democratic order”, as was the case at hand. The OAS, however, is constrained by the fact that the Charter does not allow for outside intervention in the affairs of a member state unless this is requested by its government—an unlikely scenario when the government is the perpetrator of such violations.

The Tobar Doctrine, named after Carlos R. Tobar, the Foreign Relations Minister of Ecuador, was the first recorded attempt for the promotion and defence of democracy in Latin America in 1907. Nearly one hundred years after its proposal, and four years after the signing of the Charter, the international community is still searching for effective ways to interpret and apply existing

instruments for democratic defence, with a low degree of success. In the last decade alone in Latin America nearly a dozen presidents have abruptly ended their constitutional mandate. The recent Ecuadorian crisis is another dramatic case of democratic erosion in the region. Taken in comparative perspective, it challenges the extent to which the international community is prepared to effectively monitor and foresee incidents of political instability, offer quick diplomatic mediation once a crisis erupts, and provide institutional support for rebuilding democratic institutions in cases of breakdown. Much remains to be done at the international level to strengthen the Inter-American Charter as an instrument for the promotion and defence of democracy. At stake is the credibility and the capacity of the international community to effectively deter future dictators, clandestine interest groups and anarchic social forces that may want to kidnap democratic continuity in the future.■

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Challenges for Andean Democracies

Rodolfo Albán Guevara

Democracy in the Western Hemisphere has faced a series of advances and setbacks in the past years. Institutional fragility and the loss of credibility of elected politicians, along with citizen insecurity due to fundamental rights violations, have been constant in many countries of the hemisphere, especially in the Andean subregion. In addition to this, there is a growing citizen discontent with the existing political regimes and key democratic institutions; which is a situation that could lead to greater acceptance of authoritarian regime, on the condition of certain economic stability.

Another concerning issue in Latin America is that in many countries democracy has not delivered what it promised: a system in which all citizens feel part of the political community, without exclusion, and where the achievement of political, as well as economic, social and cultural rights, are visible. Based on the experienced gap between expectation and reality, there are a number of challenges that must be overcome for democracy to be true and strong. To surmount these challenges, we must undertake the following efforts:

1. Improve the quality of political representation through congressional reform, with a view to attaining incremental, qualitative improvements in legislative output and political oversight. It is well known that in many of our countries legislation lacks quality control and laws are often passed to demonstrate legislative productivity. An example of this situation are regulations that create unnecessary and pernicious redtape as well as illogical expenses that affect private investment. Similarly, congressional oversight of the government is rarely exercised because party interests usually prevail. In cases where oversight is used, it is often motivated by partisan antagonisms that generate bad relations in congress. Therefore, it is

necessary to review congressional rules that impede representation and isolate legislatures from the citizenry.

2. Improve political parties' functions as conduits of public demands, leaders of opinion and natural vehicles for political participation, through the promotion of better citizen-political organizations relationships. In many Latin American countries, political parties function like electoral machines, often activated by an upcoming election, without being natural channels of participation. Parties often lack internal democracy and are led by oligarchies averse to change and democratic participation. With the expansion of the media, politics has suffered a decline. Parties have lost force and substance, while politics has become centred around congressional activity. Hence, the challenge is to strengthen the parties and provide means that allow leaders and members from different groups to debate.

3. Make the fight against poverty a priority on the political agenda. The market assigns resources but lacks mechanisms to redistribute wealth. Following the liberal reforms of the 1990s in Latin America, poverty continues to be a major problem, aggravated in many cases by the unbalances caused by economic setbacks and the financial incapacity of the state to lead social change. The fight against poverty requires that each country have focused regional plans, and that the political classes have the will to provide continuity in their implementation.

4. Consolidate a democratic culture where citizens internalize values such as pluralism, liberty and sovereignty. Schools and the media must be participants in an ambitious campaign to foster democratic culture. In many cases there exist authoritarian models of behaviour for both individuals and society that result in support for *caudillo* strongmen and dictators. Some consider the emergence of authoritarian leaders who clean up the disorder that "democracy usually generates" as necessary.

5. Reduce corruption levels by creating more control mechanisms for public management and harnessing public opinion in the fight against corruption. It is necessary for the public to understand that corruption has a high social and

economic cost, eroding the foundation of democracy by causing the breakdown and the loss of credibility of political institutions. What citizens often do not realize is that dictatorships are not less corrupt, but, rather, that in an authentic democracy transparency and freedom of the press are the rule, meaning that acts of corruption are more vulnerable to public exposure.

6. Ensure that democratic institutions (constitutional tribunals, ombudsmen offices) become true counterweights to political power, with improved mechanisms for intervention. Although democracy has produced these institutions, their strengthening is necessary to both protect individual citizens and to transform them into tools of civilian oversight of politicians.

7. Achieve political stability through institutional reforms that foresee constitutional solutions that respond to political crises—a need currently critical in Bolivia and Ecuador. History demonstrates that while military dictatorships are a thing of the past, popular movements are now capable of destabilizing governments and changing the rules of the political game. This situation was visible in Bolivia (Gonzalo Sánchez de Lozada), in Ecuador (Jamil Mahuad and Lucio Gutiérrez), Argentina (Fernando de la Rúa) and Venezuela (Hugo Chávez temporarily). It is important to understand the key role that social movements, unions, rural and indigenous groups are beginning to play on the political scene. And, despite this shift in the social landscape, political leaders, particularly in Bolivia and Ecuador, insist on looking to the past and resorting to the old political practices of distribution of posts through quotas and deal-making (Lucio Gutiérrez).

8. Depersonalize and institutionalize political power, ensuring that those governing do not have sufficient margins of manoeuvre to affect the rule of law. The institutional framework of democracy must be based on the rule of law and clear political rules of the game. There is currently no clear notion of the “public function” and bureaucrats often use public resources for private purposes. Patrimonialism, a central feature of Latin American political culture, leads many to assume that those governing are above the rules and have discretionary powers in the use of state resources. As such, the state is often taken over by informality; a clear example of this being the granting of positions within the public service to party members and those close to them. There is no glimmer of a true professional public service selected on the merits of their credentials. This informality causes state inefficiency and citizen’s mistrust of public institutions.

9. Urge the political leadership to seek political consensus. Political competition often converts democracies into a “zero sum” game of rivals, where the most important goal of the competitors is not to convince citizens of the viability of political programs, as it should be, but simply to win elections. There must be a search for consensus through bodies that can promote national accords and provide an opportunity for competitive politics to be converted into proactive politics. Democracy can only be strengthened if there is vision for the future of the country and a shared national project that prevents the alternation of governments to become a succession of advances and setbacks.

10. Finally, there is a need to reach a consensus within the international community on the need to apply the Inter-American Democratic Charter and use the procedures available at the Organization of American States. To do this, the content of the Charter must be widely shared with the citizens of the region and incorporated into national legal systems. The application of the Charter should not depend only on the will of governments; it should also include ways for organized citizen participation to press governments, ensuring that it becomes a tool that allows citizens to have access to the international community. ■

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Nicaragua and the Crisis of 2005

David Close

Things have not gone well for Nicaraguan President Enrique Bolaños over the past year. In April 2004 a judge began investigating his 2001 election campaign expenses for irregularities. In September, the two parties that dominate the National Assembly and oppose Bolaños, the Liberals (PLC) and the Sandinistas (FSLN), proposed a package of constitutional amendments that stripped the president of his power to name cabinet ministers and the directors of state agencies without the approval of 60% of the legislature. The president began speaking of a legislative coup and the legislature started contemplating impeachment.

On January 12, 2005, Nicaragua's three principal political forces—the PLC, the FSLN and the Bolaños government—reached a deal that saw the opposition’s proposed amendments approved, though not implemented, and the president given a guarantee that he would be able to finish the last two years of his term. Unfortunately for both Bolaños and Nicaragua, this was not the end of the story. A teachers’ strike in February 2005 and a particularly violent set of conflicts between university students and police over increased bus fares in Managua once again put Don Enrique's political future in doubt.

Cuba

In an act unprecedented in Cuba under the government of Fidel Castro, various opposition groups gathered on May 20 and 21, 2005 in Río Verde outside of Havana at a meeting organized by the Assembly to Promote Civil Society in Cuba coalition. More than 150 opponents of Fidel Castro's regime participated in the meeting, which was chaired by the ex-political prisoner Martha Beatriz Roque, who is currently out of prison for health-related reasons after being sentenced to 20 years during the Cuban authorities' crackdown on internal dissidents in March 2003.

Some opposition organizations, like Progressive Arc, the Popular Republican Party and the Christian Liberation Movement (MCL) decided not to participate in this event, considering the Assembly to be affiliated with extremist Cuban exile groups and linked to the US government. In press declarations Roque denied having received money from the US government to organize the meeting.

One day before the meeting, MCL leader Oswaldo Payá, who drew international attention after launching a drive for government reforms known as Varela Project, issued a statement accusing Roque of working with the Cuban security forces. He also said that her backing by hard-line exile groups in Miami could be used as an excuse for a future crackdown by Cuban authorities (<http://www.mclpaya.org/pag.cgi?page=viewnot&id=not.7641598.30244>).

Fidel Castro, who only referred to the meeting in a cryptic way calling participants "mercenaries" and threatening the assembly with a "strong response", later allowed the delegates to discuss the democratic transition of the island for two days. Cuban authorities did, however, threaten some activists and prevented others from attending the meeting, which reduced the number of attendees. In addition, 15 European lawmakers and journalists who arrived for the event on tourist visas were expelled from the island, renewing tension with Brussels.

On the first day of the meeting delegates, accompanied by European diplomats and the Chief of the US Interest Section in Havana, listened to a message of support from US President George W. Bush as part of his traditional May 20 speech recognizing Cuban Independence Day. On the second day participants formed commissions and approved bylaws, elected a 36-member executive secretariat headed by former political prisoners Martha Beatriz Roque, Félix Bonne and René Gómez Manzano, and called for massive peaceful protests on the island. Delegates also approved a ten-point declaration denouncing one-party rule and demanding freedom of expression, democratic pluralism, respect for human rights, freedom for political prisoners, and the abolition of death penalty, among other things.

The Cuban media ignored this event, which marked an important victory of the Washington-supported opposition over the moderates who oppose any US interference in the island's affairs.

How things got this way

Bolaños's recent troubles make it easy to forget that his anti-corruption campaign of 2002-2003 was one of Nicaragua's great democratic successes. Constitutionally prohibited from seeking immediate reelection, Liberal President Arnoldo Alemán tabbed his vice-president, Enrique Bolaños, to lead the PLC to victory against the Sandinistas in 2001. Once in office, the new president turned against his old boss, and in 2003 saw Alemán sentenced to 20 years imprisonment for defrauding the Nicaraguan state of CDN\$125 million. This dramatic gesture, however, cost Bolaños the PLC's support, leaving him able to count on only a handful of votes from among his personal supporters in the legislature. As a result, the president has been generally ineffective in getting his programs through the assembly. He did, though, persuade the legislature to back budget initiatives that let Nicaragua enter the Highly Indebted Poor Countries (HIPC) Initiative and see its foreign debt reduced significantly.

The root of Bolaños's dilemma, however, is not anything he did as president, but rather the framework of current Nicaraguan politics. In 2000, Liberal leader Arnoldo Alemán and his Sandinista counterpart Daniel Ortega formed a pact to craft and pass a set of constitutional amendments, as well as changes to certain statutes. The reforms had three objectives:

- Weaken accountability structures by making them partisan institutions, not independent ones. This dramatically strengthens the executive and makes possible the politics of electoral *caudillismo*, boss politics Central American-style.
- Formalize a Liberal-Sandinista condominium to make Nicaragua's two-party system effectively unassailable.
- Assure the two biggest parties substantial "quotas of power," by letting them name party loyalists to key government positions and protect the party's interests.

The recently adopted constitutional amendments show how the pact works. The PLC and FSLN

control the National Assembly but not the Presidency. Therefore, they shift appointive power from the executive to the legislature. Further, to assure that nobody cheats, the parties included the 60% rule. Unless one of them takes 60% of the seats, unlikely under Nicaragua's proportional representation electoral system, there must be bipartisan agreement to make appointments. Although a party could reach a deal with one of Nicaragua's minor parties, the costs of breaking the pact and losing the stability it gives both the Liberals and Sandinistas makes that option unattractive.

President Bolaños tried to break the pact but failed. He thus represents a third force in Nicaraguan politics: constitutionalism. This is the same option that President Violeta Chamorro unsuccessfully sought to institutionalize in the early 1990s. The Liberals and the Sandinistas, both prefer strong leaders unencumbered by accountability, and each appears keen to monopolize power. Yet the parties are not identical. The Liberals are far more an elite party, and much more attuned to patronage than to policy. Although the Sandinistas are not strangers to patronage, they are more closely identified with redistributive domestic policies and an anti-US foreign policy. That Washington cannot abide the FSLN is a given; but the PLC's connection with unchecked corruption has put it in the Bush administration's bad books.

Will things get better soon?

There are persistent rumours that Alemán will soon be freed. Whether he returns to active politics immediately is still uncertain. If he does not, Ortega and the FSLN seem well placed to carry the 2006 elections. The Sandinistas did very well in 2004's municipal elections and hope to carry their momentum forward. However, the FSLN was unable to convert good results in the 2000 local races into a win in 2001, and Alemán's return could revitalize the PLC. Either way, it seems as though boss politics wins, as a new party linked to Bolaños and constitutionalism, the Alliance for the Republic, looks destined for a distant third.

Being governed by a boss—be they Liberals or Sandinistas—until 2011 cannot be good for Nicaragua, but at this point it seems as though there is little alternative. Both major parties have potentially strong candidates committed to constitutional democracy but stifle them in favour of the bosses. If *neo-caudillo* politics keeps delivering political instability to Nicaragua, the price for the country will be stalled development, more poverty and more misery. ■

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Editorial

Yet Another Summit

Eduardo del Buey

The first Arab-South American Summit took place between May 9 and 11, 2005. It was an excellent initiative that brought together two regions remote from one another geographically, despite the fact that a significant number of people of Arab descent live in Latin America. Moreover, both regions are linked culturally and historically through the Moorish conquest and occupation of the Iberian Peninsula from the eighth until the fifteenth centuries and, in turn, the Spanish and Portuguese conquest and colonization of South America after 1492.

The Brazilia Declaration that emerged from the gathering is a comprehensive document indeed, whose reach includes cooperation in science and technology, international security issues, trade and commerce, addressing problems of hunger and poverty, and other issues related to the economic and social development and citizen's well being. Predictably, a major omission of the joint declaration was a reference to democracy as the best form of government to reach objectives of development and social justice.

There is much the Arab world can learn from the recently opened economies of South America and their developing democratic processes. There is a renewed focus on respecting human rights in the Hemisphere. Gender equality issues are being addressed in a variety of hemispheric fora, as is the possibility of a Social Charter for the Hemisphere. Democracy—representative and participatory—is the lay of the land in all but one country of the Americas.

As democratic experimentation is undertaken in the Middle East and North Africa, best practices can and should be shared between governments of both regions, and their civil societies should also be encouraged to cooperate with each other in order to contribute to the development of their respective societies. These exchanges could be viewed in the framework of South-South cooperation and Latin America's lessons and

experiences could be shared with the Arab world without any tinge of “colonialism”. Are both regions bold enough to take up the challenge? Time will tell.

South-American-Arab Summit

The First South-American-Arab Summit, May 9-11, 2005, Brasilia

- *Who:* The summit brought together heads of state or representatives from 12 South American and 22 Arab nations. Nine of the 12 South American leaders and seven of the 22 Arab heads of state participated. Leaders of Egypt, Saudi Arabia, Jordan and Syria, the larger countries, were absent.
- *Objective:* To draw up “an agenda for sustainable economic and social development to be pursued bi-regionally in a coordinated way through the relevant regional and international fora” (Brasilia Declaration).
- *Combined population:* 600 million people. About 10 million South Americans are of Arab descent.
- *Trade figures:* 1% of imports of the Arab countries come from South America. Inter-regional trade has been growing in recent years, with two-way trade with Brazil alone at US\$8 billion in 2004 (49,7% increase from 2003).

Highlights of the “Brasilia Declaration”

- *On peace and security:* The Declaration denounces terrorism but calls for a global conference to define the meaning of a terrorist. It condemns Israel's occupation of Palestinian territory, asserts the right of people to resist foreign occupation, and calls for the creation of an independent Palestinian State.
- *On international trade:* The document calls for international trade to become an effective means to promote economic development and denounces asymmetries of the rules and distortions of international trade that have widened the gap between developed and developing countries.
- *On the international financial system:* The Declaration states that multilateral financial institutions should treat public expenditures in the social field and infrastructure as investments and not as public debt.
- *On development of South-South Cooperation:* It emphasizes the importance of South-South cooperation and acknowledges common interest on bi-regional mechanisms for investment and partnership in strategic sectors, such as energy, telecommunications and transportation, as a lever for development.
- *Action against Hunger and Poverty:* The Declaration stresses the urgent need for identifying new sources of funding to achieve the Millennium Development Goals by 2015, especially with regard to reducing poverty and hunger.

There is much both regions can share, including through their respective regional organizations. While the Organization of American States (OAS) continues to suffer from lack of funding and a prolonged leadership crisis, it stands out as an effective regional organization with some important accomplishments—the Inter-American Democratic Charter, the cooperation on drug enforcement through the Inter-American Drug Abuse Control Commission (CICAD), the regional focus on security and terrorism through the Inter-American Committee on Terrorism (CICTE), and the de-mining of many regions of Central and South America are but a few examples. Arab regional institutions, for example the Arab League, could cooperate with the OAS to explore ways to render both organizations more effective, and exchange best practices.

There are certain practices of the Arab countries that the South Americans should also adopt, one of those being inclusion. If all Arab states—from the Maghreb to Central Asia—were included in this process, it is myopic to exclude Central America and Mexico. Both of these regions have strong ties to South America, and have as well important Arab populations. They are also the “South”, with many experiences to share as well. This should be revisited as the process moves ahead towards its next Summit in Morocco in 2008.

A first major step has been taken. Both regions clamour for greater representation on the world stage. Both Egypt and Brazil have first-rate professional diplomatic organizations, and both see themselves as permanent members of the United Nations Security Council (UNSC). An expanded Security Council should certainly be considered, although what form this should take, or with what results exceeds the scope and purpose of this editorial. Along with the democratization of the UNSC, issues such as the Arab-Israeli conflict are dealt with in the declaration, perhaps out of context, since there are other fora with greater historical and political relevance to those processes than a nascent grouping of regions.

Finally, a word on terrorism and its role in these deliberations. There is no such thing as good terrorism or bad terrorism—any activity that

threatens or takes the lives of innocents should and must be condemned. FOCAL would have preferred stronger language on this topic, and less of a decision to “define” the crimes of terrorism at some future conference. To use language that leaves the crimes of terrorism open to interpretation is not only counterproductive, it is wrong.

What does the recent Summit mean for Canada? Canada has excellent relations with the Arab world and with Latin America, and should welcome these two historically distant regions reaching out towards each other. Canada is also home to nascent Arab and Latino communities that are contributing to our economic, social and cultural fabrics. There is much knowledge, experience, products, technologies, and best practices to be shared, and Canada should encourage both regions and groups to exploit this relationship to the benefit of all. ■

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