

HEMISPHERE HIGHLIGHTS

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Upcoming Events

October 17

10:00 a.m.-11:30 a.m.

Cuba Outlook Conference:
"Raúl and Beyond"

November 14

9:00 a.m.-2:00 p.m.

"Controlling Corruption in
Local Governments
in Latin America"

"The 2008 CPI underscores the persistent problem that corruption poses to governance and development in the region."

Headlines

Transparency International releases its 2008 Corruptions Perception Index, which illustrates the persistent problem of corruption in the Americas. A federal election is called in Canada, to be held on October 14. Demonstrators march in Mexico to protest rising violence, and the Mexican Supreme Court upholds a law allowing abortion. Hurricanes cause devastation in Haiti. President Daniel Ortega of Nicaragua moves to eliminate the legal standing of his two main opposition parties. Russian bombers perform military exercises in Venezuela, and the two countries announce closer relations with a series of bilateral agreements. Speculations over President Álvaro Uribe's political future continue in Colombia, and a new arrest is made in the country's ongoing "parapolítica" scandal. Bolivia expels the U.S. ambassador from the country, widening the political rift with the United States. A nationwide referendum approves a new Leftist constitution in Ecuador. The government of Chile takes action to combat an endemic fish virus that is affecting commerce. Legislative power begins to revive in Argentina.

Regional

On September 23, Transparency International released its 2008 Corruptions Perception Index (CPI). This report measures the degree of public corruption as perceived by the business community and country analysts in 180 countries of the world. The CPI charts country rank order from 1 to 180 and a country score ranging from 10.0 (least corrupt) to 1.0 (most corrupt). In 2008, Denmark, New Zealand, and Sweden were tied for first place with a score of 9.3, while Somalia rated 180th with a score of 1.0. Scores for the Western Hemisphere were largely similar to those of the 2007 CPI. In the Americas (not counting the United States), six countries scored in the top quartile in terms of country rank: Canada, St. Lucia, Barbados, Chile and Uruguay (tied), Saint Vincent, and the Grenadines and Dominica, in descending order. There were nine countries in the Americas in the second quartile, eight in the third, and four in the bottom quartile (Paraguay, Ecuador, Venezuela, and Haiti, in descending order.) Comparing 2007 with 2008, several Caribbean countries showed substantial improvement: Dominica (+0.4) and Saint Lucia (+0.3), while no other countries rose or fell by more than 0.2. *The 2008 CPI underscores the persistent problem that corruption poses to governance and development in the region, especially to the countries of Latin America. Only three Latin countries (Chile, Uruguay, and Costa Rica) achieved a score of 5.0 or better, and nine came in at 3.0 or lower. These scores point to the importance of regional efforts to promote greater transparency and ethics, including support for the Follow-Up Mechanism of the Inter-American Convention Against Corruption (MESICIC).* Peter DeShazo

Recent Events

October 1

Brazilian Health Minister
José Gomes
Temporão

“Harper has repeatedly stated that he expects the outcome of the election to be another Conservative minority, but the reality is that the Conservatives called this election with the intention of vying for a majority government.”

North America

Canada

On September 7, Prime Minister Stephen Harper dissolved Parliament and called Canada's 40th federal election in the hopes of strengthening his party's mandate. The Conservatives have been in power since spring of 2006—their first mandate after a 13-year Liberal reign. However, with a 127-seat minority in Parliament, the government has been constricted in its initiatives by the need to secure the support of opposition parties in order to pass legislation. With an unstable Parliament and the recent unveiling of an ambitious new climate change plan by the Liberal opposition, speculations of an election have been stirring in Canada for some time. Last week, the leaders of Canada's five major political parties—Conservative, Liberal, Bloc Québécois, New Democratic Party (NDP), and the Green Party—faced off in official televised debates in both French and English. Latest polls show the Conservatives with 37 percent support, just shy of the 40 percent that is considered the minimum required to achieve majority government status. The Liberals are currently polling 22 percent support, with the NDP, Green Party, and Bloc at 18, 12, and 9 percent respectively. The election is scheduled to take place on October 14. *Though he cited the dysfunctionality of Parliament as the reason for calling an election, the prime minister's decision was strategic in opting to choose the timing of the contest rather than being forced into an election by the opposition parties through a no-confidence vote in Parliament. Harper has repeatedly stated that he expects the outcome of the election to be another Conservative minority, but the reality is that the Conservatives called this election with the intention of vying for a majority government, and they decided that they would stand a better chance in an early election—particularly under the looming shadow of economic downturn. This election comes at a time when the left-wing opposition in Canada is fragmented, with Liberal supporters disenchanted with party leader Stéphane Dion's lackluster performance and drifting toward NDP and Green Party alternatives. However, the Conservative Party needs to win an additional 28 seats to achieve majority status, and their polling figures have only increased marginally since the start of the campaign. Most recent polls show that the Conservatives have stalled in Quebec, a province in which they hoped to make gains significant enough to move them into majority territory. If they are unable to increase their support in this province, they will need to make inroads in both of the other two electoral battlegrounds of Ontario and British Columbia in order to avoid an election outcome that marks no significant change in Canada's parliamentary landscape.* Jessica Horwitz

Mexico

Following a month dominated by news of high-profile murders in states across Mexico, on September 30 President Felipe Calderón presented a broad security bill to Congress in an effort to intensify the country's war on crime. The bill is designed to reduce police corruption and facilitate communication among law enforcement agencies. It is one of a series of measures the Calderón administration has taken to improve the apprehension, prosecution and conviction of criminals in Mexico, where drug traffickers have escalated attacks against public officials and rival groups in recent months. On August 21 the government unveiled the *Acuerdo Nacional por la Seguridad, la Justicia y la Legalidad*, which outlines roles for federal, state, and local government agencies, the police, and civil society in promoting a Mexican culture of law. But although the government also has dispatched several thousand police and soldiers to hotspots to fight the drug traffickers, citizens remain worried over kidnappings, carjackings and violent assaults. Thousands participated in marches across Mexico on

August 30, calling for authorities to fulfill promises to hold biannual assessments of the national effort to combat delinquency and to remove officials who do not produce results. Following an assessment of accomplishments during the *Acuerdo's* first month, on September 19 the Consejo Nacional por la Seguridad approved plans for a national strategy against kidnapping. As debate on the proposed security legislation moves forward, civil society groups continue to press for enhanced participation in the fight against delinquency. *The August 30 march was the second to focus on security issues in recent years. In 2004 civil society groups organized demonstrations to highlight security concerns in Mexico, with then-President Vicente Fox agreeing to ten measures to fight crime and violence in the country. But many who joined the event on August 30 said that the government had not done enough to control crime in Mexico since the 2004 agreements. Shortly after the marches France announced that it was finalizing an agreement to provide Mexico with police training and information exchange in order to improve the security situation in the country. And organizers of the marches reported that meetings with President Calderón have advanced plans to establish a state-funded but autonomous entity that will facilitate civil society participation in the fight against delinquency. Citizen participation, bilateral agreements, and plans for regional technical cooperation through the Mérida Initiative may contribute to a more comprehensive cure for Mexico's current violence epidemic. With 80 percent of those recently polled reporting that they or someone they know has been a victim of crime over the past year, expectations are high.* Katherine E. Bliss

“As debate on the proposed security legislation moves forward, [Mexican] civil society groups continue to press for enhanced participation in the fight against delinquency.”

On August 28, Mexico's Supreme Court upheld a Federal District abortion law that allows women to have an abortion for any reason during the first 12 weeks of pregnancy. The court's eight to three decision comes more than a year after Mexico City's legislature passed the original law on April 24, 2007. After the law was initially passed, the federal attorney general's office and Mexico's human rights commission filed a formal objection, citing that the prohibition of the death penalty in the constitution extended to the rights of unborn children. In accordance with the Federal District Law, the procedure currently is provided to women free of charge at city hospitals and clinics, while private hospitals are required to offer the service but may charge a fee. However, doctors with ethical or religious objections are not required to perform the procedure. Since the Mexico City legislature, dominated by the Leftist Partido de la Revolución Democrática (PRD), passed the original law, 14 public hospitals have performed 12,500 free abortions, mainly to poor women. Because the service is available to all Mexican women and not just Federal District residents, women from different states are traveling to the capital for the service. *The original law was a landmark decision in this heavily Catholic country as well as in Latin America as a whole. Now, apart from Cuba, Guyana, and Puerto Rico, Mexico City is the largest entity in the region to allow abortion on demand in the first trimester. The Supreme Court's ruling is final. Implementation of the law, even before the court's ruling, has not been without problems, however. Some 85 percent of gynecologists in public hospitals have refused to provide the service, leaving only 35 doctors who offer the procedure in public facilities. Women seeking the procedure have complained about crowded public hospitals and hostile doctors. Wealthier patients, citing distrust in the public health system, still prefer private clinics, places where clandestine abortions for those who could pay have occurred for years. Nevertheless, the ruling may set a precedent, allowing state legislatures to follow the Federal District's example. While all states currently allow abortion in the case of rape, only Yucatán has further exceptions, allowing women living in poverty to access the service. Because the fate of abortion laws lies at the state and not federal level in penal law, the ruling could affect the status of women's rights across the country as other legislatures follow Mexico City's example.* Cassia Roth

“Because the fate of abortion laws lies at the state and not federal level in penal law, the ruling could affect the status of women's rights across the country.”

Central America & Caribbean

Haiti

More than 425 Haitians died as a result of Hurricanes Fay, Gustav, Hanna, and Ike this summer, with some 800,000—10 percent of the small island nation's population—uprooted by the storms. These hurricanes hit at a precarious time in Haiti's troubled political environment as President René Préval was just pulling out of a four-month political crisis that had paralyzed the government after food riots in April 2008 forced the resignation of Prime Minister Jacques-Edouard Alexis, leaving a divided Parliament to choose a new leader. Gonaives, one of Haiti's major population centers, bore the brunt of hurricane damage. The 2008 rice harvest has been destroyed, as have other crops in the area surrounding Gonaives, which is considered Haiti's breadbasket. Recent assessments suggest that the city may never recover and that the urban population may disperse to Cap Haitien in the north and Saint Marc in the south. The damage is described as being as great as the 2004 Tsunami that buried the Indonesian island of Aceh in mud. Today, the greatest fears are famine and a public health emergency, as the potential for waterborne epidemic disease is real. The United Nations, whose Haiti peacekeeping force, MINUSTAH, remains in the country to stabilize security and support the rebuilding of the government, may now see its mandate expanded to support what will be a long-term humanitarian mission. *Although donor governments have provided emergency aid—food and humanitarian supplies—for those displaced by these recent natural disasters, it is clear that ongoing support may not be sustainable. The next few months could be marked by famine as Haiti runs out of supplies and potential food riots create the perfect storm for continued political upheaval. The international community may soon be forced to consider what can be done to address the more profound questions about Haiti's survival as the witches' brew of climate change, food insecurity, and poverty overtake an unstable country only 200 miles from the U.S. border.* Johanna Mendelson Forman

“The next few months could be marked by famine as Haiti runs out of supplies and potential food riots create the perfect storm for continued political upheaval.”

Nicaragua

In September, Nicaraguan president Daniel Ortega applied to the country's Supreme Electoral Council to cancel the legal standing of two opposition political parties, the Sandinista Renewal Party (MRS) and the Conservative Party. The allegedly independent Council—which is packed with Ortega's own party members—eliminated the official standing of these two parties based on some questionable rulings about filing deadlines. By eliminating his challengers, leaving only the Sandinistas and the Liberal Party to compete, Ortega has laid the foundation for his continued electoral victory and a greater chance to change the constitution to allow for reelection. This move further consolidates his power to deepen his control over other institutions, including the army, the police, and the judiciary. *The 2006 election of Daniel Ortega, which he won with only 38 percent of the vote running as a candidate of the old Sandinista National Front (FSLN), marked a turning point away from progress in democratic governance in Nicaragua as Ortega and his Liberal Party crony, former president and convicted felon Arnoldo Alemán, made a Sandinista revival possible. In 2008, in his second term as president, Ortega has again reverted to the tactics of a bygone era by trying to impose his will on a political system that in 1990 rejected his autocratic tendencies. He has openly courted Russia, in part to show loyalty to a former political patron—Nicaragua is the only country besides Russia to recognize the rebellious provinces of South Ossetia and Abkhazia as “sister republics.” It is not coincidental that the financing for some of Ortega's political moves reportedly comes from unaccountable funds that he and his party have garnered from the generous sales terms Nicaragua receives from Hugo Chávez's Petrocaribe oil program. Nicaragua under Ortega poses an increasingly difficult challenge for U.S. policy. Beyond Nicaragua itself, Central America, an important regional trading partner for the United States, will require greater attention in the future as it continues to suffer the impact of higher food prices, rampant poverty, and transnational crime.* Johanna Mendelson Forman

“In 2008, in his second term as president, Ortega has again reverted to the tactics of a bygone era by trying to impose his will on a political system that in 1990 rejected his autocratic tendencies.”

South America

Venezuela

Two Russian strategic bombers flew to a military base in Palo Negro, Venezuela, on September 10, marking the first occasion since the end of the Cold War that such aircraft landed in the Western Hemisphere. The Tupelov-160 Blackjack bombers were escorted by NATO fighters as they flew through international airspace on their way to Venezuela. Their arrival occurred days after Russia announced that it would send a naval squadron and anti-submarine aircraft to Venezuela for joint exercises in November. The Russians conducted training flights over neutral waters for several days before returning home on September 18. They did not carry live weapons on the mission, nuclear or otherwise, according to Russian military spokesmen. The exercises come on top of arms contracts worth more than \$4 billion that Venezuela has signed with Russia during the past few years. *Recent circumstances appear to play a role in the timing, if not the rationale, for the exercise. On July 12, the U.S. Navy officially reactivated its Fourth Fleet in Latin American and Caribbean waters, 58 years after its dissolution. The decision to send the bombers also came shortly after U.S. warships arrived in Georgia to deliver aid following its war with Russia last month. Nevertheless, the invitation to Russia appears to stem chiefly from President Hugo Chávez's desire to demonstrate that he has powerful international allies and to provoke a response from the United States, which has largely ignored his public taunts and criticisms. President Chávez called the military maneuvers part of a move toward a "pluri-plural" world and reiterated past accusations of American interventionist intentions in Venezuela. In his weekly radio show, Chávez explained the invitation to the bombers as a means to support the work of "a strategic ally." The move also has meaning closer to home: the bombers send a message of strength to Colombia and reassurance to Bolivia about Venezuela's military capabilities. They arrived a day before Chávez expelled U.S. ambassador Patrick Duddy from the country, in solidarity with Bolivia's previous identical action. While it is unlikely that Venezuela or Russia seeks a permanent Russian military presence in the country, cooperation between the two countries seems set to increase in the near future. (For an analysis of this cooperation, please see article below.)* **Matt Potter**

This month, Venezuela and Russia announced plans to strengthen their strategic alliance with several bilateral agreements. The countries will cooperate to jointly explore several Orinoco oil fields, increase Venezuelan weapons purchases, hold joint military exercises in the Caribbean, and even use Russian wireless technology for communications in Caracas. Russia has reportedly offered Venezuela \$1 billion in credit to buy additional weapons including air defense systems and armored personnel carriers. President Chávez has also announced plans to purchase Chinese fighter planes and to sell additional petroleum (1 million barrels per day by 2012) to China as well as help build another refinery there. *Although Russia has denied that events in Georgia (the Kremlin is obviously frustrated over the presence of NATO and U.S. naval vessels in the Black Sea) have any connection to the planned naval exercises with Venezuela, Moscow seems to have put additional emphasis on efforts to strengthen ties with Venezuela, Cuba, and other Latin American countries. For his part, Chávez has said that Latin America was freeing itself from the "imperial" influence of the United States and needed Russian friendship. The Venezuelan president is pulling out all of the stops to distract his countrymen from an array of problems and to shore up his own shaky position prior to local and regional elections scheduled for November 23. His late September visits to China, Russia, and Cuba, the decision to expel Ambassador Patrick Duddy, and the decisions to resurrect supposed assassination plots are all efforts to divert attention from the country's failing economy and increasingly isolated position in the hemisphere. It remains to be seen how this will all play out in the November elections, campaigning for which got underway officially on September 23. The opposition is already complaining that the government is using state resources, including TV and radio, to help official candidates. Even under these difficult circumstances, early indications are that the opposition is likely to win at least some important governorships and mayoral slots.* **Lowell R. Fleischer**

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“Clearly, for all of his success in lowering violence and improving Colombia’s economy, Uribe thinks there is much more to do.

Colombia

President Álvaro Uribe will seek a third presidential term, according to Colombian news commentators. The president himself has so far refused to state his intentions clearly. A year ago, he said he would compete again in 2010 only if the country faced disaster. On other occasions, he has made reference to the need for new faces in politics and for leaders not to perpetuate themselves in office. As recently as early September he said he would not let the issue of his reelection stand in the way of needed judicial and political reforms. Yet, Uribe has allowed Luis Guillermo Giraldo, the leader of the largest party in his congressional coalition, to collect more than 6 million voter signatures on a petition calling for a national referendum. If approved by the Congress and the Constitutional Court, Giraldo’s initiative would amend the constitution and permit the incumbent to run once again. Under this scenario, Uribe’s administration, which began in 2002, could last until 2014. Those who conclude that Uribe wants that outcome point to other recent presidential statements. Without ever explicitly endorsing the referendum, the president has said he “would never turn (his) back on the Colombian people,” who, according to polls, consistently support him by more than 75 percent. In what are interpreted as purposely ambiguous statements, he has proposed stepping aside if his diverse group of supporters rally around one single candidate to carry on his legacy or if some arrangement could be found allowing him to run again in 2014 after one term by one of his followers. *Clearly, for all of his success in lowering violence and improving Colombia’s economy, Uribe thinks there is much more to do. His specific targets include fully ending the Revolutionary Armed Forces of Colombia (FARC) insurgency and winning a free-trade agreement with the United States. In a more defensive vein, he no doubt knows that Colombia is still a very hard country to govern. Indeed, some of his supporters believe that, once he does “turn his back on Colombia” and announces when he will give up office, his power will quickly slip away amid the atmosphere of recrimination and accusation now reigning in Colombia. The problem is that by not sticking with previously settled constitutional norms barring reelection, he helps those in Colombia and abroad who delight in picturing him as undemocratic. In fact, his record is good, and his words can even be eloquent in defending democratic principles. Last week, he stopped in Central America on the way back from his annual trip to the United Nations and urged a business audience to resist the “Right-Left polarization” now plaguing Latin America. His actions are unfortunately weakening the development of political parties in his own country. The fresh political debate about the future of Colombia won’t take place until he announces that he will step aside.* **Phillip McLean**

“More than 60 members of the Colombian Congress are under arrest or under investigation—the so-called *parapolítica* scandal.”

Guillermo Valencia Cossio, the brother of Colombian justice minister Fabio Valencio Cossio, was arrested on September 25 on charges related to alleged links with paramilitary groups. The younger Cossio, a former prosecuting attorney, was found to have been having conversations with paramilitary leaders. He is accused of illegal enrichment and possible obstruction of justice. The elder brother just recently entered President Uribe’s cabinet with the mandate to concentrate his efforts on reform of the country’s justice system, a key to overcoming 20 years of narcotics-fueled violence and corruption that has deeply undermined the country’s institutions. There seems to be no end to the investigations. More than 60 members of the Colombian Congress are under arrest or under investigation—the so-called *parapolítica* scandal. The scandal has heated up tension between the president and the judicial branch since many—though certainly not all—of the accused members are part of the government’s political coalition. In October 2007, the court pressed charges against President Uribe’s political associate, Senator Mario Uribe, a second cousin of the president. He was arrested March 22. Members of the Supreme Court criticized the president for being too involved in the legal process against his cousin, while the president vehemently denied these allegations, accusing one of the court’s investigating magistrates of attempting to bribe a witness to implicate the president. Another

investigation is getting under way of Nancy Patricia Gutiérrez, president of the Congress, and Carlos García Orjuela, a leader of Uribe's political party, the "U." *Various members of Congress have recently given up their seats so that their cases will be considered by the attorney general's office. Apparently there is a fear that the Supreme Court's role of investigating and trying leads to more severe treatment. The same penal "sala" of the court becomes, in effect, both an accuser and a trial judge (a "doble instancia"). According to members of Congress who have been accused, the attorney general's office offers them more guarantees than the Supreme Court—a belief reinforced by Senator Uribe, who managed to get his case transferred to the prosecutor general's office and thereafter obtained his release. Some in the court and among critics in Colombia and abroad view any change in the current procedure with skepticism. They argue that reforms risk weakening the court's jurisdiction over parapolitical cases and resulting in the cases going unpunished. The president recently met with his supporters in Congress to work out a proposal for a reform that would have the attorney general's office lead investigations while the Supreme Court of Justice acts as judge. The proposal might speed judicial reform. There is obviously an urgent need for these reforms, but getting them accomplished is becoming increasingly difficult as the web of accusations spreads, not just in the Congress but beyond.*

Jorge Mora

Bolivia

U.S. relations with Bolivia, already strained, took a significant turn for the worse in September. In the midst of violent clashes between pro-government and opposition supporters in the lowland Department of Pando, President Evo Morales announced on September 10 that he was declaring U.S. ambassador Philip Goldberg a persona non grata and expelling him from the country. The United States followed suit by expelling his Bolivian counterpart, Gustavo Guzmán, the following day. On September 15, the Peace Corps announced the temporary suspension of its activities in Bolivia, citing security concerns, and removed its 113 volunteers to Peru. The following day, the United States designated Bolivia as failing to adhere to international counterdrug obligations, placing them in the same category as Myanmar and Venezuela, although with a national security waiver, so that U.S. assistance to Bolivia—currently about \$100 million per year—would not be cut. On September 26, President Bush announced his intention to suspend Bolivia's Andean Trade Promotion and Drug Eradication Act (ATPDEA) trade preferences, citing noncompliance on the counterdrug front, a step that the government of Bolivia predictably termed an "act of vengeance" for Goldberg's expulsion. *Bilateral relations with Bolivia has steadily ratcheted downward since Morales took office in January 2006 and are unlikely to rebound with a new U.S. administration. Morales's heated claims of the United States being in league with his opponents and out to destabilize his government are linked to the high-stakes political struggle unfolding in Bolivia as Morales attempts to move the text of a new constitution drafted by his Movimiento al Socialismo (MAS) party forward to referendum. At his urging, Morales's supporters have called for a march on the Bolivian Congress in La Paz if the opposition-controlled Senate does not approve by October 15 legislation setting a date for the constitutional referendum. Among other changes, the new constitution would provide Morales with the potential for an additional two terms in office. As things now stand, in what looms as a de facto political struggle on the constitutional issue, the government has the upper hand, buoyed by Morales's recent victory in the presidential recall vote, the ringing support he has received from other South American countries, the self-destruction of a national opposition, and his proven track record in controlling the streets.* Peter DeShazo

"Bilateral relations with Bolivia has steadily ratcheted downward since Morales took office in January 2006 and are unlikely to rebound with a new U.S. administration."

“The Ecuadoran referendum passed with overwhelming majority support and marks the completion of a process that began in April 2007.”

Ecuador

Ecuadorians voted to approve the nation's 20th constitution in a national referendum held on September 28th. The referendum passed with overwhelming majority support and marks the completion of a process that began in April 2007. To pass, the referendum required more than 50 percent affirmative votes, and it is estimated by exit polls to have received up to 70 percent support. The constitution was drafted by the new Constituent Assembly, the current legislative body in Ecuador, and includes 444 articles. Among other changes, the constitution authorizes presidential reelection for a second consecutive term, which would allow President Rafael Correa to remain in office until 2017. This process has also seen the displacement of Congress by the Constituent Assembly, in which Correa's Alianza Pais (National Alliance) party is the majority. The president is allowed to dissolve the assembly and hold new elections. Under the new constitution, the state will have a much larger role in health, education, and the oil industry. Universal healthcare and free education for everyone up to the university level will now be provided. There will be tighter state control of oil but short of nationalization—limits will be placed on how much oil profits foreign oil companies that operate in Ecuador are able to keep. *Ecuador's new constitution expands executive authority and the size and scope of the state. In this regard, it resembles the constitutional changes proposed by Hugo Chávez of Venezuela and the still-to-be-approved draft of Bolivia's constitution under President Evo Morales.* **Alex Demosthenes**

Chile

Chile's salmon industry has experienced a 3 percent decline in export value since the beginning of 2008 due to an outbreak of Infectious Salmon Anemia (ISA) that has suspended or closed dozens of operations. To address concerns that the outbreak, which began in late 2007, could derail a vibrant industry that in that year accounted for 61 percent of the income generated by fishing exports, the government took important steps during the past month to intensify oversight of the farms where the fish are raised. Its efforts to commission studies of ISA and other salmon diseases, commit additional resources to the national fisheries service SERNAPESCA, and develop a plan for improving sanitary conditions on salmon farms have been welcomed by the producers' association, known as Salmon Chile. Environmental groups expressed optimism that the proposed measures will reduce the density of salmon in farm pens, where overcrowding of the fish can contribute to the spread of disease among the fish stocks and lead producers to rely on the use of polluting pharmaceuticals to control outbreaks. However, some labor organizations complain that the task force charged with developing a plan to mitigate the industry's troubles is not doing anything to address job losses resulting from closure of the farms, many of which are owned by Norwegian firms. With some aquaculture operations relocating to disease-free waters in Chile's south, conservation groups warn that it is crucial to ensure that the moves do not transfer fish disease and chemical pollution to new locations. As plans for containing the ISA outbreak move forward, it will be important for the salmon industry to balance improving sanitary measures, including quarantine and farm closures, with measures to protect the marine environment and address laborers' concerns. *Prior to the ISA outbreak, Chile's salmon industry employed 53,000 workers, but advocacy groups estimate that at least 3,000 laborers have lost their jobs over the past year. Since 2001, the Chilean salmon industry had grown substantially, with its value increasing 140 percent over a six-year period. By 2007, exports of Atlantic salmon, rainbow trout, and Coho salmon accounted for 4 percent of national exports, with nearly 500,000 tons of salmon bound for markets in the United States, Japan, and other foreign destinations. But the 2007 ISA outbreak, coupled with ongoing problems associated with Salmon Rickettsial Septicemia and sea lice, led importers to scale back their orders. The fish infections cannot be spread to humans, but U.S. grocery retailer Safeway cited questions about the quality of the fish in announcing its decision to restrict purchases of Chilean salmon earlier this year.* **Katherine E. Bliss**

“Prior to the ISA outbreak, Chile's salmon industry employed 53,000 workers, but advocacy groups estimate that at least 3,000 laborers have lost their jobs over the past year.”

Argentina

The congressional climate in Argentina has been changing steadily since the confrontation between the administration and farmers' organizations that led to a government defeat in the Senate this July. After several years where disciplined majorities in both houses of Congress supported executive initiatives and approved controversial bills without much change or none at all, members of government are beginning to challenge the initiatives of President Cristina Fernández de Kirchner. The opposition accused the Kirchners and their followers of transforming Congress into a "notary public's office" that limited itself to stamp and sign any measure promoted by the president. Sessions to consider the bill submitted by the executive showed extensive debates in committees and in the floor of both houses. Private organizations and experts expressed opinions and supplied information in public hearings broadcast to the nation. And the vote cast by the vice president defeating the bill broke down the ruling coalition. As a result, the climate in both houses changed. The government can still get bills passed but must accept debate and amendments. Soon after the defeat of the farm bill, the state took over the once-privatized airline Aerolíneas Argentinas. However, the congressional act that approved the nationalization did not approve the purchase price deal executed by the secretary of transportation with the former Spanish owners, and the dispute is becoming increasingly drawn out. *These events mark a change to the extraordinary powers that have been granted to the president and to the chief of the cabinet of ministers in recent years. The government coalition justified this voting pattern on the need to reconstruct presidential authority and to face very difficult economic problems after several short-lived administrations and the meltdown that followed Fernando de la Rúa's resignation in 2001. In the next few months, taxes created during the economic emergency are due to expire if they are not extended, and the 2009 budget must be discussed. We will then be able to assess if the cases mentioned above represent a definitive change in the role of Congress.* Carlos M. Regúnaga

"These events mark a change to the extraordinary powers that have been granted to the president and to the chief of the cabinet of ministers in recent years. "

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