# LATIN AMERICA & HAITI WEB SITE

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We publish articles describing life in different Latin American countries and Haiti; these will include human interest pieces, political analysis, discussions of US relationships. We will emphasize pieces about indigenous peoples, labor and human rights, and descriptions of legislative initiatives that affect these countries and the US. We will publish literary pieces. Some of our articles will be reprinted from other sources. **WE WILL CONSIDER SUBMITTED MANUSCRIPTS.**

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# Latin America: The End of an Era, Part 1

by Mark Weisbrodt



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*Editor's note: This is the best article we have seen on the profound economic and political changes arising from the U.S. loss of influence in Latin America. We are republishing this article in two parts. The second part will appear in our January 2009 issue. We are reprinting this piece with the permission of the Center for Economic and Policy Research, Washington DC. The reader will be aware that this article, published in late 2006 does not include more recent information, but the article is as relevant today.*

## INTRODUCTION

The changes that have taken place in Latin America in recent years are part of an epoch-making transformation. To borrow from the Cold War framework that still prevails in U.S. foreign policy circles: we have witnessed the collapse of the Berlin Wall, and the formation of newly independent states. A region that has been dominated by the United States for more than a century has now, for the most part, broken away. Of course there are still strong commercial, political, cultural and even military ties; but as in the states of the former Soviet Union after 1990, these do not have the same economic or political implications that they had a decade or even a few years ago. These changes seem to have been largely misunderstood—and vastly underestimated—across the political spectrum. They are certainly noticed. Hardly a day goes by without prominent warnings that the region—or at least a good part of it—is on the road to "populist" ruin, or worse. On the right—including the Bush administration—this process is viewed through a Cold War prism, a Castro-Chavez-Evo Morales axis that poses a strategic threat to the United States.' Imagined or implied links to terrorism and the drug trade (little or no evidence is provided) are sometimes added for effect, as when the State Department cut off arms sales to Venezuela on May 15 for "lack of cooperation" in fighting terrorism.[1]

The liberal/center views are less bellicose, but similarly pessimistic about what is happening in the region. "Foreign Affairs" has run three articles since the beginning of the year warning of the dangers of Latin America's left-populist drift, as well as sorry state of U.S.-Latin American relations. The news reports, editorials, and op-ed pages of America's major newspapers mostly carry the same themes.[2]

But from the point of view of the vast majority of the hemisphere, including people in the United States, there is actually much to be optimistic about. As French President Jacques Chirac noted during a recent visit to South America, "there is a strong movement in favor of democracy in Latin America, a movement that is growing."[3] He added that the newly elected leftist presidents cannot be cause for concern because they were elected in free democratic elections. Furthermore, there is every reason to believe that the changes of the last few years will not be reversed, and that the region will continue in the direction of further economic and political independence, diversification of trade and finance, some regional integration, and more successful macroeconomic policies. Not all of these economic policies and experiments will succeed, but most importantly it appears very possible that Latin America's long quarter-century of economic failure will be reversed in the foreseeable future, and that its hundreds of millions of poor people will be among the main beneficiaries.

## THE COLLAPSE OF A CARTEL

**The IMF has always been dominated by the U.S. Treasury Department.**

One reason the historic nature of these changes has not been appreciated is that Washington's most powerful influence over the region—especially in the realm of economic policy—has never gotten much attention. And that particular influence has now quietly collapsed. Until recently the International Monetary Fund (IMF) headed a powerful creditors' cartel that was arguably more important than Washington's other levers of power—including military, para-military, diplomatic and other "soft power" projections such as foreign aid and "democracy promotion" programs. This cartel was not a conspiracy but rather an informal arrangement—not written into law or into the charters of the participating financial institutions—but nonetheless generally very effective.

The way it worked is that the IMF was the "gatekeeper" for most other sources of credit for developing country governments. If a government did not reach an agreement with the IMF, it would not be eligible for most lending from the World Bank, regional banks such as the important Inter-American Development Bank in this hemisphere, G-7 government loans and grants, and sometimes even the private sector. The 184-member IMF has always been dominated by the U.S. Treasury Department. Technically, the other rich countries, including European nations and Japan, could outvote the United States (voting is proportional to a quota system of contributions which gives the rich countries a huge majority) but this has virtually never happened over the last 62 years. During the last 25 years especially, this creditors' cartel was enormously influential in shaping the "Washington Consensus" policies that were adopted throughout Latin America and most other low and middle income countries. It extended far beyond just the raw power of using control over financial resources to influence policy.

As has been known for decades, the IMF acting as gatekeeper and enforcer of "sound economic policy" allowed the United States (and sometimes the other rich countries) to operate through an ostensibly multilateral, neutral, technocratic institution when pressuring developing country governments to privatize their natural resources or run huge primary surpluses to pay off debt. It is much more politically delicate for U.S. officials to publicly tell sovereign governments what to do. And as we witnessed in the recent Argentine debt restructuring, individual creditors—even big banks—do not have all that much power against a government that is willing to go to the brink. In a default situation, it is in their individual interest to settle for what they can get, cut their losses, and look to the future. It takes an external enforcer—outside of the market—to hold the threat of future punishment over the offending government, in the interest of the creditors as a class.

This arrangement began to break down in the wake of the Asian economic crisis of the late 1990s, after which the middle-income countries of that region piled up huge foreign exchange reserves. They had suffered through a terrible and humiliating experience with IMF-imposed conditions during the crisis, and although the post-crisis accumulation of reserves had other causes, it also ensured that they would never have to take the Fund's advice again.

But it was in Latin America that the IMF was reduced to a shadow of its former self. Argentina defaulted on $100 billion of debt at the end of 2001, the largest sovereign debt default in history. The currency and banking system collapsed, and the economy was continuing to shrink. Almost everyone assumed that the government would have to reach a new agreement with the IMF and receive an njection of foreign funds in order to get the economy growing again.

*Venezuelan President Hugo Chavez (L) welcomes Bolivian President-elect Evo Morales, January 3, 2006.*

But a year went by without any agreement, and when it was finally reached there was no new money. In fact, the IMF took about $4 billion net (a huge sum amounting to four percent of GDP) out of the country during 2002. Yet in defiance of the experts, the Argentine economy contracted for only three months after the default before beginning to grow. Four years later it is still growing quite rapidly. In fact it has grown at the highest rate in the hemisphere, more than 9 percent annually for three years, despite a continued net drain of money out of the country to pay off the official creditors (the IMF, the World Bank, and the Inter-American Development Bank) that reached more than $14 billion between 2002 and 2005.

The Argentine government under Nestor Kirchner, who took office in May 2003, also enacted a series of unorthodox economic policies that were strongly opposed by the Fund, including a hard line in bargaining over defaulted debt, which invoked hostility from the international business press, along with predictions of prolonged economic punishment and stagnation.[4] In one of a number of showdowns with the Fund, Argentina even temporarily defaulted to the IMF itself in September of 2003—an unprecedented and uncharted move that had previously only been made by failed orpariah states such as Congo or Iraq. Default to the Fund had hitherto carried the threat of economic isolation, even the denial of export credits necessary for trade. But the world had already changed, and the IMF backed down. Argentina's long battle with the Fund—from the disastrous four year depression, brought on and exacerbated by IMF-backed macroeconomic policies, through the standoff of 2002, and the economy's subsequent rapid recovery on its own—was the final blow to not only the Fund's credibility as an economic advisor, but as an enforcer.

## A FREE BOLIVIA

**The Bolivian government has since announced its intention to pursue an ambitious land reform program.**

How much difference does the collapse of this creditors' cartel make? Consider Bolivia today, where the leftist, indigenous former leader of the coca growers' union, Evo Morales, was elected with the voters' largest mandate ever in December, 2005. He promised to nationalize the country's energy resources—it was really more of a return to constitutionality, since the current contracts with foreign energy companies were not approved by the congress, as required by the constitution—which account for the biggest chunk of its export earnings, and to use these resources to increase the living standards of the country's poor and indigenous majority. On May 1st, 2006, Morales announced that the government was indeed nationalizing the gas and oil industry, and that foreign companies would have six months to renegotiate existing contracts. Many details remain to be worked out, and the situation is complicated by the fact that Petrobras, the state-run Brazilian energy company, is the largest gas producer, and that Bolivia can only export natural gas (which is the main energy export) by pipeline to Argentina and Brazil. But the Bolivian government has already increased its revenue from the gas producers, from 3.4 to 6.7 percent of GDP as a result of last year's hydrocarbons law. The increase amounts to a share of the economy comparable to most of the United States' federal budget deficit. The May 1st nationalization will increase these revenues even more, allowing the government to deliver on some of its promises to the poor.

The Bolivian government has since announced its intention to pursue an ambitious land reform program, which has also been met with hostility from the media.

According to the ministry of rural development, over the next five years the government hopes to redistribute some 54,000 square miles of land, an area the size of Greece, to some 2.5 million people—about 28 percent of the population.[5] The Bush administration had expressed its displeasure with the new government a couple of times, but until very recently has been relatively cautious about public statements ever since the U.S. Ambassador's denunciation of Morales sent the charismatic leader surging in the polls and almost carried him to victory in the 2002 Presidential election. But on May 22, 2006 in an ominous new turn, President Bush told the press that he was "concerned about the erosion of democracy" in Bolivia and Venezuela.[6]



There will be further frictions in the near future, not least over drug policy. Washington has pursued its coca eradication agenda in Bolivia for years with little regard to its political, economic, or environmental impact on an increasingly angry local population. Anyone who has been to Bolivia and seen how ubiquitous coca is there, from the coca tea in restaurants to the leaves that people chew as a stimulant and to relieve altitude sickness, can only imagine what it would be like if people in the United States were told that they must co-operate in a "coffee eradication" program at the behest of a foreign government so as to help prevent foreigners from abusing the product. Most of Morales' electoral base wants to kick the DEA (the U.S. Drug Enforcement Agency) out of the country tomorrow.[7] Morales has taken a moderate position, pledging to co-operate in the fight against cocaine and drug trafficking, while supporting the legalization of the coca plant and the development of new markets for legal products. The Bush administration will most likely find this unacceptable.

**Bolivia let its last agreement with the IMF expire.**

But what can Washington do about its new "problem" government? Not all that much. This is all the more unprecedented because Bolivia is not Venezuela, the world's fifth largest oil exporter, nor Argentina, which until the late 1990s depression had practically the highest living standards south of our border. It is not a giant like Brazil, with a land area as big as the continental United States. It is the poorest country in South America, with nine million people and an economy not even one-thousandth the size of the United States', at current exchange rates. It is poor and indebted enough to have qualified for the IMF/World Bank HIPC (Heavily Indebted Poor Country) debt cancellation initiative, and in fact had its IMF and World Bank debt—about 35 percent of the country's total foreign public debt—cancelled this year after passing through the requisite gauntlet of conditions for several years.

But Bolivia is a free country now. On March 31, after twenty straight years of operating continuously (except for eight months) under IMF agreements—and a real per capita income amazingly less than it was 27 years ago—Bolivia let its last agreement with the IMF expire. The government decided not to seek a new agreement with the Fund. One of the first questions that arose was, what about money from other sources? Bolivia receives not only loans but grants from the

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governments of high-income countries, and until now even grants from the more liberal European countries were contingent on Bolivia meeting the IMF's approval. But it appears that this requirement has disappeared along with the IMF agreement. The Bush administration cut military aid, an insignificant $1.6 million, and may reduce other aid flows related to anti-drug efforts. The Spanish government expressed some concern over Bolivia's nationalization of the gas industry, since Repsol YPF, Spain's largest oil company, is the second biggest producer there.[8] But as of December 2006 none of the rich country governments have tried to use the threat of cutting off loans or grants as a mean of trying to change Bolivia's policies. Such a threat, or even an actual aid reduction, would almost certainly not alter the government's behavior; it would therefore be useless and counter-productive from their point of view.

The fact that we have arrived at such a situation illustrates how dramatically hemispheric relations have changed. A few years ago, a government like that of Evo Morales would have had a pretty short life expectancy. Washington would have had the ability to economically strangle the country, as it did to Haiti in order to topple the democratically elected government there just two years ago. The government of Haiti, which was overwhelmingly dependent on foreign aid flows, was cut off from virtually all international funding from 2001 on, thus assuring its ultimate downfall in the U.S.backed coup of March 2004. For very poor countries and especially those that are without allies or media attention, the old rules may still apply—although even that is beginning to change. And in many low-income countries, for example in Africa, major economic policies are still subject to IMF approval.

**The collapse of the IMF-led creditors' cartel is probably the most important change in the international financial system since 1973.**

But the Fund has lost its influence in middle-income countries, and that includes almost all of Latin America. Although it has received little attention in most of the media, the collapse of the IMF-led creditors' cartel is by itself probably the most important change in the international financial system since the end of the Bretton Woods system of fixed exchange rates in 1973. This is especially true for developing countries.

In Latin America this has coincided with a major and unanticipated change that, combined with the IMF's loss of influence, has helped usher in the new era of independence. A new international lender has emerged: Venezuela. When Argentina decided last December to say its final goodbye to the IMF by paying off its remaining debt of $9.8 billion (5.4 percent of GDP) at once, Venezuela committed $2.5 billion to the cause. "If additional help is needed to help Argentina finally free itself from the claws of the International Monetary Fund, Argentina can count on us," Chavez announced on December 15, 2006.[9] Kirchner's statement announcing the decision was even harsher: "[the IMF has] acted towards our country as a promoter and a vehicle of policies that caused poverty and pain among the Argentine people," he said.[10] Last year Venezuela also committed to buying $300 million of

Ecuador's bonds; in December, it turned out that Ecuador had sufficient demand for its bonds that it only needed to sell $25 million to Venezuela, but the latter's commitment was there as a lender of last resort. Chavez has proposed to formalize this new relationship by establishing a "Bank of the South," to finance development in the region, and offered to start it off with a $5 billion contribution. In the meantime, Venezuela is also providing discounted oil financing for the Caribbean countries under its PetroCaribe program.

The result for Bolivia is that despite its poverty and underdevelopment, the new government will not have to worry too much about whether the United States approves of what it is doing with regard to foreign energy companies, trade negotiations (a bilateral trade deal, long sought by Washington, is now pretty much dead), macroeconomic policies, or drug policy. Any aid cuts from Washington, Europe, or international lending agencies will be more than replaced by Venezuela. When Bolivia was about to lose $170 million in soybean exports to Colombia as a result of the latter's decision in April to sign a bilateral trade agreement with the United States, Venezuela stepped in as a replacement buyer. Such is the paradox of the new hemispheric order: it is now even easier for a small, poor country to reject "the Washington Consensus" than it is for larger, middle income countries to do so—although the choices for all have been greatly expanded. Venezuela has more than $30 billion in foreign exchange reserves; whatever Bolivia might need will be pretty small relative to Venezuela's capacity for lending and aid.



**Venezuela announced a $100 million loan to Bolivia and a similar amount to support the proposed land reform.**

In May 2006, Venezuela announced a $100 million loan to Bolivia and a similar amount to support the proposed land reform, as well as numerous other forms of aid. And Venezuela's lending and aid programs, unlike that of the international financial institutions or the G-7 governments, do not have economic policy conditions attached to them. This makes all the difference in the world. Viewed through the Cold War lens of official Washington and the foreign policy establishment, these disbursements and initiatives are seen either as part of an attempt to build an "anti-American" axis, or, as Chavez simply buying friends in the region. Chavez himself, who has named his revolution after the 18th century liberator Simon Bolivar, sees it as freeing South America from the grip of the U.S. empire. But regardless of how it is seen in ideological terms, the impact of this alternative source of financing has already had an enormous impact on the ability of governments to ignore pressures from Washington. This trend is likely to continue unless there is a sudden and very severe collapse of oil prices.

## LATIN AMERICA STRENGTHENS

There are two other important economic changes that will reinforce Latin America's drift away from the United States in the coming years. One is that the United States will no longer provide a rapidly growing market for the region's exports, as it has in the past. The reason is that the United States is running a record trade deficit, now more than 6 percent of, GDP, that almost all economists recognize must adjust over the next decade. The United States does not have to balance its trade, but the deficit must fall to a level that allows the U.S. foreign debt to stabilize, rather than growing at an explosive rate. If the U.S. trade deficit were to remain at its current level, in 18 years the U.S. foreign debt would exceed the value of our entire stock market. This is not going to happen; instead, the dollar will fall and the deficit will be reduced. But one consequence of this adjustment is that the U.S. market for imports, measured in non-dollar currencies, will barely grow or possibly even decline. This means that Latin American countries hoping to expand their exports to the U.S. in the near future will mainly have to displace other exporters, which will be very difficult. So the United States does not have so much to offer in its proposed bilateral trade agreements. On the other hand, it is demanding concessions that are economically costly, as in the areas of patented medicines, where Washington insists on even stronger protectionism than is afforded by the World Trade Organization; and politically costly, as in agriculture, where the demands for opening up to subsidized exports from the U.S. have sparked considerable political opposition in most countries in the region.

**China has the potential to be an enormous alternative source of financing for investment in Latin America.**

At the same time, just as the growth of the U.S. import market will be slowing to a standstill, another market to which Latin American countries can export is expected to grow by about $1 trillion Euros over the next decade: China. This will reinforce the decline in the United States' relative economic importance to Latin America. Perhaps even more importantly, China has the potential to be an enormous alternative source of financing for investment in Latin America. So far the Chinese have proceeded relatively slowly; but they have discussed plans for $20 billion worth of investment in Argentina, for example, including major investments in railroads and infrastructure. The Chinese government now holds more than $800 billion in foreign exchange reserves. Most of this money is sitting in U.S. treasury bonds, where the government has lost tens of billions of dollars in the last few years—both from currency changes, as the dollar has fallen against other currencies, and capital losses, as U.S. long-term rates have risen. These trends are likely to continue. Until now, the Chinese have held these bonds as part of their overall economic strategy, which presumably has included keeping U.S. long-term rates low so as to support the economic recovery here (since 2001) and therefore increase demand for their exports. But this strategy will not persist indefinitely. As it stands now, the Chinese could invest hundreds of billions of dollars in Latin America, get a zero return on their investment, and still come out ahead as compared to their present strategy of holding U.S. treasuries. In reality they would most likely get a positive return. The Chinese are already interested and investing in energy and extractive industries to secure supplies of these materials for their booming economy. But as an emerging economic superpower, they may also come to see it as part of their strategic interest to have closer political and economic ties with

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**Chavez announced that he would meet with Ecuador's President Palacio to expand Venezuela's energy ties to Ecuador.**

Latin America. This would be especially true if current tensions between the United States and China get worse, but it is likely to happen in any case.

The energy and extractive industries in Latin America have also been deeply affected by the shift in regional power relations, with important economic and political implications. Although the run-up in energy prices has provided a strong incentive for governments throughout the region—including Venezuela, Bolivia, and Ecuador—to renegotiate their contracts and legal arrangements with foreign corporations, such moves would be more risky and probably less successful if the IMF consortium, and the United States government, had the power that it wielded just a few years ago. On May 16, 2006 the Venezuelan Congress voted to double the royalties on joint ventures with foreign oil companies, from 16.7 to 33.3 percent, thus increasing the government's total take to 50 percent. This was the second major hike for this heavy oil production, which a few years ago paid royalties of only 1 percent. The government is also demanding a controlling 60 percent stake in four joint ventures with foreign oil companies that account for about one-fifth of Venezuela's oil production. In Bolivia, even before the May 1 nationalization decree, last year's hydrocarbons law had already added hundreds of millions of dollars to the government's revenue by increasing taxes and royalties.

On May 16, 2006, the government of Ecuador announced that it would seize an oil field from Occidental Petroleum, the fourth largest U.S. oil company, as a result of a dispute in which Occidental is alleged to have illegally transferred part of an oil block that it operated to a Canadian company. Washington retaliated almost immediately by announcing that it was suspending negotiations with Ecuador over a proposed bilateral trade agreement.

It's not clear how much of a punishment this is; the negotiations had already become a big political liability for the government. In March, indigenous groups staged 11 days of protests—including highly disruptive roadblocks—demanding a halt to the negotiations, as well as a national referendum on whether to proceed, suspending the protests only after the government declared a state of emergency. On May 28, President Chavez announced that he would meet with Ecuador's President

Palacio to expand Venezuela's energy ties to Ecuador and its state-owned oil industry, Petroecuador. One proposed accord would allow Ecuador to refine oil at Venezuelan-owned refineries, which according to press reports could save Ecuador some $300 million a year.

National control over energy and other natural resources—and demands that these resources be used to benefit the poor majority—played a major role in the revolutions at the ballot box in both Venezuela and Bolivia. In Venezuela it was the driving force: although Venezuela has had a state-owned oil company since 1976, by the 1990s it was turning over so little revenue to the government that the state was not fiscally viable. Something had to give, but it was not until the elected government of Hugo Chavez had gone through a U.S.-backed military coup (2002) and an economically devastating oil strike (December 2002- February 2003) that the government finally gained control over its own nationalized oil industry. In Bolivia, mass discontent over the privatization and looting of the country's natural resources helped bring down two presidents and contributed to the election of Evo Morales. In Peru, populist candidate Ollanta Humala took first place in the first round of voting, partly by promising to get a bigger share from foreign mining and energy companies and use it to benefit the poor. With some of the largest mining companies there exempt from royalties altogether (although they pay other taxes),there is plenty of room for negotiation.

These struggles by various governments to capture more of the rents from energy and natural resources are likely to continue. Latin America's newfound economic and political independence has increased its bargaining power, and there is increasingly less reason to concede any more to foreign producers than is necessary to make use of technology that these governments need. The shift in power relations has already provided billions of dollars of gains to the region, and there is likely more to come.

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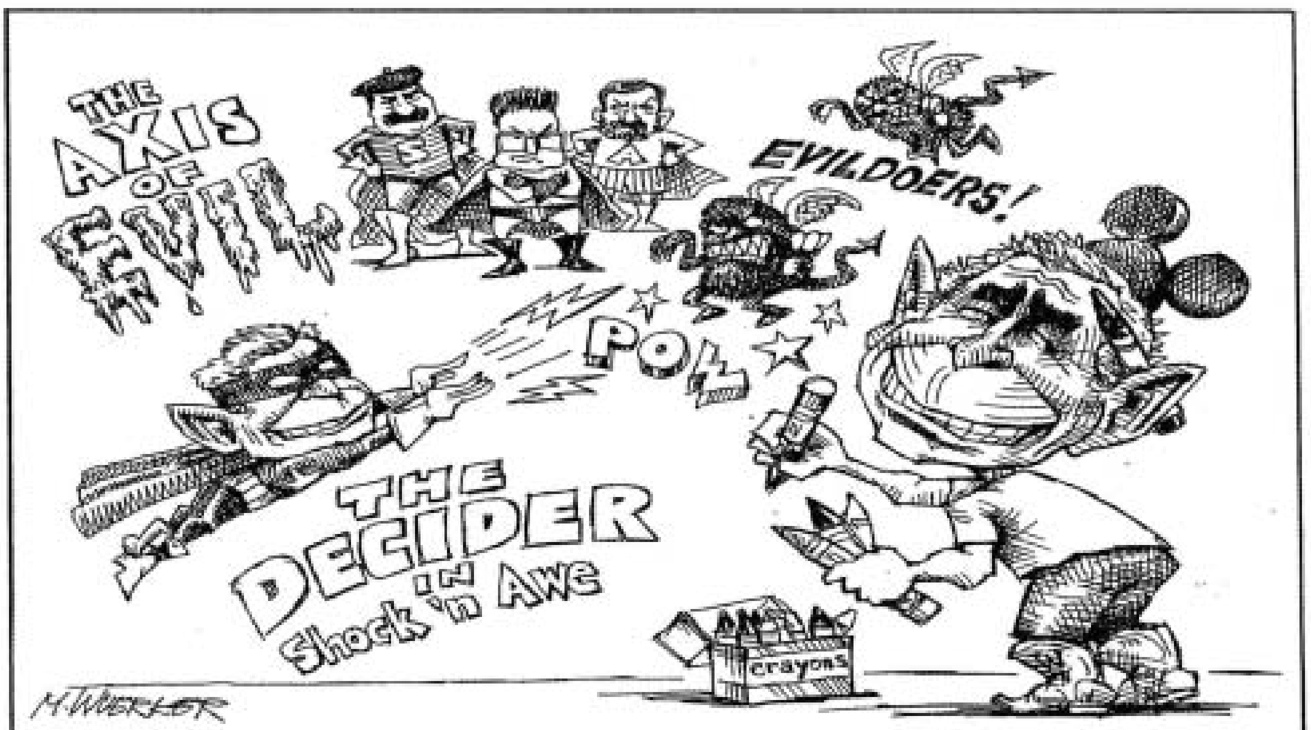


The U.S. dismisses Hugo Chavez's "comic strip" approach to international affairs. ----news item

# Haiti: Building a Surgical Nest on the Central Plateau

by Robert Boucher



**Robert Boucher**, an ear, nose, and throat surgeon, travels regularly to Clinique Bon Sauveur, the Partners in Health/ Zanmi Lasante medical facility in Cange, Haiti, where he performs head and neck surgery and serves as advisor for the organization's ongoing expansion of surgical services on the Central Plateau. He works in pharmacovigilance for the FDA and lives with his spouse Karen Wisniewski in Philadelphia.

Judill first noticed the lump in her neck after her third child was born. Now, ten years and three children later, the lump had become massive, obstructing both her breathing and swallowing. Judill, suffering from chronic iodine deficiency, endemic in Haiti due to lack of access to iodized salt, had developed an obstructing thyroid goiter that required surgical removal for definitive treatment. Having no means to pay for such care, she left her four surviving children with relatives in Port-au-Prince and, over the next three days, walked the 35 miles to Cange, on Haiti's Central Plateau, because she heard and trusted that she could receive the care she needed there.

Tracy Kidder's inspiring chronicle of Dr. Paul Farmer's work in Haiti, *Mountains beyond Mountains,* takes its title from the Haitian proverb "*dèyè mòn gen mòn* (beyond mountains there are other mountains)." This proverb speaks to the arduous and often daunting task of developing a comprehensive health care plan, and the projects to support it, in this chronically impoverished and resource-poor nation of 8.5 million people. The vast majority is without access to affordable, routine healthcare, let alone the type of specialized care expensive in any culture. Dr. Farmer, with the support of a few like-minded colleagues, founded Partners in Health and its Haitian sister organization Zanmi Lasante (Haitian Creole for Partners in Health) more than 20 years ago to bring comprehensive medical care to the community of Cange. The original PIH/ZL model, relying primarily on Haitian-born and trained healthcare providers, has been so successful that PIH has been invited into eight additional countries (including Rwanda, Peru, Russia, and Lesotho) over the years to replicate some or all of its programs in varied and difficult settings. In Haiti alone, PIH/ZL now oversees 10 clinics, which logged more than 1.3 million patient visits in 2007 alone. (Twenty years in, Partners in Health relies for continuing success on collaborations with other organizations, ministries of health, governments, and funding agencies).

The demand for PIH/ZL-sponsored healthcare on the Central Plateau is growing almost exponentially. The determinants of this demand are many: In a country where the per capita income averages one to two dollars per day, PIH/ZL, as a sign of solidarity with the poor, offers healthcare without a user fee, the only organization in Haiti that uniformly does so. PIH/ZL offers, to the best of its abilities, modern, comprehensive care to all who visit the clinical sites, and PIH/ZL has an extensive network of outpatient, community-based services (e.g., maternal-child programs and acute and chronic nutrition programs) that continue to expand on the plateau. Additionally, the political uncertainty and violence of the last several years, generally worst in Port-au-Prince, has prompted travel out of the city and to the relative safety of the countryside for those needing care.

## HAITI: BUILDING A SURGICAL NEST ON THE CENTRAL PLATEAU

When PIH/ZL first began offering healthcare with a "preferential option for the poor" in the mid-1980s, the emphasis was on the delivery of quality, general medical care to the poorest of the poor on the Central Plateau. The emergence of HIV/AIDS and drug-resistant tuberculosis during the same period compelled PIH/ZL to use much of its resources to develope effective, regional treatment programs for those suffering from these diseases. The effectiveness and reproducible success of the community-based PIH/ZL paradigm for the treatment of HIV/AID and drug-resistant TB is now internationally recognized by the public health community and modeled globally.

Maternal-child healthcare has also been a PIH/ZL priority from the beginning. Neonatal, infant, and maternal mortality rates in Haiti have historically been among the highest in the Western hemisphere, and a significant amount of PIH/ZL resources are used to improve peri-natal and long-term outcomes for mothers and their children.

*Dr. Paul Farmer leads a tour of new outpatient treatment facilities in Cange for delegates at the annual Partners in Health/ Zanmi Lasante Health and Human Rights Forum.*

General surgical services in the early days of PIH/ZL were largely ad hoc. As the initial emphasis on primary care transformed by necessity into a model required to manage the twin threats of HIV/AIDS and TB, elective surgical care was, by contrast, a relative luxury that the young, resource-stressed organization was unable to afford systematically. Nonetheless, the reality was that PIH/ZL, in order to properly care for women and their families on the plateau, had at least to provide reliable, modern obstetrical and gynecological services. It was essential, therefore, that infrastructure be built for labor and delivery and for operative interventions such as caesarean sections and obstetrical emergencies. These steps were taken, and now PIH/ZL provides comprehensive, obstetrical, and gynecological services on the plateau delivered by Haitian OB/GYNs, nurse midwives, anesthetists, and nurses.

## HAITI: BUILDING A SURGICAL NEST ON THE CENTRAL PLATEAU

The availability of operative infrastructure, the superb reputation of PIH/ZL, lack of affordable care elsewhere, and ongoing political and economic stress, especially in Port-au-Prince, have all contributed to a remarkable surge in demand for surgical services in Cange over the last few years. Each year has seen a significant year-over-year increase in surgical demand, and in 2007, more than 1,500 surgical procedures were performed in the two operating rooms at the Clinique Bon Sauveur alone. It became clear that an ad hoc approach to surgical services was no longer a viable option.

Partners in Health and Zanmi Lasante excel at developing rational and sustainable solutions to both chronic and emerging healthcare problems, so it is not surprising that a couple of years ago Paul Farmer and his Haitian colleagues began formulating a plan to systematically address the demand for surgical services on the plateau consistent with the overall PIH/ZL mission of a preferential option for the poor. At about this time, I had the good fortune of first meeting Paul in Philadelphia when I was beginning my career transformation from clinical private practice as an ear, nose, and throat surgeon to public health, which would allow me time to work with PIH/ZL. Paul generously invited me to visit Cange, and in 2006, I began traveling to Cange regularly to perform head and neck surgery and participate in the development of the comprehensive surgical plan for the plateau.

The goal of the PIH/ZL plan is both to expand and redistribute general and specialty surgical care across the plateau. Currently, the Clinique Bon Sauveaur in Cange performs the majority of non-obstetrical procedures, but, as Bon Sauveur is widely viewed in Haiti (and elsewhere) as the "mecca," the vast majority of those seeking surgical care come to Cange, straining the limited personnel resources and O.R. space, which are nearly overwhelmed by the growing demand. There are, however, additional sites on the plateau with operating rooms. Historically these have been under-utilized for a variety of reasons including lack of funding from the Haitian Ministry of Health and lack of available surgeons and support staff. The PIH/ZL surgical plan calls for a redistribution of some of Cange's surgical volume to the sites currently under-utilized. Like all PIH/ZL efforts, the plan aims to offer care to Haitians by Haitians in all but the most exceptional cases. To that end, Haitian general surgeons trained in the government's surgical residency program will be recruited and compensated in a man-

*Paul Farmer (right), Robert Boucher, and Joia Mukherjee, medical director of Partners in Health, discuss the surgical program for the Central Plateau.*

ner to foster retention. Additionally, they will be provided with the tools and resources needed to perform the procedures for the problems they will see most commonly. Zanme Lasante has also recently begun participating in a nurse-anesthetist training program sponsored by the Ministry of Health and supported by Doctors Without Borders that will produce the substantial numbers of anesthetists needed to staff the additional O.R.s as they come on-line for regular use.

Specialty surgical care will be a greater problem to solve. The in-country training programs produce only a handful of orthopedists, urologists, otolaryngologists, and plastic surgeons each year with most of them concentrated in Port-au-Prince where they are more likely to have access to the specialized equipment and facilities their respective specialties require. Additionally, to the extent that there are patients able to pay for services, they are more likely to be in the city rather than the countryside. Recognizing these barriers to providing specialty care on the plateau, PIH/ZL is working to develop a network of specialists, largely based on U.S. affiliations developed over several years, whose members will regularly come to Haiti to offer services. While this part of the plan is a general exception to PIH/ZL's goal of healthcare for Haitians by Haitians, those of us involved are hopeful that this strategy will primarily serve as a bridge to a time in the not too distant future when a more stable and well-resourced Haitian Ministry of Health can increase the number of specialty residents trained and collaborate with PIH/ZL to support placement at clinical sites on the plateau.

The obstacles encountered in developing a surgical program anywhere are formidable and are all the more so in a resource-poor setting such as the Central Plateau. Surgical programs generally require significantly more monetary resources per patient treated than do medical programs, and it will be an ongoing challenge for PIH/ZL to identify donors to grow and sustain the plan for the plateau. Such challenges are not new for this organization, which has had a remarkable history of successfully conjuring needed resources as new problems demanding solutions have arisen.

*The author performing a thyroidectomy in Canges, Haiti.*

The week my Haitian colleagues and I successfully performed Judill's thyroid surgery was a fairly typical one in Cange: we performed several additional surgical procedures including thyroidectomies, pediatric tonsillectomies, sinus procedures, and resections of head and neck cancers.

## HAITI: BUILDING A SURGICAL NEST ON THE CENTRAL PLATEAU

Patients formed a long line out the clinic door into the sunshine. Many, like Judill, had walked for days, mountains over mountains, to this place of hope; most would return home in a matter of days, their hopes realized.

The surgical plan for the Central Plateau will evolve over several years and, as prior history is the best predictor of future events, Partners in Health and Zanme Lasante will almost certainly succeed once again in providing a caring and effective preferential option for the poor. And while there are indeed mountains beyond this mountain, those accustomed to ways of PIH/ZL are confident that "piti, piti zwazo fè nichli," little by little the bird builds its nest.

Suggested resources

*For additional information contact Partners in Health at www.pih.org. The best account of Dr. Paul Farmer's commitment to the people of Haiti and the development of Partners in Health/Zanmi Lasante is found in Tracy Kidder's* Mountains Beyond Mountains (Random House, 2003). *The best single source of the history of Haiti viewed through an economic and social justice prism is Paul Farmer's* The Uses of Haiti (Common Courage Press, 1994; updated 2005).

## HURRICANES DAMAGE HAITI

Haiti has been severely damaged by four hurricanes. People are without food and shelter. We recommend that those who are interested send donations for relief supplies to one or all of the following websites: You can also send via mail to Haiti Konpay.

1) Paul Farmer's project, Partners in Health: http://www.pih.org/inforesources/news/Haiti_Hurricanes_2008.html.
2) http://www.DoctorsWithoutBorders.org
3) http://www.UNCommitteeonHumanRights.org.
4) Haiti Konpay, 7 Wall Street, Gloucester, MA 01930


© Cartoon by John Jonik www.mindfully.org

# Haiti: Remembering President Aristide

by Ronald Coburn

*(Editors note: This piece was previously published in the Pledge newsletter under the title, "Kite Ayiti Viv Has Been Ambushed." We will frequently republish an article remembering events in the past that have changed history.)*

**HAITI: REMEMBERING PRESIDENT ARISTIDE**

This could be a time to celebrate. It is the 200th anniversary of the Haitian slave revolt against their masters. Instead, we are now mourning both the loss of the democratically-elected Haitian president, Jean-Bertrand Aristide, who was forced from his position, and the hope of the poor of Haiti voiced in their chant, *kite Ayiti viv* (let Haiti live). And it is even sadder that our country was involved in this coup d'etat. I have memories of my first trip to Haiti just after the 1991 military coup that removed President Aristide from office and from Haiti. I was told that a first exposure to life in Haiti would bring tears, and this was correct. During this trip, Amnesty International people took depositions that revealed all the horrible things that people can do to other people. The poor live in indescribable poverty. If you don't work one day, your family doesn't eat the next day. The situation seems similar now. I can remember the hope of the Haitian people and those interested in helping Haiti when President Aristide returned to Haiti in 1994 with some support of the U.S. government and the U.S. Marines. There were promises of generous economic aid that would help make governing and development of democratic institutions possible. I can remember meeting Aristide when he visited in Philadelphia, a mild mannered, likeable man who had the persona of a caring priest. He seemed, at that time, driven to help the poor in Haiti. Haitian people believed this, and they elected him president twice, in legal U.N. monitored elections, each time with over 90 percent of the vote.

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What happened? You certainly won't find out from reading most U.S. press accounts that seem to be written either by people not familiar with Haitian history or politics or who have a political agenda. I recommend two books: *Rainy Season* by Amy Wilentz (Simon and Shuster) and *Pathologies of Power* by Paul Farmer (Univ. of California Press), and any op-ed pieces written by Tracy Kidder.

There was trouble almost immediately after Aristide returned to Haiti. The World Bank-International Monetary Fund people demanded privatization of the airport and postal service. Aristide refused. The U.S. Marines when they occupied

Haiti had seized thousands of pages of documents that incriminated Haitians involved in the 1991 military coup and human rights violations. For unknown reasons, the U.S. State Department refused to release these documents to the Aristide government. Aristide had abolished the army, but U.S. soldiers did not, or could not, help disarm Haitians involved in the coup. A police force was formed, but as time went on, there was little money to support it.

## HAITI: REMEMBERING PRESIDENT ARISTIDE

Looking back, it is obvious that Aristide had most of the cards stacked against him. He was committed to social programs aimed at the poor. His speech on land reform triggered the first coup. Haitian citizens are polarized in that approximately 1 percent of the people, the wealthy "elite," live in walled communities, speak French (often not Creole), have access to medical and educational institutions in Miami and the U.S., and are comfortable with U.S. officials and corporation people. Of course, most of the elite opposed President Aristide, and the current coup can be viewed as a chapter in their class war. President Aristide, trained as a Catholic priest, adopted liberation theology and was defrocked by the Catholic church. So the church, in this most Christian of countries, did not support him. Finally the U.S. government has not been supportive of President Aristide, as has often been the case with other democratically elected leaders in our hemisphere.

The role of our government in Haiti in the past, and at the present time, is a shame for U.S. citizens. Paul Farmer notes that monetary aid flowed freely in the days of the Duvalier U.S.-friendly dictators, ceased when Aristide was elected president in 1990, resumed in days after the coup, then ceased after President Aristide was returned to the presidency. The promised economic aid never materialized. Our government organized an international aid embargo. As a result, the Aristide administration simply did not have the money to effectively govern Haiti. First we heard that money transfers were held up due to the rejection of the privatization demand and the demand for structural readjustment, later because of political instability and accusations of manipulations in the May 2000 parliament elections. About 500 million dollar transfers were blocked, which included loans that required interest payments and non-interest grants directed to improve medical care including their AIDS program and for education.

*Jean-Bertrand Aristide and President Bill Clinton prior to Aristide's departure for Haiti, October 14, 1994, Washington, D.C.*

**HAITI:**
**REMEMBERING PRESIDENT ARISTIDE**

Certainly, economic sanctions and embargos have been used by the U.S. government in the past to achieve political and corporate ambitions. Farmer has movingly described the effect of the economic sanctions on Haitian people where the medical and educational programs and law enforcement could not operate. Haiti's fragile economy collapsed, which engendered political chaos, starvation, and health crises. In addition to this, ominously, it became clear that the U.S. was supporting a political party, the Democratic Convergence, that opposed President Aristide and his base of support, the Lavalas party. It is public knowledge that U.S. funds flowed to the Democratic Convergence party, reputably made up, in part, of FRAPH people—Ton Ton Macoutes, who were loyal to the Duvalier dictators, and former soldiers, all of whom were involved in the 1991 military coup. Now we are hearing allegations, still not proven, that the U.S. supplied arms and training via the Dominican Republic that supported the coup makers.

Over the past years there have been political murders. The disputed parliamentary election led to the dissolution of the parliament. The failure of law enforcement led to anarchy, and, finally, both pro- and anti-Aristide bands roamed, pillaged, and terrorized. The Organization of American States tried to mediate with pro- and anti-Aristide leaders and recommended that the embargo be lifted. Members of the U.S. House of Representative's Black Caucus introduced legislation that would have ended the embargo. But our Republican-dominated Congress never allowed these bills to get out of committee.

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**There is evidence of direct U.S. actions aimed at overthrowing the Aristide government.**

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Finally, there is evidence of recent direct U.S. actions aimed at overthrowing the Aristide government. Our secretary of state announced, "Frankly, there is no enthusiasm for sending in military or police forces to put down the violence," giving permission for the continuation of the insurrection. Our leaders than announced that President Aristide must resign. Then our troops intervened resulting in the direct removal of President Aristide from the National Palace and out of Haiti.

# Guatemala: Indigenous People Killed in Rio Negro Massacre

**GUATEMALA:** INDIGENOUS PEOPLE KILLED IN RIO NEGRO MASSACRE

by Kimberly Kohler and Josh MacLeod

*Editor's note: This article was previously published by The Network in Solidarity with the People of Guatemala, Summer 2008.*

After three years of bureaucratic suspension and six months of hearings, five ex-civil patrollers were sentenced to 780 years in prison by the Sentencing Tribunal in the highland county of Salama, Guatemala, on May 28, 2008.

The tribunal found insufficient evidence to convict a sixth accused. The six have been on trial for their participation in the massacre of 177 Maya-Achi women and children from the village of Rio Negro in the county of Rabinal, Baja Verapaz, on March 13, 1982.

The massacre of Rio Negro women and children is one of 626 documented massacres perpetrated during the bloodiest of Latin America's civil wars in which 250,000 people were killed or disappeared. Guatemala's 36-year-long internal, armed conflict developed within the international context of the Cold War, lasting from 1960 to 1996. As part of Guatemala's peace accords, the U.N. sponsored a truth commission report called the Commission for Historical Clarification (CEH) which found the Guatemalan army and paramilitary forces responsible for 93 percent of the atrocities.

Referring to the CEH report, the Salama tribunal situated the Rio Negro case within Guatemala's tragic history. At the height of the violence, between 1980 and 1983, the Guatemalan army designated the county of Rabinal as a strategic region in an effort to combat the threat of "international communism" posed by insurgent guerrilla combatants. The Guatemalan army assumed that the indigenous civilian population was supporting the guerrillas and thus defined them as an "internal enemy"; as such, they were targeted for elimination.

As a part of carrying out their strategy, in 1981, the army organized what they called civilian self-defense patrols (Patrullas de Autodefensa Civil-PAC). The PACs were paramilitary organizations in which mainly indigenous, civilian men between the ages of 15-65 were forced to serve. The PACs patrolled villages and the countryside for guerrilla insurgents and their civilian supporters as well as accompanied the army on missions. At the height of the violence, the Guatemalan army

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militarized about 1.5 million civilians in the PACs. The six Maya-Achi men on trial were PAC members from the village of Xococ, which neighbors Rio

After organizing the PACs, the army and the PACs carried out various massacres of the civilian population in what became known as a scorched-earth policy. In the early 1980s, the county of Rabinal alone experienced 28 massacres in which some 5,000 people were killed representing almost 20 percent of the population; according to the CEH report, 99.8 percent of the victims were indigenous Maya-Achi. The March 13, 1982 massacre in the village of Rio Negro was just one of five massacres suffered by its inhabitants; totaling at least 444 assassinations of a total population of around 800.

**GUATEMALA:**
INDIGENOUS PEOPLE KILLED IN RIO NEGRO MASSACRE

The five ex-PAC members condemned for the March 13 Rio Negro massacre will only serve 30 of the 780 year sentence due to a 1969 law that sets the maximum penalty for the crime of assassination at 30 years. The 780 years is a symbolic act by the court, the sum of 30 years for each of the 26 forensically identified victims from the massacre. In its closing arguments, the prosecution requested a 5,310 year sentence for each of the accused: 30 years for a total of 177 victims of the massacre.

During the actual sentencing, a court spokesperson read the names of the 26 identified victims before condemning each of the five ex-civil patrollers to 780 years, finding them directly responsible for the crime of assassination. The five guilty ex-patrollers are: Macario Alvarado Toj, Pablo Ruiz Alvarado, Francisco Alvarado Lajuj, Tomas Vino Alvarado and Lucas Lajuj Alvarado. Bonifacio Cuxum Lopez was acquitted.

*The tribunal sent these men to prison for the Rio Negro massacre.*

Summing up witness testimony, the tribunal cited the premeditated nature of the crime and the intention of the Guatemalan army with the participation of civil patrollers to kill the people of Rio Negro. The court declared the testimony of the survivors “more than believable,” a powerful declaration in a country silenced by decades of fear and denial.

In addition to the 30-year sentence, the guilty will have to pay civil reparations of 100,000 Quetzales (about $13,000) to the families of each of the 26 identified victims. Recognizing the evident poverty of the condemned Maya-Achi men, the presiding judge said that it will be difficult for them to actually pay this reparation.

**GUATEMALA:**
INDIGENOUS PEOPLE KILLED IN RIO NEGRO MASSACRE

**"In this country justice is only applied if the accused are indigenous."**

Although the sentencing of the ex-PAC members who participated in the Rio Negro massacre may seem like a triumph for justice in Guatemala, they are actually the least of the guilty parties. The civil patrollers are the material authors of the massacre, those who carried out the orders coming from the military chain of command. In other words they pulled the trigger.

In this sense, the condemnation of the five ex-PAC members is bittersweet for the Rio Negro survivors. Empathizing with the condemned, one massacre survivor said, "We are all human beings. They are just like us: poor and indigenous. Their families will suffer because of their absence." Highlighting the impunity that exists in Guatemala, a witness declared in his testimony, "In this country, justice is only applied if the accused are indigenous. No one dares to prosecute the intellectual authors." The intellectual authors are the military officers who planned and ordered the massacres. In fact, not a single intellectual author of the violence—dictators, army officers, police chiefs, etc.—has been brought to trial, despite several ongoing cases against them. This same witness concluded, "If our country is really a democracy, then shouldn't there be equal access to justice?"

Beyond sending even more poor indigenous folks to jail, the Rio Negro witnesses hoped the accused would reveal their knowledge about the military chain of command to use in court against the officers who planned the violence. Unfortunately, the ex-PAC members have maintained silence and thus fostered continued military impunity.

In fact, a number of the Rio Negro witnesses are also witnesses in several cases accusing two ex-dictators and their military high commands of genocide and crimes against humanity. The witnesses are members of a national organization of survivors from five of the hardest hit regions during the violence called the Association for Justice and Reconciliation (AJR). The AJR is a plaintiff in three national and international genocide cases that have so far lingered in the initial investigative phase for seven years.

In the Rio Negro case, Captain Jose Antonio Solares Gonzalez was the ranking officer at the Rabinal military base at the time of the massacre and was responsible for this and numerous other massacres committed in the area. Solares remains a fugitive from justice despite a pending arrest warrant for his capture, which has not prevented him from collecting and cashing his military pension checks. The Salama Tribunal reiterated the call for his capture and trial, as well as that of two other ex-PAC members from Xococ, Ambrosio Perez Lajuj and Domingo Chen.

In closing remarks, the presiding judge acknowledged the pain and suffering of both accusers and accused caused by the judicial process. Tacitly recognizing the threats still faced by the witness from the family members of the accused, he called for a peaceful return to everyday life after the sentencing. The judge implored that the sentence not bring more pain and violence to both affected parties, as Guatemala and Rabinal in particular have already suffered too much.

# Guatemala: Did You Know?

Guatemala has the most unequal land distribution in the Western hemisphere with large landowners who comprise only 2 percent of the population possessing over 70 percent of the productive land. Attacks against human rights defenders in Guatemala are dramatically increasing.

On the 11th anniversary of the signing of the indigenous accord, tens of thousands of workers, farmers, and indigenous people marched in Guatemala City to demand the strengthening of indigenous rights, to demand restriction of open pit mining which is appropriating their land, and to demand that the Ministry of Agriculture purchase land for redistribution.