

Latin America and the Caribbean: U.S. Policy and Key Issues in the 117th Congress

May 3, 2021

Congressional Research Service
<https://crsreports.congress.gov>

R46781



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The United States maintains strong linkages with neighboring Latin America and the Caribbean based on geographic proximity and diverse U.S. interests, including economic, political, and security concerns. The United States is a major trading partner and source of foreign investment for many of the 33 countries in the region, with free-trade agreements enhancing economic linkages with 11 countries. The region is a large source of U.S. immigration, both authorized and irregular; major factors driving migration include proximity and economic and security conditions. Curbing the flow of illicit drugs has been a long-standing component of U.S. relations with the region and involves close cooperation with Mexico, Colombia, Central America, and the Caribbean. U.S. Administrations have long supported democracy and human rights in Latin America and the Caribbean, with a current focus on the authoritarian governments of Cuba, Nicaragua, and Venezuela, as well as corruption and human rights concerns in other countries. Although the region has made significant advances over the past four decades in both political and economic development, notable challenges remain. Some countries, most prominently Venezuela, have experienced major setbacks. In addition, the Coronavirus Disease 2019 (COVID-19) pandemic has had widespread economic, social, and political effects throughout the region.

Under the Trump Administration, U.S. relations with Latin America and the Caribbean generally moved toward a more confrontational approach from one of engagement and partnership during past Administrations. From FY2018 to FY2021, the Administration's proposed foreign aid budget requests would have cut assistance to the region considerably, but Congress rejected those requests by providing significantly more assistance than requested. To deter increased unauthorized migration from Central America, the Trump Administration used a variety of immigration policy tools, as well as aid cuts and threats of increased U.S. tariffs and taxes on remittances. The Administration also imposed broad economic sanctions on Venezuela, which generally were supported by Congress, and significantly increased sanctions on Cuba.

Thus far, much of the Biden Administration's focus in the region has been on immigration and Central America. President Joe Biden has ended many of the previous Administration's restrictive immigration policies, while also contending with a large increase in Central American migrants. The Biden Administration is preparing strategies to address the root causes of Central American migration and has indicated that it intends to request \$4 billion in assistance to Central America over a four-year period. The Administration is continuing to pressure the Venezuelan government through sanctions but maintains that the United States is committed to working multilaterally to bring about Venezuela's return to democracy. On Cuba, the Biden Administration is reviewing past policy decisions, including the designation of Cuba as a state sponsor of terrorism, and maintains that human rights will be a pillar of its policy. Looking ahead, the pandemic's public health and economic effects likely will further shape U.S. assistance efforts, and cooperation on climate change likely will become a policy priority. The next Summit of the Americas (to be hosted by the United States later in 2021) could be an opportunity for the Administration to set forth its policy agenda for the region and strengthen engagement with hemispheric leaders.

Congress traditionally has played an active role in policy toward Latin America and the Caribbean through both legislation and oversight. In March 2021, Congress passed into law the American Rescue Plan Act of 2021 (P.L. 117-2), which included \$9.755 billion for foreign assistance to respond to COVID-19 globally, and the House approved H.R. 6, which would provide a pathway to citizenship for those brought to the United States as children and those from countries with temporary protected status (currently including El Salvador, Haiti, Honduras, Nicaragua, and Venezuela). Also in March, the Senate Foreign Relations Committee reported five resolutions on various aspects of U.S. relations with the region: S.Res. 22 on the U.S. partnership with Ecuador; S.Res. 44 on elections in Venezuela; S.Res. 120 on the forthcoming ninth Summit of the Americas; and two Cuba human rights resolutions, S.Res. 37 and S.Res. 81. To date, congressional hearings have focused on Venezuela, Haiti, the state of democracy in the region, and the root causes of Central American migration (see **Appendix**). Looking ahead, Congress will likely consider the Administration's FY2022 foreign aid budget request, which, according to the Administration's budget blueprint, will include assistance to address the root causes of migration from Central America.

R46781

May 3, 2021

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Regional Political and Economic Environment

The Latin American and Caribbean region consists of 33 countries, ranging from the Caribbean nation of St. Kitts and Nevis, one of the world's smallest states, to the South American nation of Brazil, the world's fifth-largest country. (See **Figure 1** and **Table A-1** for a map and basic facts on the region's independent countries.) Over the past four decades, the region has made significant advances in political and economic development. Notable political and economic challenges remain, however, and some countries have experienced major setbacks—most prominently Venezuela, which has descended into authoritarianism and economic collapse.

Figure 1. Map of Latin America and the Caribbean



Source: Congressional Research Service (CRS) Graphics.

Notes: Caribbean countries are in purple, Central American countries are in gold, and South American countries are in green. Geographically, Belize is located in Central America and Guyana and Suriname are located on the northern coast of South America, but all three are members of the Caribbean Community (CARICOM).

Beginning in 2020, the Coronavirus Disease 2019 (COVID-19) pandemic has had widespread public health, economic, social, and political effects throughout Latin America and the Caribbean. The International Monetary Fund (IMF) estimates a regional economic decline of 7.0% in 2020, with almost every country in the region in recession (see “Economic Situation,” below). As a result, poverty and inequality have increased. Many countries in the region may struggle with protracted economic recoveries, given that they rely on global investment, trade, and tourism, all of which have been affected by the pandemic. The economic setback associated with the COVID-19 pandemic could contribute to a resurgence of social unrest in the region similar to that experienced in 2019. Human rights groups also have expressed concerns about some leaders in the region taking advantage of the pandemic to advance their own agendas and limit civil liberties for political gain (see “Political Situation,” below).

COVID-19 in Latin America and the Caribbean

As of April 28, 2021, Latin America and the Caribbean had 28.5 million confirmed COVID-19 cases (19.0% of cases worldwide) and almost 910,000 COVID-19 deaths (28.8% of deaths worldwide), according to data from Johns Hopkins University, even though the region accounted for about 8.4% of the world’s population. Brazil, Mexico, Colombia, Argentina, and Peru had the highest numbers of COVID-19 deaths in the region, and Brazil and Mexico had the second- and third-highest COVID-19 death tolls worldwide, after the United States. The regional rankings change when examining death rates per 100,000 population; using this metric, Brazil had the highest recorded death rate in the region as of April 28, 2021, followed by Peru, Mexico, Panama, and Colombia (see **Table 1**). Some Caribbean countries with relatively lower death numbers had high death rates per 100,000, including Belize (83) and the Bahamas (51).¹ A University of Washington COVID-19 projection model (updated April 27, 2021) forecasts deaths in Latin America and the Caribbean could reach almost 1.1 million by August 1, 2021.²

World Health Organization (WHO) officials expressed particular concern about Brazil beginning in early March 2021, as more contagious variants of the virus that causes COVID-19 became dominant in much of the country.³ In particular, one Brazil variant (known as P.1) reportedly is more transmissible than other variants; some press reports indicate that P.1 may pose a threat to countries worldwide.⁴

In an April 28, 2021, press briefing, the director of the Pan American Health Organization (PAHO) reported the virus was continuing to spread throughout Latin America and the Caribbean.

¹ Johns Hopkins University School of Medicine, Coronavirus Resource Center, “Mortality Analyses,” April 29, 2021 (hereinafter, Johns Hopkins, “Mortality Analyses,” April 29, 2021). Data presented by Johns Hopkins reflect Coronavirus Disease 2019 (COVID-19) cases and deaths as reported by countries worldwide. Some experts maintain that the total number of deaths attributed to COVID-19 could be higher for several reasons, including that official statistics in many countries exclude those who did not test positive for COVID-19 before dying. See David Luhnnow, “Mexico Had Some 326,000 Deaths Above Normal Last Year During Pandemic,” Dow Jones Newswire, February 15, 2021; and *The Economist*, “Tracking COVID-19 Excess Deaths Across Countries,” April 16, 2021.

² University of Washington, Institute for Health Metrics and Evaluation, “COVID-19 Projections: Latin America and the Caribbean,” updated April 27, 2021, at <https://covid19.healthdata.org/global/latin-america-and-caribbean>.

³ World Health Organization, “Press Conference on Coronavirus Disease (COVID-19),” March 5, 2021; and Reuters News, “WHO Warns Against Relaxing Pandemic Fight, Worries About Brazil,” March 5, 2021.

⁴ Ernesto Londoño and Leticia Casado, “A Collapse Foretold: How Brazil’s COVID-19 Outbreak Overwhelmed Hospitals,” *New York Times*, March 27, 2021; Manuela Andreoni, Ernesto Londoño, and Leticia Casado, “Brazil’s Covid Crisis Is a Warning to the Whole World, Scientists Say,” *New York Times*, March 4, 2021; and Samantha Pearson and Ryan Dube, “Brazil Virus Variant Overwhelms Region—Aggressive New Strain Infects Younger People, Raises Deaths, Doctors and Researchers Warn,” *Wall Street Journal*, March 3, 2021.

In South America, infections were reported to be spiking across the continent, with Colombia, Peru, Bolivia, Argentina, and Uruguay recording rises in infections. In Central America, nearly every country reported a rise in infections, and cases were surging across the Caribbean, including a new spike in the Bahamas. The PAHO director commended leaders in many countries in the region that tightened public health measures (extending curfews, limiting reopenings, and imposing new stay-at-home orders) in order to curb the spread of the virus.⁵

Table 1. COVID-19 Cases and Deaths in Latin America and the Caribbean (LAC)
(countries with more than 2,000 deaths, as of April 28, 2021)

Country	Cases (millions)	Deaths	Deaths per 100,000
Brazil	14.521	398,185	188.67
Mexico	2.337	215,918	169.25
Colombia	2.825	72,725	144.47
Argentina	2.929	62,947	140.07
Peru	1.783	60,742	186.84
Chile	1.184	26,073	137.57
Ecuador	0.378	18,470	106.31
Bolivia	0.302	12,920	112.22
Guatemala	0.225	7,478	45.04
Panama	0.364	6,222	146.52
Paraguay	0.274	6,196	87.95
Honduras	0.208	5,212	53.48
Dominican Republic	0.259	3,467	32.28
Costa Rica	0.225	3,202	63.44
Uruguay	0.193	2,497	72.13
El Salvador	0.069	2,117	32.8
Venezuela	0.195	2,099	7.36
Total LAC*	28.536	909,630	—
United States	32.230	574,329	174.97

Source: Johns Hopkins University School of Medicine, Coronavirus Resource Center, “Mortality Analyses,” April 29, 2021, updated daily, at <https://coronavirus.jhu.edu/data/mortality>.

Note: Total LAC includes all independent countries in the Latin American and Caribbean region but not overseas territories.

When the pandemic first began to surge in the region in May 2020, the PAHO director expressed concern about the poor and other vulnerable groups at greatest risk. These groups included those living in the Amazon Basin, particularly indigenous communities; women, who make up 70% of the health workforce in the Americas; people of African descent; migrants in temporary

⁵ Pan American Health Organization (PAHO), “Weekly Press Briefing on COVID-19, Director’s Remarks,” April 28, 2021.

settlements; and prisoners in crowded jails.⁶ In July 2020, PAHO issued an alert urging countries to intensify efforts to prevent further spread of the virus among indigenous communities in the Americas. In December 2020, the PAHO director urged health authorities to face the challenge of better access to health for populations of African descent in the region, which have been disproportionately affected by the pandemic.⁷ In April 2021, the PAHO director asserted that “the virus has deepened the inequities that have long divided this region” and noted that effectively fighting the pandemic “is impossible without addressing some of these inequalities and supporting the most vulnerable as they struggle to protect themselves.”⁸

Vaccine Procurement and Deployment. The rollout of vaccines in Latin America and the Caribbean has been slow, with some exceptions. Widespread vaccine access in some countries could be delayed until 2022. As of April 30, 2021, according to data presented by PAHO, Chile had fully vaccinated 34.2% of its population, and Uruguay had vaccinated 18.5%. The Chilean government’s goal is to vaccinate 80% of its population by the end of June 2021; the government has negotiated deals with several vaccine manufacturers and will receive vaccines through the COVAX Facility, a mechanism developed by global health organizations for pooled procurement and distribution of vaccines. At the same time, many countries in the region have vaccinated smaller percentages of their populations. For example, as of April 30, 2021, 6.2% of Brazil’s population were fully vaccinated; corresponding figures were 5.2% in Mexico, 4.4% in Panama, 3.0% in Colombia, 1.8% in Peru, and less than 1% in a number of countries. (These percentages do not reflect the actual number of doses administered. Brazil, for example, has the highest number of doses administered in the region.)⁹

PAHO has helped countries prepare for a rollout of vaccines and has facilitated access to vaccines under the COVAX Facility. Twenty-two countries in Latin America and the Caribbean have signed agreements to access vaccines through the facility. In addition, 10 countries in the region—Bolivia, Dominica, El Salvador, Grenada, Guyana, Haiti, Honduras, Nicaragua, St. Lucia, and St. Vincent and the Grenadines—are eligible to benefit from the COVID-19 Vaccines Advance Market Commitment (COVAX AMC), launched by Gavi, the Vaccine Alliance, to provide donor-funded vaccines for low- and middle-income economies worldwide.¹⁰

In the first three COVAX Facility allocations through June 2021 (including both self-financing participants and those countries receiving donations through the AMC program), Latin American and Caribbean countries are supposed to receive almost 33 million doses.¹¹ As of early May 2021, PAHO reported that over 11 million vaccine doses had been delivered or were in transit to the

⁶ PAHO, “PAHO Director Calls to Protect Vulnerable Groups from Effects of COVID-19 Pandemic,” press release, May 19, 2020.

⁷ PAHO, “PAHO Calls on Countries to Intensify Efforts to Prevent Further Spread of COVID-19 Among Indigenous Peoples in the Americas,” press release, July 20, 2020; and PAHO, “Countries Urged to Face Challenge of Better Access to Health for Populations of African Descent in COVID-19 Pandemic,” press release, December 2, 2020.

⁸ PAHO, “Weekly Press Briefing on COVID-19, Director’s Remarks,” April 7, 2021.

⁹ Vaccination statistics are from PAHO, “COVID-19 Vaccination in the Americas,” April 30, 2021, updated weekly, at https://ais.paho.org/imm/IM_DosisAdmin-Vacunacion.asp; Veronica Diaz-Cerda, “How Chile Became an Unlikely Winner in the COVID-19 Vaccine Race,” *The Conversation*, February 10, 2021; and Reuters News, “Using Trade Ties to Secure Doses, Chile Moves Fast on COVID-19 Vaccination Drive,” February 22, 2021.

¹⁰ The COVAX Facility, “Committee Agreements; Confirmations of Intent to Participate, and AMC-Eligible Countries,” December 15, 2020.

¹¹ The COVAX Facility, “Allocation Round 3: Pfizer-BioNTech Vaccine, April-June 2021,” April 12, 2021. The first three allocation rounds to Latin America and the Caribbean include 5.63 million doses of the Pfizer/BioNTech vaccine and 27.1 million doses of the AstraZeneca/Oxford vaccine.

region.¹² According to PAHO, COVAX aims to provide vaccines to cover around 100 million people, roughly 20% of each country's population, by the end of 2021.¹³

In early March 2021, the PAHO director hailed the arrival of COVAX vaccines in the region as a "historic milestone" and the beginning of a new phase in the COVID response but also noted that doses would remain limited in the short term. She predicted the world likely would face a shortage of vaccines for much of 2021, noting that wealthy countries are rolling out vaccines while many other nations have not received a single dose. Although a number of Latin American and Caribbean countries have signed commercial agreements with pharmaceutical companies, the PAHO director said the region "lags in vaccination efforts because most countries cannot access the doses they need through bilateral agreements with manufacturers."¹⁴ On April 14, 2021, she warned that, for most countries in the region, vaccines would not stop the current wave and vaccines availability would not be sufficient to protect everyone at greatest risk.¹⁵

Both China and Russia have sold and, in some cases, donated COVID-19 vaccines to countries in Latin America and the Caribbean and have committed to providing significant quantities to some countries in the region. Russia has provided its Sputnik 5 vaccine to several countries in the region and has signed larger supply deals to provide millions of doses to such countries as Argentina, Bolivia, Mexico, and Venezuela. Whether Russia will be able to fulfill those agreements remains unclear, due to lagging production.¹⁶ In April 2021, however, an Argentine pharmaceutical company began manufacturing Sputnik 5 and could scale up production by June 2021.¹⁷ Before infections began to surge in India in late March 2021, the Indian government donated thousands of doses to Caribbean countries.¹⁸ Cuba is making progress on two vaccines it is developing and is planning to begin a study in May 2021 that will cover 1.7 million people.¹⁹

The White House announced on March 18, 2021, that the United States would share 2.5 million doses of the AstraZeneca vaccine with Mexico. Caribbean Community (CARICOM) nations subsequently appealed to President Joe Biden to provide vaccines to the region.²⁰ On April 26, 2021, White House officials announced that the United States intends to make available up to 60 million doses of the AstraZeneca vaccine to countries worldwide.²¹ The United States also supports multilateral COVID-19 vaccine efforts that also benefit Latin American and Caribbean countries. In December 2020, Congress approved the Consolidated Appropriations Act, 2021

¹² PAHO, "COVAX Vaccines COVID-19 Deliveries in the Region," May 2, 2021.

¹³ PAHO, "PAHO Director: The Americas Need More COVID-19 Vaccine Doses and Faster," April 9, 2021.

¹⁴ PAHO, "Weekly Press Briefing on COVID-19, Director's Remarks," March 3, 2021.

¹⁵ PAHO, "Weekly Press Briefing on COVID-19, Director's Remarks," April 14, 2021.

¹⁶ Daniel Ramos, Aislinn Laing, and Cassandra Garrison, "Amid Scramble for COVID-19 Vaccine, Latin America Turns to Russia," Reuters News, March 1, 2021; Andrew Kramer, "Russia Is Offering to Export Hundreds of Millions of Vaccine Doses, But Can It Deliver?," *New York Times*, February 19, 2021; and Mitchell McCluskey et al., "Russia's Sputnik V Vaccine Expands Its Reach in Latin America," March 3, 2021.

¹⁷ Reuters News, "Argentina Produces Russia's Sputnik V Vaccine in Regional First," April 20, 2021.

¹⁸ Jacqueline Charles, "Some Caribbean, Latin American Nations Are Finally Getting COVID Vaccines, Thanks to India," *Miami Herald*, February 18, 2021.

¹⁹ Anthony Faiola and Ana Vanessa Herrero, "Against the Odds, Cuba Could Become a Coronavirus Vaccine Powerhouse," *Washington Post*, March 31, 2021.

²⁰ Reuters News, "U.S. to Share 4 Million Doses of AstraZeneca COVID-19 Vaccine with Mexico, Canada," March 18, 2021; and Reuters News, "Caribbean Appeals to Biden to Share Vaccine with U.S. 'Third Border,'" March 24, 2021.

²¹ Sheryl Gay Stolberg, "As Virus Rages Abroad, Biden Promises to Ship Millions of Vaccine Doses," *New York Times*, April 26, 2021; and White House, "Background Call by Senior Administration Officials on COVID-19 in India," press briefing, April 26, 2021.

(P.L. 116-260), which included \$4 billion in emergency global health programs assistance for COVID-19 vaccine procurement and delivery. These funds were made available as a contribution to Gavi, which supports COVAX AMC and coordinates COVAX Facility implementation.

Political Situation

In the early 1980s, authoritarian regimes (ideologically on both the left and the right) governed 16 Latin American and Caribbean countries. Today, observers consider three countries in the region—Cuba, Nicaragua, and Venezuela—to be ruled by authoritarian governments.²² Most governments in the region are elected democracies.

Although free and fair elections have become the norm in Latin America and the Caribbean, recent elections for head of government in several countries have been controversial and contested, including elections in Honduras (2017) and Venezuela (2018). In 2019, Guatemala held two presidential election rounds that international observers judged successful, but several popular candidates were disqualified from the race for reasons many observers considered dubious.²³ In Bolivia, severe irregularities in October 2019 presidential elections ignited protests and violence that led to the resignation of incumbent President Evo Morales, who was seeking a fourth term. New presidential elections in Bolivia were postponed twice in 2020 because of the COVID-19 pandemic but ultimately were held in October.

Eight Caribbean countries held general elections in 2020. In Jamaica, St. Kitts and Nevis, St. Vincent and the Grenadines, and Trinidad and Tobago, incumbent governments were returned to power in free and fair elections. In Belize, the Dominican Republic, and Suriname, opposition parties came to power through similarly peaceful democratic means. In contrast, Guyana's March 2020 elections were marred by allegations of fraud; after a recount and multiple legal challenges, final results were announced in August 2020 and an opposition government took power.

In 2021, seven countries in the region are scheduled to hold elections for head of government (see text box). Ecuador already held two presidential rounds on February 7 and April 11, electing center-right candidate Guillermo Lasso, who is to be inaugurated on May 24. Also on April 11, Peru held its first presidential round; a second round scheduled for June 6 will pit far-left candidate Pedro Castillo against far-right candidate Keiko Fujimori. The conduct of elections in Haiti, Nicaragua, and Honduras likely will be under close international scrutiny. In Haiti, President Jovenel Moïse has been ruling by decree since January 2020. In Nicaragua, authoritarian President Daniel Ortega, who is running for a fifth term, has long repressed the political opposition. In Honduras, some analysts are concerned the

Latin America and the Caribbean: Scheduled 2021 Elections

Ecuador	Feb. 7 / April 11
Peru	April 11 / June 6
St. Lucia	by June
Haiti	Sept. 19 / Nov. 21
Nicaragua	Nov. 7
Chile	Nov. 21
Honduras	Nov. 28

Note: Elections for head of government. Includes first and potential second rounds for several presidential elections.

²² See Economist Intelligence Unit (EIU), *Democracy Index 2020*, February 2021 (hereinafter, EIU, *Democracy Index 2020*), which classifies all three governments as *authoritarian* based on some 60 indicators; and Freedom House, *Freedom in the World 2021*, March 2021, which classifies all three governments as *not free* based on their poor records on political rights and civil liberties.

²³ Sonia Pérez D. and Peter Orsi, "Court Ruling Puts Guatemala Vote, Anti-Graft Fight in Doubt," AP News, May 16, 2019.

2021 election could be marred by a lack of transparency and by fraud allegations, as occurred in 2017 elections.²⁴

Despite significant improvements in political rights and civil liberties since the 1980s, many countries in Latin America and the Caribbean still face considerable challenges. In a number of countries, weaknesses remain in the state's abilities to deliver public services, ensure accountability and transparency, advance the rule of law, and ensure citizen safety and security. Numerous elected presidents in the region have left office early amid severe social turmoil, economic crises, or high-profile corruption; in several cases, the presidents' own autocratic actions contributed to their ousters. Corruption scandals either caused or contributed to several presidents' resignations or removals—Guatemala in 2015, Brazil in 2016, and Peru in 2018. As noted, severe irregularities in the conduct of Bolivia's October 2019 elections ignited protests that led to the president's resignation.

Although the threat of direct military rule has dissipated, civilian governments in several countries have turned to their militaries or retired officers for support or during crises, raising concerns among some observers.²⁵ For example, in February 2020 in El Salvador, President Nayib Bukele used the military in what many observers saw as an effort to intimidate the country's legislature into approving an anti-crime bill; the action elicited strong criticism in El Salvador and abroad.²⁶

EIU Democracy Index. The Economist Intelligence Unit's (EIU's) 2020 democracy index, issued in February 2021, shows a steady decline in democratic practices in Latin America since 2017.²⁷ Prior to 2017, the EIU viewed Cuba as the only authoritarian regime in the region. Venezuela joined Cuba's authoritarian ranks in 2017, as President Nicolás Maduro's government violently repressed the political opposition. Nicaragua escalated authoritarian practices in 2018 under longtime President Ortega, as the government violently repressed protests.

The downward trend in democratic practices continued in 2020, according to the EIU, largely driven by the curbing of civil liberties in response to the COVID-19 pandemic and by democratic regressions in El Salvador, Guatemala, and Haiti. In El Salvador, corruption allegations proliferated under the Bukele government, and the EIU questioned whether Bukele was "a dictator in the making."²⁸ In Guatemala, social unrest broke out in November in response to the government's attempt to enact an unpopular budget bill. In Haiti, President Moïse has ruled by decree since 2020 amid protests calling for new elections. Despite these and other notable challenges, the EIU noted that 80% of the region's population lived under democratic regimes, scoring below only Western Europe and North America.²⁹

Freedom House. Much like the EIU, Freedom House cited Cuba, Nicaragua, and Venezuela as *not free* in its 2021 annual report assessing political rights and civil liberties worldwide. The report expressed concerns about Cuba's wave of intimidation against independent journalists and dissident artists; Nicaragua's harsh cybercrime law, which mandated prison sentences for

²⁴ *LatinNews*, "Honduras: More of the Same?," Latin American Special Report, January, 2021.

²⁵ See AQ Editors, "Latin America's 21st-Century Militaries," *Americas Quarterly*, vol. 14, no. 1 (2020), pp. 12-72.

²⁶ See Brian Winter, "Latin America's Armed Forces, Q&A: Why El Salvador's Crisis Is Different—and Worrying," *Americas Quarterly*, February 13, 2020; and Christine Wade, "Bukele's Politicization of the Military Revives Old Fears in El Salvador," *World Politics Review*, February 12, 2020.

²⁷ EIU, *Democracy Index 2020*.

²⁸ *Ibid.*

²⁹ *Ibid.*

spreading “false information” online; and Venezuela’s extrajudicial executions, enforced disappearances, and arbitrary detentions targeting the political opposition.³⁰

Freedom House also spotlighted El Salvador and Peru for democratic backsliding. In Peru, Freedom House reported that many considered the grounds for the legislature’s impeachment of a popular president to be dubious and saw the action as a blow to anti-corruption efforts. Developments in Peru resulted in Freedom House downgrading Peru from classification as a *free* country to a *partly free* one. Freedom House also classified 10 other countries in the region as *partly free*: Bolivia, Colombia, the Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, and Paraguay. In addition, Freedom House reported that Mexico suffers from severe rule-of-law deficits that limit political rights and civil liberties; it cited organized-crime-related violence, public corruption, human rights abuses, and rampant impunity as the most visible of Mexico’s governance challenges.³¹

Decline in the Quality of and Satisfaction with Democracy. Public satisfaction with how democracy is operating has declined along with the quality of democracy in Latin America and the Caribbean. According to the 2018/2019 AmericasBarometer public opinion survey, the percentage of individuals satisfied with how democracy was working in their countries averaged 39.6% among 18 countries in the region, the lowest level since the poll began in 2004.³²

Several broad political and economic factors appear to be driving the decline in satisfaction with democracy in the region. Political factors include an increase in authoritarian practices, weak democratic institutions and politicized judicial systems, corruption, high levels of crime and violence, and organized crime that can infiltrate or influence state institutions. Economic factors include declining or stagnant regional economic growth rates over the past several years; high levels of income inequality in many Latin American countries; increased poverty; and the inadequacy of public services, social safety net programs, and advancement opportunities, along with increased pressure on the region’s previously expanding middle class. Given these trends, the eruption of social protests in many countries throughout the region in 2019 was unsurprising to most observers, even though in each country a unique set of circumstances sparked the unrest.

The COVID-19 pandemic has exacerbated many of these economic factors and could contribute to a resurgence of social unrest in the region, according to the World Bank.³³ Human rights groups and other observers have expressed concerns about leaders in the region taking advantage of the pandemic to advance their own agendas and restrict freedom of expression. The Inter-American Dialogue published a report in 2020 with the Special Rapporteur for Freedom of Expression at the Organization of American States (OAS) expressing concern about the criminalization of free speech related to governments’ responses to the pandemic, restrictions on pandemic-related reporting, and some leaders’ stigmatization of media organizations for reporting on the pandemic.³⁴ In Venezuela, according to Human Rights Watch, the government and security forces have used a state of emergency imposed to curb the spread of the virus as an excuse to crack down on dissent and intensify their control of the population.³⁵ In December 2020, Human

³⁰ Freedom House, *Freedom in the World 2021*, March 2021.

³¹ Ibid.

³² Elizabeth J. Zechmeister and Noam Lupu, *LAPOP’s AmericasBarometer Takes the Pulse of Democracy*, Vanderbilt University, Latin American Public Opinion Project (LAPOP), 2019.

³³ World Bank, *Global Economic Prospects*, January 2021, p. 83.

³⁴ Catharine Christe, Edison Lanza, and Michael Camilleri, *COVID-19 and Freedom of Expression in the Americas*, Inter-American Dialogue, August 2020.

³⁵ Human Rights Watch, *World Report 2021*, January 2021.

Rights Watch issued a report providing examples where it asserts the Cuban government has used regulations designed to prevent the spread of COVID-19 to harass and imprison government opponents.³⁶

Economic Situation

The COVID-19 pandemic has taken a significant toll on Latin American and Caribbean economies. Even before the onset of the pandemic and its economic effects, the region had experienced several years of slow economic growth. In April 2021, the IMF estimated a 7.0% economic contraction for the region in 2020.³⁷ Economic recovery may be a protracted process in countries that rely heavily on global trade and investment. Caribbean nations that depend on tourism face deep economic recessions, several with estimated gross domestic product declines of more than 15% in 2020. Likewise, experts estimate that several South American nations hard-hit by the pandemic had economic contractions of more than 10% in 2020.

Although observers expect most Latin American and Caribbean countries to begin to recover economically in 2021, the IMF regional growth forecast of 4.6% lags behind the expected world economic growth forecast of 6.0%.³⁸ (See **Table 2.**) An important factor in the region's economic recovery is the course of the pandemic, including governments' responses and the availability and distribution of vaccines. A number of Latin American and Caribbean countries have implemented stimulus programs to help protect their economies and vulnerable populations, but many countries have needed external financing to respond to the pandemic and associated economic downturn. In response, international financial institutions have increased lending to countries throughout the region.

Table 2. Latin America and Caribbean: Real GDP Growth, 2018-2022

(annual percentage change, constant prices)

Regional Average, Six Largest Economies, and World Output	2018	2019	2020 estimate	2021 projection	2022 projection
Latin America and the Caribbean	1.2	0.2	-7.0	4.6	3.1
Brazil	1.8	1.4	-4.1	3.7	2.6
Mexico	2.2	-0.1	-8.2	5.0	3.0
Argentina	-2.6	-2.1	-10.0	5.8	2.5
Colombia	2.6	3.3	-6.8	5.2	3.6
Chile	3.7	1.0	-5.8	6.2	3.8
Peru	4.0	2.2	-11.1	8.5	5.2
World Output	3.6	2.8	-3.3	6.0	4.4

Source: International Monetary Fund, *World Economic Outlook Database*, April 2021.

³⁶ Human Rights Watch, "Cuba: COVID-19 Rules Used to Intensify Repression," December 7, 2020.

³⁷ International Monetary Fund (IMF), *World Economic Outlook Database*, April 2021. In February 2021, the U.N. Economic Commission for Latin America and the Caribbean (ECLAC) estimated a 7.7% economic contraction for the year. See ECLAC, *Preliminary Overview of the Economies of Latin America and the Caribbean*, February 2021.

³⁸ IMF, *World Economic Outlook Database*, April 2021.

The decline in economic growth in 2020 has exacerbated poverty and income inequality throughout Latin America, with concerns that the region's past development gains could be set back more than a decade. According to the U.N. Economic Commission for Latin America and the Caribbean (ECLAC), even before the pandemic, the poverty-reduction gains that the region made from 2002 through 2014 had begun to erode. Overall poverty in Latin America decreased from 45.4% of the region's population in 2002 to 27.8% in 2014 but crept up slowly to 30.5% in 2019, influenced by several years of slow growth and increasing social tensions (including widespread social protests in 2019). With the pandemic-related economic recession experienced by most countries in the region in 2020, poverty increased to an estimated 33.7%. This accounted for an estimated 209 million people—an increase of 22 million people in poverty from 2019 to 2020.³⁹

Likewise, according to ECLAC, extreme poverty increased to 12.5% of Latin America's population in 2020 from 11.3% in 2019.⁴⁰ This increase reflected 8 million more people in extreme poverty in 2020 than in 2019, for a total of 78 million people. According to ECLAC, estimates of poverty and extreme poverty were estimated to be highest in rural areas as well as among working-age women, indigenous people, the Afro-descendant population, children and adolescents, people with less education, and single-parent and extended households.

U.S. Policy Toward Latin America and the Caribbean

U.S. interests in Latin America and the Caribbean are diverse and include economic, political, security, and humanitarian concerns. Geographic proximity has ensured strong economic linkages between the United States and the region, and the United States is a major trading partner and source of foreign investment for many Latin American and Caribbean countries. Free-trade agreements (FTAs) have augmented U.S. economic relations with 11 countries in the region. In addition, the Western Hemisphere is a large source of U.S. immigration, both authorized and irregular; geographic proximity and economic and security conditions are major factors driving migration trends.

Curbing the flow of illicit drugs from Latin America and the Caribbean has been a key component of U.S. relations with the region and a major interest of Congress for over 50 years. The flow of illicit drugs—including heroin, methamphetamine, and fentanyl from Mexico and cocaine from Colombia—poses risks to U.S. public health and safety, and the trafficking of such drugs has contributed to violent crime and gang activities in the United States. Since 2000, Colombia has received U.S. counternarcotics support through Plan Colombia and its successor programs. In addition, for over a decade, the United States has sought to forge close partnerships with other countries in the region to combat drug trafficking and related violence and to advance citizen security. These efforts include the Mérida Initiative, begun in 2007 to support Mexico; the Central

³⁹ ECLAC, *Social Panorama of Latin America 2020*, March 2021; and Michael Stott, "Poverty Surge Set Latin America Back over a Decade, says UN," *Financial Times*, March 4, 2021. The ECLAC study examines poverty and extreme poverty in 18 Latin American countries. As noted in the study, poverty rates differ considerably by country, with Uruguay having the lowest poverty rate in the region, just over 5%, and Honduras, the highest, over 58%.

⁴⁰ ECLAC, *Social Panorama of Latin America 2020*, March 2021. As noted, the ECLAC study examines extreme poverty in 18 Latin American countries. The United Nations defines extreme poverty as living on less than \$1.90 day, struggling to fulfill basic needs such as health and education. See United Nations, Sustainable Development Goals, "Goal 1, End Poverty in all its forms everywhere," at <https://www.un.org/sustainabledevelopment/poverty/>.

America Regional Security Initiative (CARSI), begun in 2008; and the Caribbean Basin Security Initiative (CBSI), begun in 2009.

Another long-standing component of U.S. policy has been support for strengthened democratic governance and the rule of law. As described in the previous section, although many countries in the region have made enormous strides in terms of democratic political development, several face considerable challenges. U.S. policy has long supported democracy-promotion efforts, including initiatives aimed at strengthening civil society and promoting the rule of law and human rights.

Trump Administration

Under the Trump Administration, U.S. relations with Latin America and the Caribbean generally moved toward a more confrontational approach, especially regarding efforts to curb irregular immigration from the region, compared with past Administrations' emphasis on partnership. In 2018, the State Department set forth a framework for U.S. policy toward the region focused on three pillars for engagement—economic growth and prosperity, security, and democratic governance. The framework reflected continuity with long-standing regional U.S. policy priorities but at times appeared to be at odds with the Administration's occasionally antagonistic actions and statements on immigration, trade, and foreign aid. In 2020, the White House also set forth a strategic framework for the Western Hemisphere that included the prevention of illegal and uncontrolled human migration, smuggling, and trafficking as its first line of effort in the region.⁴¹ According to Gallup and Pew Research Center polls, negative views of U.S. leadership in the region increased markedly during the Trump Administration.⁴²

On trade issues, President Trump ordered U.S. withdrawal from the proposed Trans-Pacific Partnership (TPP) FTA in 2017. As negotiated in 2015 by 12 Asia-Pacific countries, the TPP would have increased U.S. economic linkages with Chile, Mexico, and Peru, which were parties to the agreement. The President also strongly criticized the North American Free Trade Agreement (NAFTA) with Mexico and Canada, threatened U.S. withdrawal, and initiated renegotiations. The three countries agreed in 2018 to the United States-Mexico-Canada Agreement (USMCA), which entered into force July 1, 2020; the agreement retained many of NAFTA's provisions but included modernizing updates and changes. Before approval, the agreement was amended to address congressional concerns regarding labor, the environment, dispute settlement, and intellectual property rights.

From FY2018 to FY2021, the Trump Administration's proposed foreign aid budgets for the region would have cut assistance considerably, but Congress rejected those proposals by providing significantly more assistance than requested. In 2019, the Trump Administration withheld some assistance to the "Northern Triangle" countries of Central America—El Salvador, Guatemala, and Honduras—in an attempt to compel their governments to curb the flow of migrants to the United States.

During the Trump Administration, inflammatory anti-immigrant rhetoric and immigration actions that shifted the burdens of interdicting migrants and offering asylum to Mexico tested U.S. relations with Mexico and Central America. In 2017, the Administration announced it would end Deferred Action for Childhood Arrivals (DACA), a program begun in 2012 that provides relief from deportation for certain immigrants who arrived as children; federal court challenges led to a

⁴¹ White House, National Security Council, "Overview of Western Hemisphere Strategic Framework," August 2020; and Nora Gámez Torres, "Trump Adviser to Unveil U.S. Strategy for the Americas in South Florida Event," *Miami Herald*, August 16, 2020.

⁴² Gallup, *Rating World Leaders, 2018-2020, The U.S. vs. Germany, China, and Russia*; and Pew Research Center, "Trump Ratings Remain Low Around Globe, While Views of U.S. Stay Mostly Favorable," January 8, 2020.

June 2020 Supreme Court decision vacating the Administration's recession of DACA. The Administration also announced in 2017 that it would terminate temporary protected status (TPS) designations for Nicaragua, Haiti, El Salvador, and Honduras, but federal court challenges put the terminations on hold. In 2018, Mexico's president agreed to allow the United States to return certain non-Mexican migrants to Mexico while awaiting U.S. immigration court decisions.

The Trump Administration used various policy tools to deter increased unauthorized migration from Central America. In addition to aid cuts and threats of increased U.S. tariffs and taxes on remittances, these tools included controversial asylum cooperative agreements with Guatemala, El Salvador, and Honduras to permit the United States to transfer asylum applicants from third countries to the Northern Triangle countries. At the end of 2020, Congress enacted the United States-Northern Triangle Enhanced Engagement Act (P.L. 116-260; Division FF, Title III, Subtitle F), requiring the State Department to develop a five-year strategy to advance economic prosperity, combat corruption, strengthen democratic governance, and improve civilian security conditions in El Salvador, Guatemala, and Honduras.

As the situation in Venezuela deteriorated under President Maduro, the Trump Administration imposed numerous broader financial sanctions, including sanctions against the state oil company, the country's main source of income. In January 2019, the Administration recognized the head of Venezuela's National Assembly, Juan Guaidó, as interim president. The Administration also provided humanitarian and development assistance for Venezuelans who fled to other countries, especially Colombia, and for Venezuelans inside Venezuela. Congress largely supported the Administration's policy approach toward Venezuela; in December 2019, it enacted the Venezuela Emergency Relief, Democracy Assistance, and Development Act of 2019 (P.L. 116-94, Division J), which, among its provisions, codified several sanctions and authorized humanitarian assistance.

On Cuba, the Trump Administration reversed the engagement policy advanced during the Obama Administration and imposed numerous economic sanctions on Cuba for its poor human rights record and its support for the Maduro government in Venezuela. In January 2021, the Secretary of State designated the Cuban government as a state sponsor of international terrorism.

On climate change issues, in June 2017, President Trump announced his intent to withdraw from the Paris Agreement, an international accord to address climate change. Withdrawal took effect in November 2020.⁴³ Securing a clean energy future had been a key priority in U.S. policy toward Latin America and the Caribbean under the Obama Administration.⁴⁴

Biden Administration

During the 2020 election campaign, then-candidate Biden indicated that his policy toward Latin America and the Caribbean would be very different from the Trump Administration's approach. He vowed "to rebuild strong hemispheric ties based on respect for democracy, human rights, and the rule of law" when the United States hosts the next Summit of the Americas in 2021 (expected late in the year).⁴⁵ He promised to "do away with the Trump Administration's draconian

⁴³ See CRS In Focus IF10668, *Potential Implications of U.S. Withdrawal from the Paris Agreement on Climate Change*, by Jane A. Leggett.

⁴⁴ For background on climate change issues in U.S. policy toward Latin America under the Obama Administration, see the section on "Climate Change and Clean Energy" in CRS Report R43882, *Latin America and the Caribbean: Key Issues and Actions in the 114th Congress*, coordinated by Mark P. Sullivan.

⁴⁵ Joe Biden for President: Official Campaign website, "The Biden Plan for Leading the Democratic World to Meet the Challenges of the 21st Century," at <https://joebiden.com/americanleadership/>.

immigration policies and galvanize international action to address the poverty and insecurity driving migrants” from Central America’s Northern Triangle, including by developing an assistance strategy for the region.⁴⁶ On Venezuela, Biden said, “the overriding goal in Venezuela must be to press for a democratic outcome through free and fair elections, and to help the Venezuelan people rebuild their country.”⁴⁷ On Cuba, Biden maintained that he would reverse the “failed Trump policies that have inflicted harm on the Cuban people and done nothing to advance democracy and human rights.”⁴⁸

Much of its focus in the region thus far has been on immigration and Central America. President Biden has ended many of the Trump Administration’s restrictive immigration policies while at the same time contending with a large increase in the number of undocumented Central American and Mexican migrants seeking to enter the United States (see “Migration Issues,” below). The Administration also is preparing strategies to address the root causes of Central American migration and has indicated it intends to request \$4 billion in assistance to Central America over a four-year period. In March 2021, President Biden tasked Vice President Kamala Harris with overseeing efforts with Central America and Mexico. In addition, the State Department appointed a Special Envoy for the Northern Triangle to coordinate closely with the National Security Council on efforts to stem irregular migration from the region and implement the forthcoming multiyear assistance program.⁴⁹

On the Venezuela policy challenge, the Biden Administration is continuing to pressure the Maduro government through economic sanctions and providing humanitarian support to Venezuelans both inside and outside the country. In a shift from the Trump Administration, in March 2021, the Secretary of Homeland Security granted TPS to Venezuelans already in the United States. The Biden Administration also maintains it is committed to “robust multilateralism aimed at increasing pressure on Venezuela in a coordinated fashion making clear that the only outcome of this crisis is negotiation that leads to a democratic solution.”⁵⁰ (See “Venezuela,” below.)

On Cuba, the Biden Administration has not taken action to reverse policies from the previous Administration. Officials maintain that the Administration is committed to carefully reviewing past policy decisions, including the designation of Cuba as a state sponsor terrorism. The Administration maintains that human rights will be a pillar of its policy toward Cuba and that Americans, especially Cuban Americans, are the best ambassadors for freedom and prosperity in Cuba.⁵¹ (See “Cuba,” below.)

The broad foreign policy objectives and outlook for U.S. policy toward Latin America and the Caribbean appear in the Administration’s *Interim National Security Strategic Guidance*, issued by the White House in early March 2021, and in Secretary of State Antony Blinken’s March 2021

⁴⁶ Joe Biden for President: Official Campaign website, “The Biden Plan to Build Security and Prosperity with the People of Central America,” at <https://joebiden.com/centralamerica/>.

⁴⁷ *Americas Quarterly*, “Joe Biden Answers 10 Questions on Latin America,” March 2, 2020 (updated October 29, 2020), at <https://www.americasquarterly.org/article/updated-2020-candidates-answer-10-questions-on-latin-america/>.

⁴⁸ Ibid.

⁴⁹ White House, “Remarks by President Biden and Vice President Harris in a Meeting on Immigration,” March 24, 2021; and U.S. Department of State, “Announcement of Ricardo Zúñiga as Special Envoy for the Northern Triangle,” press statement, March 22, 2021.

⁵⁰ U.S. Department of State, “Background Press Call by Senior Administration Officials on Venezuela,” press briefing, March 8, 2021.

⁵¹ U.S. Department of State, “Press Briefing by Press Secretary Jen Psaki and Deputy Director of the National Economic Council Bharat Ramamurti,” March 9, 2021.

address on U.S. foreign policy. President Biden’s interim guidance, which provides broad foreign policy direction to U.S. agencies and departments, maintained that his Administration would “expand U.S. engagement and partnerships throughout the Western Hemisphere—and especially with Canada and Mexico—based on principles of mutual respect and equality and a commitment to economic prosperity, security, human rights, and dignity.” This effort would include, according to the interim guidance, “working with Congress to provide Central America with \$4 billion over four years, and taking other steps to address the root causes of human insecurity and irregular migration, including poverty, criminal violence, and corruption.” The interim guidance also maintained that the Administration would “cooperate to confront the regional effects of climate change, while helping our neighbors invest in good governance and democratic institutions.”⁵²

Many of the foreign policy priorities laid out in Secretary Blinken’s March 2021 speech are relevant to U.S. relations with the region. These priorities include stopping the COVID-19 pandemic and strengthening global health security; turning around the economic crisis and building a more stable, inclusive global economy; renewing democracy, to counter rising authoritarianism and nationalism around the world; creating a humane and effective immigration system and addressing the root causes of migration that drive so many people to flee their homes; revitalizing ties with allies and partners; and tackling the climate crisis and driving a green energy revolution.⁵³ In particular, the public health and long-lasting economic effects of the COVID-19 pandemic likely will shape U.S. assistance efforts in the region, including support for adequate vaccine supplies.

With regard to climate change, in February 2021, the United States rejoined the Paris Agreement, reversing the Trump Administration’s withdrawal of the United States from the agreement.⁵⁴ It appears that climate change issues will be elevated as a policy priority for U.S. engagement with the region.⁵⁵ According to President Biden, the United States will integrate climate objectives across U.S. diplomacy.⁵⁶ Of the 40 world leaders invited by President Biden a virtual Leaders’ Summit on Climate on April 22-23, 2021, 7 were from Latin American and Caribbean countries—Antigua and Barbuda, Argentina, Brazil, Chile, Colombia, Jamaica, and Mexico.⁵⁷

Legislative Action in the 117th Congress

Congress traditionally has played an active role in policy toward Latin America and the Caribbean in terms of both legislation and oversight. Given the region’s geographic proximity to the United States, U.S. foreign policy toward the region and domestic policy often overlap, particularly in areas of immigration and trade.

In March 2021, the 117th Congress approved \$9.755 billion, as part of the American Rescue Plan Act of 2021 (P.L. 117-2), for foreign assistance programs to respond to COVID-19 globally

⁵² White House, President Joseph R. Biden Jr., *Interim National Security Strategic Guidance*, March 2021, at <https://www.whitehouse.gov/wp-content/uploads/2021/03/NSC-1v2.pdf>.

⁵³ U.S. Department of States, Secretary of State Antony J. Blinken, “A Foreign Policy for the American People,” speech, March 3, 2021, at <https://www.state.gov/a-foreign-policy-for-the-american-people/>.

⁵⁴ See CRS In Focus IF11746, *United States Rejoins the Paris Agreement on Climate Change: Options for Congress*, by Jane A. Leggett.

⁵⁵ For background on climate change issues in U.S. policy toward Latin America under the Obama Administration, see the section on “Climate Change and Clean Energy” in CRS Report R43882, *Latin America and the Caribbean: Key Issues and Actions in the 114th Congress*, coordinated by Mark P. Sullivan.

⁵⁶ White House, “Remarks by President Biden on America’s Place in the World,” February 4, 2021.

⁵⁷ White House, “President Biden Invites 40 World Leaders to Leaders Summit on Climate,” March 26, 2021.

through global health interventions, humanitarian assistance, and contributions to multilateral response efforts. Some Members of Congress have called for President Biden to prioritize Latin American and Caribbean countries in donating surplus vaccines to countries in need.⁵⁸ As noted, the Biden Administration announced in March that it would share 2.5 million AstraZeneca vaccine doses with Mexico. In the Senate, S. 616, introduced in March 2021, would authorize \$24 billion for a capital increase for the Inter-American Development Bank to support countries in the region in addressing the COVID-19 pandemic and to advance inclusive economic and social development in the Americas.

The Biden Administration's FY2022 foreign aid budget request, which, according to the Administration's budget blueprint, will include assistance to address the root causes of irregular migration from Central America.⁵⁹ The U.S. Citizenship Act of 2021 (S. 348/H.R. 1177), a comprehensive immigration bill introduced in Congress on behalf of the Biden Administration, would authorize \$4 billion over four years to address the root causes of migration from Central America and would provide a pathway to citizenship for certain migrants. In March 2021, the House approved H.R. 6, which would provide a pathway to citizenship for those brought to the United States as children and those from countries with TPS designations (currently including El Salvador, Haiti, Honduras, Nicaragua, and Venezuela).

In March 2021, the Senate Foreign Relations Committee reported five resolutions on various aspects of relations with Latin America and the Caribbean.

- S.Res. 22 would reaffirm the U.S. partnership with Ecuador and would support actions to strengthen bilateral relations.
- S.Res. 37 would express solidarity with the San Isidro Movement in Cuba, a civil society group opposed to restrictions on artistic expression, and would call for the repeal of laws that violate freedom of expression and the release of arbitrarily detained artists, journalist, and activists.
- S.Res. 44 would denounce fraudulent legislative elections in Venezuela, as well as the further erosion of democracy in the country and the absence of acceptable conditions to ensure free, fair, and transparent electoral processes.
- S.Res. 81 would honor *Las Damas de Blanco*, a women-led nonviolent Cuban human rights group, and would call for the release of all political prisoners in Cuba.
- S.Res. 120 would recognize the forthcoming ninth Summit of the Americas and would reaffirm the United States' commitment to a more prosperous, secure, and democratic Western Hemisphere.

Two other bills introduced in the Senate also touch on relations with Latin America and the Caribbean. S. 1201, the United States Climate Leadership on International Mitigation, Adaptation, and Technology Enhancement Act of 2021 (U.S. CLIMATE Act of 2021), has provisions that would require the President to develop a strategy for trilateral climate cooperation between the United States, Mexico, and Canada; require a multiyear strategy for regional energy cooperation with Caribbean countries; and express the sense of Congress on conservation of the

⁵⁸ For example, in March 2021, 10 Members of Congress wrote to President Biden requesting the prioritization of Latin American and Caribbean countries when sharing surplus vaccines. Letter from Representative Joaquín Castro and nine other Members of Congress to President Joseph R. Biden, March 19, 2021, available at <https://www.politico.com/f/?id=00000178-66d5-dff1-a57e-77f571350000>.

⁵⁹ White House, Executive Office of the President, Office of Management and Budget, "Summary of the President's Discretionary Funding Request," (letter to Hon. Patrick Leahy, Chairman, Senate Committee on Appropriations), April 9, 2021.

Amazon River basin and U.S. engagement with Brazil. S. 1169, the Strategic Competition Act of 2021, which addresses issues involving China worldwide, has provisions that would require a multiyear strategy for increasing U.S. economic competitiveness and promoting good governance, human rights, and the rule of law in Latin America and the Caribbean. The bill would also require a report assessing the nature, intent, and impact to U.S. strategic interests of Chinese diplomatic activity influencing the decisions, procedures, and programs of multilateral organizations in Latin America and the Caribbean. Similarly to S. 616, the bill would also authorize a capital increase for the Inter-American Development Bank.

Regional U.S. Policy Issues

U.S. Foreign Aid

The United States provides foreign assistance to Latin American and Caribbean countries to support development and other U.S. objectives. U.S. policymakers have emphasized different strategic interests in the region at different times, from combating Soviet influence during the Cold War to promoting democracy and open markets and countering illicit narcotics since the 1990s.

In recent years, top U.S. funding priorities in the region have included addressing the underlying drivers of migration from Central America, combatting drug production and supporting peace accord implementation in Colombia, and strengthening security and the rule of law in Mexico. U.S. agencies also have dedicated significant resources to combatting HIV/AIDS and fostering long-term stability in Haiti; addressing security concerns in the Caribbean; and providing humanitarian assistance to the nearly 5.6 million Venezuelans who have fled their home country, as well as to their host communities.

The Trump Administration repeatedly sought to scale back U.S. assistance to Latin America and the Caribbean. In each of its annual budget requests for the region, the Trump Administration proposed significant cuts to foreign assistance managed by the State Department and the U.S. Agency for International Development (USAID), as well as the elimination of the Inter-American Foundation—a small, independent U.S. foreign assistance agency that promotes grassroots development. Congress chose not to enact most of the proposed cuts, slightly increasing aid to Latin America and the Caribbean between FY2017 and FY2020 (see **Table 3**); comprehensive FY2021 allocations are not yet available. The Trump Administration used various authorities to suspend and reprogram some of that assistance. In 2019, for example, it withheld an estimated \$396 million that Congress had appropriated for Central America in FY2018 and reprogrammed the funds to address other foreign policy priorities inside and outside the Western Hemisphere. (See “Central America’s Northern Triangle,” below.)

Assistance needs in Latin America and the Caribbean have increased in conjunction with deteriorating conditions in 2020. As noted, the region’s economy as a whole contracted by an estimated 7.0% in 2020, largely due to the COVID-19 pandemic.⁶⁰ The downturn pushed an estimated 22 million people into poverty and 8 million into extreme poverty, increasing the regional poverty (33.7%) and extreme poverty (12.5%) rates to levels not seen for 12 and 20 years, respectively.⁶¹ Economic recovery may be protracted, as the region remains an epicenter of new infections and some countries may not have widespread access to vaccines until 2022. Political and security conditions also have deteriorated in some Latin American and Caribbean

⁶⁰ IMF, *World Economic Outlook Database*, April 2021.

⁶¹ ECLAC, *Social Panorama of Latin America 2020*, March 2021, pp. 26-27.

countries during the pandemic, as governments have rolled back political rights and civil liberties and criminal organizations have extended their territorial control and influence.

Table 3. U.S. Assistance to Latin America and the Caribbean: FY2016-FY2021
(billions of U.S. dollars)

2016	2017	2018	2019	2020 (est.)	2021 (req.)
1.69	1.67	1.67 ^a	1.69	1.72	1.40 ^b

Sources: U.S. Department of State, *Congressional Budget Justifications for Foreign Operations*, FY2013-FY2021; and U.S. Department of State, “FY2020 Estimate Data,” June 15, 2020.

Notes: These figures exclude Food for Peace Act (P.L. 480) food aid and assistance appropriated as voluntary contributions to the Organization of American States.

- a. Final FY2018 allocations are unclear, because the Administration reprogrammed approximately \$396 million of FY2018 aid that Congress appropriated for El Salvador, Guatemala, and Honduras, reallocating some of those funds to countries outside of the Latin American and Caribbean region.
- b. Comprehensive FY2021 allocations are not yet available.

Key Policy Issues: As the 117th Congress assesses foreign assistance needs globally, it may consider the extent to which the Latin American and the Caribbean region should be a funding priority. In March 2021, Congress enacted the American Rescue Plan Act of 2021 (P.L. 117-2), which provided nearly \$9.8 billion to respond to COVID-19 globally, including through health interventions, humanitarian assistance, and contributions to multilateral response efforts. That funding builds on nearly \$5.8 billion appropriated during the 116th Congress to support global vaccine procurement and delivery and other pandemic-related foreign assistance programs. The allocation and expenditure of those funds are likely to be the subject of considerable congressional oversight.

Congress also will evaluate President Biden’s FY2022 budget proposal. The Administration released a summary of its proposed budget for discretionary programs on April 9, 2021.⁶² The summary only provides select program highlights but indicates that the Administration is requesting \$861 million to address the root causes of Central American migration, which is 70% more than Congress appropriated for that purpose in FY2021. The Administration has yet to provide details on the rest of its assistance priorities in the region, but shifts in funding levels or programming would require congressional approval.

For additional information, see CRS Report R46514, *U.S. Foreign Assistance to Latin America and the Caribbean: FY2021 Appropriations*, by Peter J. Meyer and Rachel L. Martin; CRS Report R46367, *Department of State, Foreign Operations, and Related Programs: FY2021 Budget and Appropriations*, by Cory R. Gill, Marian L. Lawson, and Emily M. Morgenstern; and CRS In Focus IF11581, *Latin America and the Caribbean: Impact of COVID-19*, by Mark P. Sullivan et al.

Migration Issues

Latin America’s status as a leading source of both legal and unauthorized migration to the United States means that U.S. immigration policies significantly affect countries in the region and U.S. relations with these countries’ governments. Latin Americans comprise the vast majority of

⁶² White House, *Summary of the President’s Discretionary Funding Request*, April 9, 2021, at <https://www.whitehouse.gov/wp-content/uploads/2021/04/FY2022-Discretionary-Request.pdf>.

individuals who have received relief from removal (deportation) through the TPS program and the DACA initiative; they also comprise a large percentage of recent asylum-seekers.⁶³ As a result, immigration policy changes implemented by President Trump, many of which President Biden has reversed, have affected countries in the Latin American and Caribbean region.

The Trump Administration's rhetoric, tariff threats and foreign aid cuts, and restrictive immigration policies tested relations with many countries in the region, and particularly with Mexico and the Northern Triangle countries. The Administration terminated TPS designations for Haiti, El Salvador, Nicaragua, and Honduras (those terminations are facing legal challenges),⁶⁴ rescinded DACA through a process that the Supreme Court ruled in June 2020 did not follow proper procedures and had to be vacated,⁶⁵ and restricted access to asylum. In January 2019, the Trump Administration launched the Migrant Protection Protocols, a program that required many migrants and asylum-seekers to await their U.S. immigration proceedings in Mexico.⁶⁶ The Administration also signed what it termed *asylum cooperative agreements* (ACAs) with Guatemala, El Salvador, and Honduras; these agreements would allow the United States to transfer certain asylum-seekers who arrive at a U.S. border to Guatemala, El Salvador, or Honduras to apply for asylum in one of those countries. The Department of Homeland Security (DHS) began to implement the agreement with Guatemala in November 2019 but suspended implementation in March 2020. DHS finalized ACAs with El Salvador and Honduras in December 2020 but never implemented them.

The factors that drive U.S.-bound migration from Latin America are multifaceted, and some have changed over time. These factors include poverty and unemployment, political and economic instability, crime and violence, natural disasters and climate change, relatively close proximity to the United States, familial ties in the United States, and relatively attractive U.S. economic conditions. As an example of how changing factors may influence migration, Venezuela, a historically stable country with limited emigration to the United States, has become the top country of origin among those who seek U.S. asylum affirmatively due to Venezuela's ongoing crisis.⁶⁷

Migrant apprehensions at the Southwest border reached a 45-year low in 2017 but began to rise in FY2018. In FY2019, DHS apprehended 851,508 migrants, with unaccompanied children and families from the Northern Triangle, many of whom were seeking asylum, comprising a majority of apprehensions.⁶⁸ In FY2020, apprehensions declined by more than half, particularly after the COVID-19 pandemic began in March 2020.⁶⁹ In response to the pandemic, DHS largely

⁶³ Temporary protected status (TPS) is a discretionary, humanitarian benefit granted to eligible nationals after the Department of Homeland Security (DHS) determines that a country has been affected by armed conflict, natural disaster, or other extraordinary conditions that limit the country's ability to accept the return of its nationals from the United States. TPS designations began for Nicaragua and Honduras in 1999, for El Salvador in 2001, and for Haiti in 2010. The Deferred Action for Childhood Arrival (DACA) initiative is an initiative the Obama Administration implemented in 2012 to provide temporary relief from removal and work authorization to certain unlawfully present individuals who arrived in the United States as children.

⁶⁴ As legal challenges to the termination of TPS for these countries continue, DHS has extended the validity of TPS documents for current beneficiaries through October 4, 2021.

⁶⁵ U.S. Dep't of Homeland Sec. v. Regents of the Univ. of Cal., —S. Ct.—, 2020 WL 3271746, at *3 (2020).

⁶⁶ DHS, "Migrant Protection Protocols," at <https://www.dhs.gov/migrant-protection-protocols>.

⁶⁷ In FY2018, Venezuela ranked first among countries of origin for those seeking affirmative asylum in the United States. Guatemala and El Salvador ranked second and third, respectively. See DHS, Office of Immigration Statistics, *Annual Flow Report: Refugees and Asylees: 2018*, October 2019.

⁶⁸ DHS, U.S. Customs and Border Protection (CBP), "Southwest Border Migration FY2019."

⁶⁹ CBP, "Southwest Border Migration FY2020." See explanation of the difference between a Title 8 apprehension

suspended asylum processing at the U.S.-Mexico border in March 2020 under a Centers for Disease Control and Prevention public health order (Title 42); most migrants without valid travel documents were expelled into Mexico or returned to their home countries as quickly as possible.⁷⁰ More than 514,000 migrants were expelled to Mexico through February 2021.⁷¹ Thus far in FY2021, both apprehensions and expulsions have been increasing. DHS Secretary Alejandro Mayorkas has predicted that total encounters (apprehended or expelled) in FY2021 could reach a level not seen in 20 years.⁷²

President Biden has announced executive actions on immigration, many of which revise restrictive policies implemented by the Trump Administration. Pursuant to Executive Order (E.O.) 14010, which calls for the development of a collaborative regional migration management strategy, the Administration has suspended the 2019-2020 ACAs, reestablished the Central American Minors program to allow children with parents who have status in the United States to apply for asylum in their country, and begun processing asylum-seekers previously returned to Mexico under the Migrant Protection Protocols.⁷³ President Biden also proposed a comprehensive immigration reform bill, introduced as the U.S. Citizenship Act (S. 348/H.R. 1177). The bill, as introduced, would, among other measures, provide a pathway to citizenship for certain farmworkers and those with DACA and TPS. The bill also would authorize \$4 billion over four years to address the root causes of migration from Central America. On March 8, 2021, DHS Secretary Mayorkas designated Venezuela for TPS.

The Biden Administration has exempted unaccompanied children from the Title 42 policy but otherwise has left the policy mostly in place. The Administration has asked Mexico to heighten migration enforcement and to continue accepting migrant families expelled under Title 42, but Mexico limits the number of families accepted when shelter capacity is full.⁷⁴ DHS has periodically been unable to process families with children and has released those families into the United States.⁷⁵ Vice President Harris is leading U.S. diplomatic efforts to engage the governments of Mexico and Central America on migration and border security issues.

Key Policy Issues: Congress may consider comprehensive immigration measures (S. 348/H.R. 1177) or piecemeal legislation to address specific issues, such as border security, immigration enforcement, legalization of unauthorized immigrants, temporary and permanent immigration, and humanitarian admissions. In March 2021, the House passed H.R. 6, which would modify the legal pathways available to those in the region and adjust the status of some Central American immigrants in the United States. Amid an increase in child and family arrivals at the Southwest border, Congress may consider legislation to address the sheltering of child migrants, as well as additional appropriations as needed to respond to families. Congress is likely to continue funding and overseeing U.S. assistance to respond to the Venezuela regional migration crisis, address the

under DHS authority and a Title 42 expulsion under Centers for Disease Control and Prevention authority in the notes.

⁷⁰ The Biden Administration has exempted unaccompanied children and some families from this policy. See CRS Legal Sidebar LSB10582, *Asylum Processing at the Border: Legal Basics*, by Ben Harrington.

⁷¹ CBP, “FY2020 Nationwide Enforcement Encounters: Title 8 Enforcement Actions and Title 42 Expulsions; U.S. Border Patrol Monthly Enforcement Encounters 2021: Title 42 Expulsions and Title 8 Apprehensions,” accessed April 2, 2021.

⁷² DHS, “Statement by Homeland Security Secretary Alejandro N. Mayorkas Regarding the Situation at the Southwest Border,” March 16, 2021. Hereinafter Mayorkas, March 2021.

⁷³ Executive Order 14010, “Creating a Comprehensive Regional Framework to Address the Causes of Migration, to Manage Migration Throughout North and Central America, and to Provide Safe and Orderly Processing of Asylum Seekers at the United States Border,” February 2, 2021.

⁷⁴ Mayorkas, March 2021.

⁷⁵ Elliot Spagat, “Migrants Freed Without Court Notice—Sometimes No Paperwork,” AP, April 1, 2021.

root causes of migration from Central America, and bolster Mexico's interdiction and humanitarian protection systems.

For additional information, see CRS Insight IN11635, *Mexico: Challenges for U.S. Policymakers in 2021*, by Clare Ribando Seelke; CRS Insight IN11603, *Central America's Northern Triangle: Challenges for U.S. Policymakers in 2021*, by Peter J. Meyer; CRS In Focus IF10371, *U.S. Strategy for Engagement in Central America: An Overview*, by Peter J. Meyer; CRS Legal Sidebar LSB10574, *Recent White House Actions on Immigration*, by Hillel R. Smith and Kelsey Y. Santamaria; CRS Legal Sidebar LSB10582, *Asylum Processing at the Border: Legal Basics*, by Ben Harrington; CRS Insight IN11638, *Increasing Numbers of Unaccompanied Alien Children at the Southwest Border*, by William A. Kandel; CRS In Focus IF11799, *Child Migrants at the Border: The Flores Settlement Agreement and Other Legal Developments*, by Kelsey Y. Santamaria; CRS In Focus IF10215, *Mexico's Immigration Control Efforts*, by Clare Ribando Seelke; CRS Report R44849, *H-2A and H-2B Temporary Worker Visas: Policy and Related Issues*, by Andorra Bruno; CRS Report RS20844, *Temporary Protected Status and Deferred Enforced Departure*, by Jill H. Wilson; and CRS Report R46764, *Deferred Action for Childhood Arrivals (DACA): By the Numbers*, by Andorra Bruno.

Drug Trafficking and Criminal Gangs

Latin America and the Caribbean feature prominently in U.S. counternarcotics policy due to the region's role as a source and transit zone for several illicit drugs destined for U.S. markets—cocaine, marijuana, methamphetamine, and opioids (plant-based and synthetic)—as well as for precursor chemicals used in the production of illicit drugs. Heroin abuse and synthetic opioid-related deaths in the United States have reached epidemic levels, raising questions about how to address foreign sources of opioids. Policymakers also are concerned that methamphetamine and cocaine overdoses in the United States are rising.

Drug demand in the United States and changes in the international drug market continue to drive drug production in Mexico, Colombia, Peru, and Bolivia. Opium poppy cultivation and heroin production rose in Mexico through 2017 but have since declined. However, the production of fentanyl (a synthetic opioid) and methamphetamine has surged. Over 90% of heroin seized and sampled in the United States comes from Mexico and increasingly includes fentanyl. Since the Chinese government implemented strict controls on all forms of fentanyl, including fentanyl analogues, in mid-2019, Mexico has become a more important source of fentanyl.⁷⁶ Coca cultivation and cocaine production in Colombia, which supplies roughly 89% of cocaine in the United States, reached record levels in 2017, leveled off in 2018, and slightly increased in 2019.⁷⁷ Estimated coca cultivation and production in Peru and Bolivia also surged in 2019.⁷⁸

Whereas Mexico, Colombia, Peru, and most other source and transit countries in the region work closely with the United States to combat drug production and interdict illicit flows, the Venezuelan and Bolivian governments do not. In March 2020, the Department of Justice indicted Venezuela's leader, Maduro (whom the United States does not recognize as Venezuela's legitimate president) and other current and former high-ranking Venezuelan officials. As charged,

⁷⁶ U.S. Drug Enforcement Administration (DEA), *National Drug Threat Assessment, 2020*, February 2021. Hereinafter, DEA, *NDTA 2020*.

⁷⁷ Office of National Drug Control Policy (ONDCP), "United States and Colombian Officials Set Bilateral Agenda to Reduce Cocaine Supply," March 5, 2020.

⁷⁸ ONDCP, "ONDCP Releases Data on Coca Cultivation and Production in Peru," July 31, 2020; and "ONDCP Releases Data on Coca Cultivation and Cocaine Production in Bolivia," November 13, 2020.

Maduro allegedly participated in a drug trafficking organization that conspired with the Revolutionary Armed Forces of Colombia (FARC) to traffic illicit drugs to the United States. Over the past several years, Maduro officials have been identified as conspiring with FARC dissidents and National Liberation Army guerrillas operating in Venezuela to smuggle cocaine and illicit gold.⁷⁹ U.S. antidrug cooperation with Bolivia decreased under former President Evo Morales (2006-2019) and remains limited under Morales's successor, President Luis Arce.

Contemporary drug trafficking and transnational crime syndicates have contributed to degradations in citizen security and economic development in some countries, often resulting in high levels of violence. Despite efforts to combat the drug trade, many Latin American governments, particularly in Mexico and Central America—a region through which roughly 90% of cocaine bound for the United States from South America transited in 2019—continue to suffer from weak criminal justice systems and law enforcement agencies.⁸⁰ Public corruption, including high-level cooperation with criminal organizations, further frustrates efforts to interdict drugs, investigate and prosecute traffickers, and recover illicit proceeds. At the same time, there is a widespread perception—particularly in Latin America—that U.S. demand for illicit drugs is largely to blame for the region's crime and violence problems. The COVID-19 pandemic has lowered violence in most countries, but drug trafficking-related violence remains elevated in Mexico.

Criminal gangs with origins in Southern California, principally the Mara Salvatrucha (MS-13) and the 18th Street gang, continue to undermine citizen security and subvert government authority in Central America. Gang-related violence has been particularly acute in El Salvador, Honduras, and urban areas in Guatemala. Gangs have been involved in a range of criminal activities, including local drug distribution, extortion, money laundering, and weapons smuggling, and they have used violence to enforce COVID-19-related quarantines. Gang-related violence has fueled irregular migration to the United States.

U.S. Policy. For more than 50 years, U.S. policy toward Latin America and the Caribbean has focused on countering drug trafficking and reducing drug production in the region. The largest antidrug support program, Plan Colombia, provided more than \$10 billion (current dollars) to help Colombia combat both drug trafficking and rebel groups financed by the drug trade from FY2000 to FY2016.⁸¹ After Colombia signed a historic peace accord with the country's largest leftist guerrilla group, the FARC, the United States provided assistance to help implement the agreement. U.S. officials remain concerned, however, about elevated cocaine production in Colombia.

U.S. support to combat drug trafficking and reduce crime also has included partnerships with other countries in the region: the Mérida Initiative with Mexico, CARSI, and the CBSI. During the Obama Administration, those initiatives combined U.S. antidrug and rule-of-law assistance with economic development and violence prevention programs. The Trump Administration sought to focus on security and antidrug efforts while attempting to reduce overall funding for each of the security assistance programs.

The Biden Administration's *Interim National Security Strategic Guidance* describes an intention to "expand ... engagement and partnerships" with a "commitment to economic prosperity,

⁷⁹ Douglas Farah, *The Maduro Regime's Illicit Activities: A Threat to Democracy in Venezuela and Security in Latin America*, Atlantic Council, August 12, 2020.

⁸⁰ Drug transit data are from U.S. Government, Interagency Assessment of Cocaine Movement, based on 2019 data from the Consolidated Counterdrug Database as cited in DEA, *NDTA 2020*.

⁸¹ See CRS Report R43813, *Colombia: Background and U.S. Relations*, by June S. Beittel.

security, human rights, and dignity.”⁸² In a March 2021 posture statement, Commander of U.S. Southern Command Admiral Craig Faller stated that violent transnational criminal organizations (TCOs) pose a national security threat to the Southern Command’s area of responsibility.⁸³ The Biden Administration’s approach to drug policy may be further informed by the findings of the congressionally mandated Western Hemisphere Drug Policy Commission; the commission’s report, released in December 2020, recommended the State Department take the lead in regional drug policy and replace the annual drug certification process with compacts negotiated with countries to identify bilateral antidrug policies.⁸⁴

Key Policy Issues: The Biden Administration’s FY2022 budget request and surrounding congressional consideration could signal the future levels of funding regional antidrug programs are likely to receive. Congress may convene oversight hearings, request Government Accountability Office reports, and draft legislation to influence U.S. anti-crime and counterdrug programs in the Western Hemisphere. Issues of concern may include whether or not to support a resumption of aerial eradication in Colombia, how to address drug flows emanating from Venezuela, how to resume antidrug cooperation with Mexico after strains in bilateral relations, and how to improve anti-crime efforts as part of a broader strategy to address the root causes of unauthorized migration from Central America. Newer issues may focus on how to interdict precursor chemicals from China and India that are being used to produce fentanyl in Mexico, as well as how to combat the role of money launderers from China in supporting TCOs in the region.

For additional information, see CRS Insight IN11535, *Mexican Drug Trafficking and Cartel Operations amid COVID-19*, by June S. Beittel and Liana W. Rosen; CRS In Focus IF10578, *Mexico: Evolution of the Mérida Initiative, 2007-2021*, by Clare Ribando Seelke; CRS In Focus IF10400, *Trends in Mexican Opioid Trafficking and Implications for U.S.-Mexico Security Cooperation*, by Liana W. Rosen and Clare Ribando Seelke; CRS Report R41576, *Mexico: Organized Crime and Drug Trafficking Organizations*, by June S. Beittel; CRS Report R44812, *U.S. Strategy for Engagement in Central America: Policy Issues for Congress*, by Peter J. Meyer; CRS Report R43813, *Colombia: Background and U.S. Relations*, by June S. Beittel; CRS In Focus IF10789, *Caribbean Basin Security Initiative*, by Mark P. Sullivan; and CRS Report R46695, *The U.S. “Majors List” of Illicit Drug-Producing and Drug-Transit Countries*, by Liana W. Rosen.

Trade Policy

The Latin American and Caribbean region is among the United States’ most important regional trading partners. Economic relations between the United States and most of its trading partners in the region remain strong, despite challenges such as the downturn in economic growth and trade due to the COVID-19 pandemic and the high levels of violence in some countries. The United States accounted for roughly 31% of the region’s merchandise imports and 45% of its merchandise exports in 2020. Most of this trade is with Mexico, which accounted for 78% of U.S. imports from the region and 62% of U.S. exports to the region in 2020. In 2020, total U.S. trade with the region declined 14%; total U.S. merchandise exports to Latin America and the Caribbean totaled \$343.1 billion, down from \$429.7 billion in 2019, and U.S. merchandise imports totaled \$416.1 billion, down from \$466.8 billion in 2019 (see **Table 4**).

⁸² White House, President Joseph R. Biden Jr., *Interim National Security Strategic Guidance*, March 2021.

⁸³ Admiral Craig S. Faller, *U.S. SOUTHCOM Posture Statement*, Senate Armed Services Committee, March 16, 2021.

⁸⁴ Report of the Western Hemisphere Drug Policy Commission, *Charting a New Path Forward*, December 2020.

The United States has strengthened economic ties with Latin America and the Caribbean over the past 27 years through the negotiation and implementation of FTAs. Starting with NAFTA in 1994, which was replaced by the USMCA on July 1, 2020, the United States currently has six FTAs in force involving 11 Latin American countries: Mexico, Chile, Colombia, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, Panama, and Peru. NAFTA was the first U.S. FTA with a country in the Latin American and Caribbean region, establishing new rules and disciplines that influenced subsequent trade agreements on issues important to the United States, such as intellectual-property-rights protection, services trade, agriculture, dispute settlement, investment, labor, and the environment.

Table 4. U.S. Trade with Key Trading Partners in Latin America and the Caribbean, 2013-2020

(in billions of current U.S. dollars)

Partner Country	2013	2014	2015	2016	2017	2018	2019	2020
U.S. Exports								
Mexico	226.0	241.0	236.5	230.2	243.6	265.9	256.6	212.7
Brazil	44.1	42.4	31.6	30.2	37.3	39.4	42.9	35.0
Chile	17.5	16.5	15.4	12.9	13.6	15.3	15.7	12.8
Colombia	18.4	20.1	16.3	13.0	13.4	15.1	14.7	12.1
Total LAC	410.4	424.9	389.0	366.1	394.0	429.7	418.2	343.1
World	1,578.5	1,621.9	1,503.3	1,451.5	1,547.2	1,665.7	1,643.2	1,431.4
U.S. Imports								
Mexico	280.6	295.7	296.4	293.5	312.7	344.3	358.0	325.4
Brazil	27.5	30.0	27.5	26.0	29.5	31.2	30.8	23.3
Colombia	21.6	18.3	14.1	13.8	13.6	13.8	14.2	10.8
Chile	10.4	9.5	8.8	8.8	10.6	11.4	10.4	10.1
Total LAC	439.0	446.0	412.3	401.2	428.6	466.6	466.8	416.1
World	2,268.0	2,356.4	2,248.8	2,186.8	2,339.6	2,537.7	2,497.5	2,336.6

Source: U.S. International Trade Commission Interactive, “DataWeb: Tariff and Trade.”

Notes: This table provides statistics on the top four countries followed by the total of U.S. trade with all countries in Latin America and the Caribbean (LAC).

In addition to FTAs, the United States has extended unilateral trade preferences to some countries in the region through several trade-preference programs. The Caribbean Basin Economic Recovery Act (P.L. 98-67, subsequently amended, with no expiration), for example, provides limited duty-free entry of selected Caribbean products as a core element of the U.S. foreign economic policy response to uncertain economic and political conditions in the region. Several preference programs for Haiti, which expire in 2025, provide generous and flexible unilateral preferences to the country’s apparel sector. Two other preference programs include the Caribbean Basin Trade Partnership Act (CBTPA, P.L. 106-200, Title II), which has been extended through September 2030 (P.L. 116-164), and the Generalized System of Preferences (GSP), which expired on December 31, 2020. The CBTPA extends to eligible Caribbean countries preferences on apparel products similar to those given to Mexico under NAFTA (replaced by the USMCA). The GSP, first authorized in the 1970s, has provided duty-free tariff treatment to certain products

imported from 120 designated developing countries throughout the world, including Argentina, Brazil, Ecuador, and other Latin American and Caribbean countries.

In the 15-20 years after NAFTA, some of the largest economies in South America, such as Argentina, Brazil, and Venezuela, resisted the idea of forming comprehensive FTAs with the United States. That opposition has shifted as some countries, including Brazil and Ecuador, have taken steps to enhance their trade relationships with the United States through “mini” bilateral trade agreements on trade facilitation, regulatory cooperation, and anti-corruption.

Numerous other bilateral and plurilateral trade agreements throughout the Western Hemisphere do not include the United States. For example, the Pacific Alliance, a trade arrangement composed of Mexico, Peru, Colombia, and Chile, has made efforts to negotiate a possible trade arrangement with Mercosur, composed of Brazil, Argentina, Uruguay, and Paraguay. On June 28, 2019, after 20 years of negotiations, the European Union and Mercosur reached a political agreement in principle for an ambitious and comprehensive trade agreement. On April 28, 2020, Mexico and the European Union finalized negotiations to update their original FTA from 2000 and remove most of the remaining trade barriers between the two partners.

The Trump Administration made renegotiation and modernization of NAFTA a priority of the Administration’s trade policy. The United States, Canada, and Mexico entered into NAFTA renegotiations in 2017 and concluded talks with the announcement of the USMCA on September 30, 2018. Mexico was the first country to ratify the agreement, in June 2019, and the amended agreement, on December 12, 2019. On January 16, 2020, Congress approved implementing legislation for the agreement; on March 13, 2020, Canada was the last country to ratify the USMCA. The agreement continues NAFTA’s market opening provisions but modernizes NAFTA with new provisions on digital trade, state-owned enterprises, currency manipulation, anti-corruption, enforcement of workers’ rights, and the environment. The USMCA’s tighter rules-of-origin requirements for the motor vehicle industry, removal of government-procurement provisions for Canada, and lessening of investor-state dispute settlement provisions are significant, because they scale back previous Administrations’ U.S. trade policy goals.

In 2018, President Trump issued two proclamations imposing tariffs on U.S. imports of certain steel and aluminum products, including products from Latin America, using presidential powers granted under Section 232 of the Trade Expansion Act of 1962 (P.L. 87-74; 19 U.S.C. §1862). The proclamations outlined the President’s decisions to impose tariffs of 25% on steel and 10% on aluminum imports, with some flexibility on the application of tariffs by country. In May 2018, President Trump proclaimed Argentina and Brazil permanently exempt from the steel tariffs in exchange for quota agreements. On May 31, 2018, the United States imposed tariffs on steel and aluminum imports from Mexico, prompting Mexico to impose retaliatory tariffs on 71 U.S. products, covering an estimated \$3.7 billion worth of trade. By May 2019, President Trump had exempted Mexico from steel and aluminum tariffs and Mexico had agreed to terminate its retaliatory tariffs. In August 2020, after Brazil’s tariff-rate quota on ethanol imports from the United States expired, President Trump tightened the cap on allowable steel imports from Brazil, stating that the decision was made under Section 232.

The United States’ January 2017 withdrawal from the proposed TPP, an FTA that included Mexico, Peru, and Chile as signatories, signified another change to U.S. trade policy under the Trump Administration. In March 2018, all remaining TPP parties signed the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP, or TPP-11), which essentially brought into effect a modified TPP. The TPP-11 has entered into force among seven countries—Canada, Australia, Japan, Mexico, New Zealand, Singapore, and Vietnam. Chile and Peru expect to ratify the agreement eventually. Colombia has expressed plans to request entry into the agreement after it enters into force among all partners.

Key Policy Issues: Congress may examine how the United States could enhance trade relations with countries in Latin America and the Caribbean, whether through bilateral FTAs or a broader regional FTA such as the Free Trade Area of the Americas agreement, which was pursued in the mid-1990s but never concluded.⁸⁵ Congress also may examine whether the United States should consider partial trade agreements, such as the limited agreements reached with Brazil and Ecuador in the last quarter of 2020 on trade facilitation, anti-corruption, and good regulatory practices. Some Members of Congress favor using these “mini” agreements, perceiving them as a mechanism to eventually develop and enter into a comprehensive FTA with those countries. Other lawmakers identify that such mini agreements provide less leverage for addressing concerns regarding human rights, the environment, and workers’ rights in these countries. President Biden has said he does not plan any new trade agreements at this time and he will prioritize domestic economic recovery.

The 117th Congress may take an interest in the expiration of Trade Promotion Authority (Bipartisan Congressional Trade Priorities and Accountability Act of 2015, or TPA; P.L. 114-26) on July 1, 2021. Although the Biden Administration has not announced a trade agenda or plans to negotiate new FTAs, lawmakers may consider whether to include new priorities or consultation requirements in TPA renewal. Some Members have expressed concern over the President’s ability to negotiate limited trade agreements, and others are concerned about including more provisions related to human rights, the environment, and transparency. Members also may consider how the USMCA could affect U.S. industries, especially the auto industry, as well as the USMCA’s overall effects on the U.S. and Mexican economies, North American supply chains, and trade relations with the Latin American and Caribbean region. In addition, policymakers may continue to monitor Mexico’s implementation of labor USMCA commitments, the effects of COVID-19 on U.S. supply chains with countries in the Latin American and Caribbean region, bilateral trade consultations with Brazil concerning the country’s restrictions on imports of ethanol from the United States, and China’s increasing economic influence in the region.

For additional information, see CRS In Focus IF10997, *U.S.-Mexico-Canada (USMCA) Trade Agreement*, by M. Angeles Villarreal and Ian F. Fergusson; CRS Report R44981, *The United States-Mexico-Canada Agreement (USMCA)*, by M. Angeles Villarreal and Ian F. Fergusson; and CRS In Focus IF10038, *Trade Promotion Authority (TPA)*, by Ian F. Fergusson.

Selected Country and Subregional Issues

The Caribbean

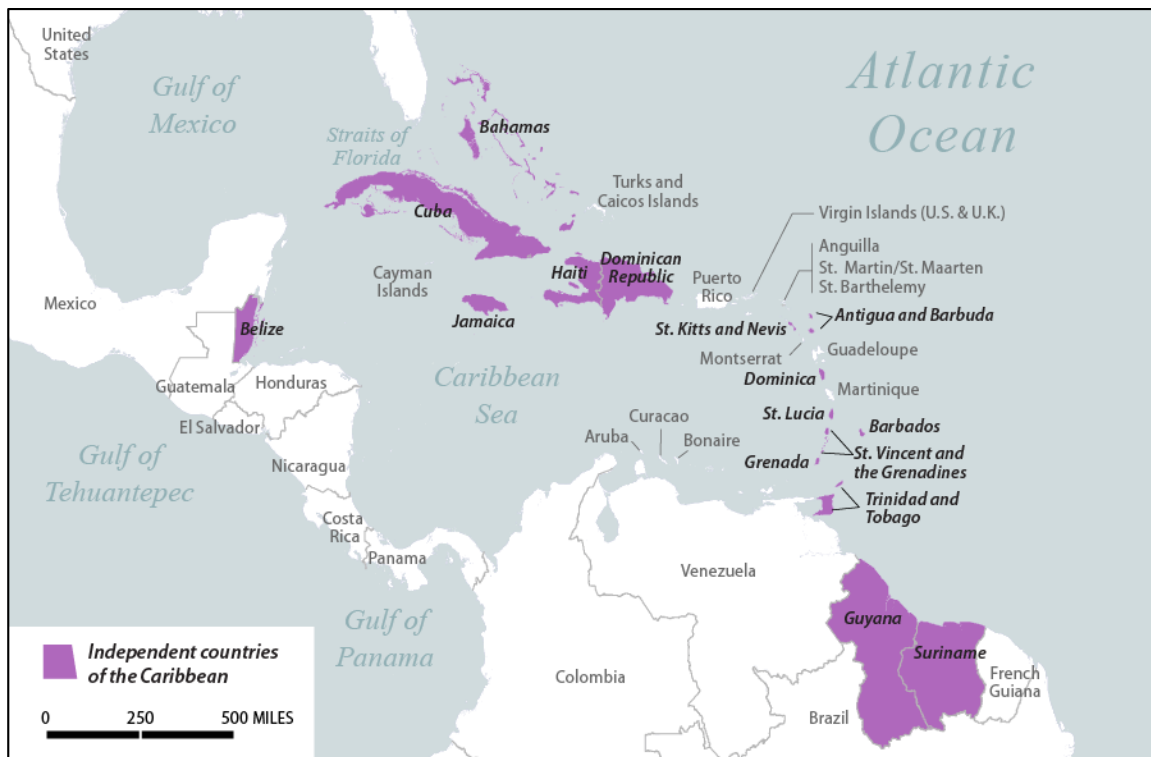
Caribbean Regional Issues

The Caribbean is a diverse region of 16 independent countries and 18 overseas territories, including some of the hemisphere’s richest and poorest nations. Among the region’s independent countries are 13 island nations stretching from the Bahamas in the north to Trinidad and Tobago

⁸⁵ In 1994, 34 Western Hemisphere nations met at the first Summit of the Americas, envisioning a plan to complete a Free Trade Area of the Americas (FTAA) by January 1, 2005. Faced with deadlocked negotiations, the United States and Brazil, the FTAA co-chairs, brokered a compromise at the November 2003 Miami trade ministerial. The compromise moved the FTAA away from the comprehensive single-undertaking principle toward a two-tier framework comprising a set of “common rights and obligations” for all countries, combined with voluntary plurilateral arrangements with country benefits related to commitments. The FTAA talks stalled in 2004. At the fourth Summit of the Americas, held in November 2005, Brazil, Argentina, Uruguay, Paraguay, and Venezuela blocked an effort to restart negotiations. Further action has not occurred.

in the south. In addition, geographically, Belize is located in Central America and Guyana and Suriname are located on the northern coast of South America, but all three are members of CARICOM (see Figure 2).

Figure 2. Map of the Caribbean Region: Independent Countries



Source: CRS Graphics.

Notes: With the exception of Cuba and the Dominican Republic, the remaining 14 independent countries of the Caribbean region are members of the Caribbean Community, or CARICOM, an organization established by English-speaking Caribbean nations in 1973 to spur regional integration. Six Eastern Caribbean nations—Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines—are members of the Organisation of Eastern Caribbean States, established in 1981 to promote economic integration, harmonization of foreign policy, and other forms of cooperation among member states.

In recent years, U.S. policy toward the Caribbean often has been eclipsed by attention to foreign policy crises elsewhere in the Western Hemisphere. Nevertheless, U.S. interests in the Caribbean are diverse and include economic, political, and security concerns. The U.S.-Caribbean relationship is characterized by extensive economic linkages (involving trade, investment, tourism, and large Caribbean diaspora communities in the United States) and by significant cooperation on counternarcotics and other security efforts. Because most Caribbean countries, with the exception of Haiti, have relatively high per capita incomes (classified by the World Bank as *upper-middle-income* or *high-income* economies), the region has not received large amounts of U.S. development assistance.⁸⁶ However, the United States has responded with humanitarian assistance in the aftermath of hurricanes that have devastated several countries in recent years. Beginning in the early 2000s, the United States significantly expanded assistance to the region to

⁸⁶ World Bank, “World Bank Country and Lending Groups,” at <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups>.

combat HIV/AIDS, with both Guyana and Haiti designated as focus countries in the President's Emergency Plan for AIDS Relief initiative.

In December 2016, Congress enacted the United States-Caribbean Strategic Enhancement Act of 2016 (P.L. 114-291), requiring the State Department to develop a multiyear strategy to support U.S. engagement in the Caribbean. Completed in 2017, the strategy established a framework to strengthen U.S.-Caribbean relations in six priority areas: (1) security, with the objectives of countering transnational crime and terrorist organizations and advancing citizen security; (2) diplomacy, with the goal of increasing institutionalized engagement to forge greater cooperation at the OAS and the U.N.; (3) prosperity, including the promotion of sustainable economic growth and private sector-led investment and development; (4) energy, with the goals of increasing U.S. exports of natural gas and the use of U.S. renewable energy technologies; (5) education, focusing on increased exchanges for students, teachers, and other professionals; and (6) health, including a focus on long-standing efforts to fight infectious diseases such as HIV/AIDS.

In 2019, the State Department issued a report to Congress on the implementation of its multiyear strategy. The report maintained that limited budgets and human resources have constrained opportunities for deepening relations, but funding for the strategy's security pillar has supported meaningful engagement and produced tangible results for regional and U.S. security interests.⁸⁷

Caribbean Basin Security Initiative. Because of their geographic location, many Caribbean nations are vulnerable to use as transit countries for illicit drugs from South America destined for the U.S. and European markets. Many Caribbean countries also have suffered high rates of violent crime, including murder, often associated with drug trafficking activities. In response, the United States launched the CBSI in 2009, a regional U.S. foreign assistance program seeking to reduce drug trafficking in the region and advance public safety and security. The program dovetails with the first pillar of the State Department's Caribbean multiyear strategy for U.S. engagement, security. From FY2010 through FY2021, Congress appropriated a total of \$751 million (current dollars) for the CBSI. These funds benefitted 13 Caribbean countries.⁸⁸ The program has targeted assistance in five areas: (1) maritime and aerial security cooperation, (2) law enforcement capacity building, (3) border/port security and firearms interdiction, (4) justice sector reform, and (5) crime prevention and at-risk youth.

Caribbean Energy Security Initiative. Many Caribbean nations depend on energy imports and once participated in Venezuela's PetroCaribe program, which supplied Venezuelan oil under preferential financing terms. The United States launched the Caribbean Energy Security Initiative (CESI) in 2014, with the goal of promoting a cleaner and more sustainable energy future in the Caribbean.⁸⁹ The CESI includes various initiatives to boost energy security and sustainable economic growth by attracting investment in a range of energy technologies through a focus on improved governance; increased access to finance; and enhanced coordination among energy donors, governments, and stakeholders.⁹⁰

⁸⁷ U.S. Department of State, *2019 Report to Congress on Progress of Public Law (P.L.) 114-291: Efforts to Implement the Strategy for U.S. Engagement with the Caribbean Region*, July 2019.

⁸⁸ The 13 countries benefiting from the CBSI are Antigua and Barbuda, the Bahamas, Barbados, Dominica, the Dominican Republic, Grenada, Guyana, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, and Trinidad and Tobago.

⁸⁹ U.S. Department of State, Bureau of Western Hemisphere Affairs, "U.S.-Caribbean Resilience Partnership," at <https://www.state.gov/u-s-caribbean-resilience-partnership/>.

⁹⁰ For background, see U.S. Department of State, Bureau of Western Hemisphere Affairs, "Caribbean Energy Security Initiative (CESI)," at <https://www.state.gov/caribbean-energy-security-initiative-cesi/>.

Disaster Resilience and Climate Change. Many Caribbean countries are susceptible to extreme weather events such as tropical storms and hurricanes, which can significantly affect their economies and infrastructure. Recent scientific studies suggest climate change may be increasing the intensity of such events.⁹¹ In September 2019, Hurricane Dorian caused widespread damage to the northwestern Bahamian islands of Grand Bahama and Abaco, with 70 confirmed deaths and many missing.⁹² The United States responded with nearly \$34 million in humanitarian assistance, including almost \$25 million provided through USAID. Prior to the hurricane, the State Department had launched a U.S.-Caribbean Resilience Partnership in April 2019, with the goal of increasing regional disaster response capacity and promoting resilience to natural disasters. In December 2019, USAID announced it was providing \$10 million to improve local resilience to disasters in the Caribbean. In 2020, USAID joined with CARICOM's Caribbean Disaster Emergency Management Agency to launch the Caribbean Climate Resilience Initiative. As noted, the leaders of both Antigua and Barbuda and Barbuda were invited to participate in President Biden's Leaders' Summit on Climate on April 22-23, 2021.

Pandemic and Vaccine Access. CARICOM leaders issued a statement in February 2021 expressing deep concern about inequitable access to vaccines for small, developing states. The leaders urged developed countries, especially those in the neighborhood "whose populations travel frequently to our region, and who host our largest diaspora populations," to make available some vaccines to CARICOM as an interim supply, given the immediacy of the need.⁹³ Press reports note that the current CARICOM chairman, Prime Minister Keith Rowley of Trinidad and Tobago, has written to the Biden Administration seeking vaccines for the Caribbean and that several Caribbean nations have requested vaccines from the United States.⁹⁴

Small Islands Initiative. In March 2021, the Biden Administration launched the Small and Less Populous Island Economies (SALPIE) Initiative, an economic cooperation framework to strengthen U.S. collaboration with island countries, including in the Caribbean. The initiative's goals are to counter COVID-19 economic challenges, promote economic recovery, respond to the climate crisis, and advance longer-term shared interests.⁹⁵

Key Policy Issues: Over the past several years, Congress rejected budget requests that would have cut CBSI funding and appropriated foreign assistance to address other challenges in the Caribbean, including disaster resilience, energy security, and climate change. Such support for regional programs is likely to continue in the 117th Congress during consideration of the Biden Administration's FY2022 foreign aid request. Should Congress continue these programs, it may choose to enhance U.S. engagement in the Caribbean. Approaches for enhanced engagement might include maintaining funding for the CBSI while bolstering resources for the other five pillars of the U.S. multiyear Caribbean strategy (e.g., health and education), increased support for disaster resiliency and climate change programs, or, in light of the COVID-19 pandemic, support for vaccine accessibility.

⁹¹ See, for example, Kieran T Bhatia et al., "Recent Increases in Tropical Cyclone Intensification Rates," *Nature Communications*, vol. 10, no. 635 (2019).

⁹² The Government of the Bahamas, Cabinet & Disaster Management (NEMA), "Hurricane Dorian, NEMA Update," November 29, 2019.

⁹³ Caribbean Community (CARICOM), "Communique—Issued at the Conclusion of the Thirty-Second Inter-sessional Meeting of the Conference of Heads of Government of the Caribbean Community," February 25, 2021.

⁹⁴ Reuters News, "Caribbean Appeals to Biden to Share Vaccines with U.S. 'Third Border,'" March 24, 2021; CANA News, "St. Kitts, Foreign Affairs Minister Reaches Out to U.S. for COVID-19 Vaccine Donation," March 23, 2021; and *Antigua News Room*, "St. Kitts and Trinidad Join Antigua & Barbuda in Asking U.S. for Vaccines," March 27, 2021.

⁹⁵ White House, "Fact Sheet: Small and Less Populous Island Economies (SALPIE) Initiative," March 22, 2021.

For additional information, see CRS In Focus IF10789, *Caribbean Basin Security Initiative*, by Mark P. Sullivan; CRS In Focus IF10407, *Dominican Republic*, by Clare Ribando Seelke and Rachel L. Martin; and CRS In Focus IF11381, *Guyana: An Overview*, by Mark P. Sullivan.

Cuba

Political and economic developments in Cuba, a one-party authoritarian state with a poor human rights record, frequently have been the subject of intense congressional concern since the 1959 Cuban revolution. Current Cuban President Miguel Díaz-Canel succeeded Raúl Castro in 2018. Castro continued to head the Cuban Communist Party until April 19, 2021, when he stepped down, as planned, at the eighth party congress; at that point, President Díaz-Canel was elected as party leader. In 2019, Cuba adopted a new constitution that introduced some political and market-oriented reforms but continued the state's dominance over the economy and the Communist Party's predominant political role. A November 2020 government crackdown on the San Isidro Movement, a civil society group opposed to restrictions on artistic expression, spurred a protest by several hundred Cubans and focused international attention on Cuba's poor human rights record.

The Cuban economy is being hard-hit by the effects of the COVID-19 pandemic, reduced support from Venezuela, and increased U.S. economic sanctions. The Cuban government reports the country's economy contracted 11% in 2020; the global contraction in economic growth, trade, foreign investment, and tourism likely will slow post-COVID-19 economic recovery.⁹⁶ Over the past decade, Cuba has implemented gradual market-oriented economic policy changes, but the slow pace of these reforms has not fostered sustainable growth and development. On January 1, 2021, Cuba eliminated its dual currency system, a major and long-debated reform. Economists maintain the currency reform will have high costs initially but should boost productivity and development over the longer term.

Cuba's public health response to the pandemic initially kept cases and deaths low, but both began to increase in late 2020. As of April 28, 2021, the country reported 614 deaths and over 104,000 cases, with a mortality rate of 5.42 per 100,000 people.⁹⁷ As previously noted, Cuba is conducting final trials for two vaccine candidates and is planning to begin an intervention study in May 2021 covering 1.7 million people. The government's goal is to vaccinate 60% of the population by August 2021 and the rest by year's end.⁹⁸

Since the early 1960s, the centerpiece of U.S. policy toward Cuba has been economic sanctions aimed at isolating the Cuban government. Congress has played an active role in shaping policy toward Cuba, including by enacting legislation that strengthens—and at times eases—U.S. economic sanctions. In 2014, the Obama Administration initiated a policy shift away from sanctions and toward a policy of engagement. This shift included the restoration of diplomatic relations; the rescission of Cuba's designation as a state sponsor of international terrorism; and an increase in travel, commerce, and the flow of information to Cuba implemented through regulatory changes.

President Trump unveiled a new policy toward Cuba in 2017 that introduced new sanctions and rolled back some of the Obama Administration's efforts to normalize relations. The Trump Administration restricted financial transactions with entities controlled by the Cuban military,

⁹⁶ EIU, *Cuba Country Report*, first quarter 2021.

⁹⁷ Johns Hopkins, "Mortality Analyses," April 29, 2021.

⁹⁸ Anthony Faiola and Ana Vanessa Herrero, "Against the Odds, Cuba Could Become a Coronavirus Vaccine Powerhouse," *Washington Post*, March 31, 2021.

intelligence, and security services; the “Cuba restricted list” of these entities has been updated several times, most recently in January 2021. In September 2017, the State Department reduced the staff of the U.S. Embassy in Cuba by about two-thirds in response to unexplained health injuries of members of the U.S. diplomatic community in Havana. The reduction affected embassy operations, especially visa processing. By 2019, the Administration had largely abandoned engagement and had increased sanctions to pressure the Cuban government on human rights and for its support of the Maduro government in Venezuela. Sanctions imposed from 2019 to January 2021 included a wide array of restrictions, especially on travel and remittances, as well as sanctions targeting Venezuela’s oil exports to Cuba, other trade and financial transactions, and the re-designation of the Cuban government as a state sponsor of international terrorism.

Sanctions imposed under the Trump Administration remain in place to date in the Biden Administration. During the U.S. election campaign, Biden said he would reverse Trump Administration policies that harmed the Cuban people without advancing democracy and human rights.⁹⁹ The White House press secretary said on March 9, 2021, that although a Cuba policy shift was not among the President’s top priorities, the Administration was “committed to making human rights a core pillar” of policy and “committed to carefully reviewing policy decisions made in the prior administration, including the decision to designate Cuba as a state sponsor of terrorism.”¹⁰⁰

Key Policy Issues: Any change in U.S. policy toward Cuba in the Biden Administration likely would be the subject of congressional debate and oversight. Past Congresses supported U.S. funding for human rights and democracy programs in Cuba and for U.S.-government sponsored broadcasting to Cuba, as well as resolutions expressing concern about human rights, but views among Members often diverged regarding the best approach to influence the Cuban government’s behavior. These differing views may continue in the 117th Congress.

The Senate Foreign Relations Committee reported two Cuba human rights resolutions in March 2021: S.Res. 37 would express solidarity with the San Isidro Movement, condemn attacks against artistic freedoms, and call for the repeal of laws that violate freedom of expression and the release of arbitrarily detained artists, journalists, and activists. S.Res. 81 would honor *Las Damas de Blanco*, a woman-led nonviolent human rights group, and call for the release of all political prisoners in Cuba.

Other bills introduced to date are H.R. 287 and S. 689, which would prohibit the rescission of Cuba’s designation as a state sponsor terrorism until Cuba satisfies certain conditions in the LIBERTAD Act (P.L. 104-114); S. 249, which would lift sanctions and call for negotiations on property claims and human rights; and H.R. 198, which would waive certain prohibitions with respect to Cuban nationals coming to the United States to play organized professional baseball.

For additional information, see CRS In Focus IF10045, *Cuba: U.S. Policy Overview*, by Mark P. Sullivan; CRS Insight IN11611, *Cuba: Challenges for U.S. Policymakers in 2021*, by Mark P. Sullivan and Dianne E. Rennack; CRS Report R45657, *Cuba: U.S. Policy in the 116th Congress and Through the Trump Administration*, by Mark P. Sullivan; and CRS Report RL31139, *Cuba: U.S. Restrictions on Travel and Remittances*, by Mark P. Sullivan.

⁹⁹ *Americas Quarterly*, “Joe Biden Answers 10 Questions on Latin America,” March 2, 2020 (updated October 29, 2020), at <https://www.americasquarterly.org/article/updated-2020-candidates-answer-10-questions-on-latin-america/>.

¹⁰⁰ U.S. Department of State, “Press Briefing by Press Secretary Jen Psaki and Deputy Director of the National Economic Council Bharat Ramamurti,” March 9, 2021.

Haiti

During the administration of President Jovenel Moïse, who was inaugurated in February 2017, Haiti has been experiencing political and social unrest, high inflation, and resurgent gang violence. In mid-2018, Moïse decided to end oil subsidies, which, coupled with deteriorating economic conditions, sparked massive protests. Government instability increased after May 2019, when the Superior Court of Auditors delivered a report to the Haitian Senate alleging that Moïse had embezzled millions of dollars. The Haitian judiciary also is investigating Moïse's possible involvement in money laundering, irregular loans, and embezzlement. Moïse has dismissed some officials looking into corruption.¹⁰¹ The president denies the allegations. Some opposition parties sought to remove the president through an impeachment process over corruption and other criminal charges, but legislators voted down the impeachment motion in August 2019. Mass demonstrations have called for an end to corruption, the provision of government services, and Moïse's resignation. Moïse has said he will not resign.

Political gridlock between the executive and legislative branches led to the government not organizing parliamentary elections scheduled for October 2019. The terms of the entire lower Chamber of Deputies and two-thirds of the Senate expired in January 2020, as did the terms of all local government posts, without newly elected officials to take their place. As a result, Haiti now has no functioning legislature, and President Moïse has been ruling by decree since January 2020. He appointed a new Cabinet and prime minister, Joseph Jouthe, in March 2020 and replaced elected mayors with his own nominees. The appointments both created some stability and solidified Moïse's political control. Jouthe resigned as prime minister in April 2021, amid increasing insecurity, and Moïse appointed Foreign Minister Claude Joseph as interim prime minister.¹⁰²

According to recent U.N. reports, gangs challenge the state's authority in Haiti. Violent crime has increased: in 2020, kidnappings increased by 200% over the previous year; murders increased by 20%; and reported rapes increased by 12%.¹⁰³ Such violence fueled public anger against the government, resulting in an average of 84 demonstrations per month in the second half of 2020.¹⁰⁴ In December 2020, the U.S. Treasury Department sanctioned three former Haitian officials for their roles planning and executing an attack on La Saline neighborhood in 2018 that resulted in at least 71 deaths, at least seven rapes, and over 400 destroyed homes. According to Treasury, gangs operate with the support of some Haitian politicians, receiving money, political protection, and firearms in exchange for carrying out attacks designed to create instability and suppress protests demanding improved living conditions.¹⁰⁵ According to the State Department, the Haitian government rarely takes steps to prosecute government and law enforcement officials accused of

¹⁰¹ Bureau des Avocats Internationaux and Institute for Justice and Democracy in Haiti, "Hearing Before Regional Human Rights Body Leads to Request for Site Visit to Haiti," October 4, 2019, p. 2; and EIU, *Haiti Country Report*, third quarter 2020.

¹⁰² *LatinNews Daily*, "Haiti: PM Quits as Moïse Pledges to Address Insecurity," April 15, 2021.

¹⁰³ United Nations Integrated Office in Haiti (BINUH), "Statement of Special Representative Helen La Lime," SRSG La Lime Statement to the Security Council, Security Council Session on the BINUH, October 5, 2020; and United Nations Security Council, *United Nations Integrated Office in Haiti: Report of the Secretary-General*, Report S/2021/133, February 11, 2021, p. 4.

¹⁰⁴ United Nations Security Council, "United Nations Integrated Office in Haiti: Report of the Secretary-General," Report S/2021/133, February 11, 2021, p. 4.

¹⁰⁵ U.S. Department of the Treasury, "Treasury Sanctions Serious Human Rights Abusers on International Human Rights Day: Designations Target Human Rights Abusers in Haiti, Yemen, and Russia," press release, December 10, 2020.

committing abuses.¹⁰⁶ In July 2020, Moïse fired a justice minister after he criticized the government's response to the rise in gangs and violent crime as inadequate.

U.N. and U.S. officials have been pressing Haiti to hold legislative and municipal elections as soon as possible. Many observers argue the Haitian constitution should be reformed to reduce political gridlock and simplify electoral calendars, but they contend these changes should be made once an elected legislature is in place.¹⁰⁷ Instead, the Moïse government announced it would hold a referendum on a new constitution on April 25, 2021; legislative and presidential elections simultaneously on September 19; and, if necessary, runoff elections on November 21. The Moïse government included funding for elections in the FY2020-FY2021 budget, which it established by decree.

The U.N. has had a continuous presence in Haiti since 2004, recently shifting from peacekeeping missions to a political office; the U.N. authorized its Integrated Office in Haiti in 2019 and extended it for another year to October 15, 2021. The office's mandate is to protect and promote human rights and to advise the government of Haiti on strengthening political stability and good governance through support for an inclusive inter-Haitian national dialogue.

With the support of U.N. peacekeeping forces and U.S. and other international assistance, the Haitian National Police (HNP) force became increasingly professional and took on responsibility for domestic security when the U.N. withdrew peacekeeping forces. Nonetheless, the domestic police force faces significant challenges. The HNP's size remains below international standards for the country's population and is underfunded. Recently, HNP members' protests over low pay and unsafe working conditions have repeatedly turned violent. According to the U.N., the HNP has committed human rights abuses, including 19 extrajudicial killings in fall 2019.¹⁰⁸

The COVID-19 pandemic adds an additional challenge to governance in Haiti. The government has limited resources to treat the disease and prevent its spread. Experts expected COVID-19 to spread rapidly and result in a high death rate, given conditions in Haiti, but Haiti has reported a low number of cases, baffling scientists.¹⁰⁹ According to some press reports, while there may be underreporting, hospitalizations have not reached critical levels, and officials have not needed to implement other emergency plans.¹¹⁰ As of April 28, 2021, Haiti had reported 13,017 confirmed cases and 254 deaths.¹¹¹ The government also is poorly equipped to deal with the pandemic's economic impact. Haiti's economy contracted by an estimated 3.7% in 2020.¹¹² In August 2020, the State Department reported the United States was providing \$13.2 million in previously announced health and humanitarian assistance for Haiti to support pandemic-response efforts.¹¹³ In May 2020, health experts and some Members of Congress called for the United States to

¹⁰⁶ U.S. Department of State, *2020 Country Reports on Human Rights Practices: Haiti*, March 30, 2021.

¹⁰⁷ Jacqueline Charles, "Haiti President Rebuffs Elections Calls by U.S. Instead, He Announces Constitution Reform," *Miami Herald*, October 24, 2020.

¹⁰⁸ Marta Hurtado, "Press Briefing Note on Haiti Unrest," Office of the U.N. High Commissioner for Human Rights, November 1, 2019.

¹⁰⁹ Kevin Sieff, "Haiti, Spared a Major Coronavirus Outbreak So Far, Now a 'Tinderbox' Set to 'Explode,'" *Washington Post*, May 15, 2020.

¹¹⁰ Jacqueline Charles, "Despite Lax Rules, COVID Claims Few Lives in Haiti, Scientists Want to Know Why," *Miami Herald*, December 16, 2020.

¹¹¹ Johns Hopkins, "Mortality Analyses," April 29, 2021.

¹¹² IMF, *World Economic Outlook Database*, April 2021.

¹¹³ U.S. Department of State, "Update: The United States Is Continuing to Lead the Response to COVID-19," fact sheet, August 21, 2020.

suspend U.S. deportations of Haitians, because these deportations posed a high risk of introducing COVID-19 to Haiti.¹¹⁴ Such deportations continued throughout 2020 and in 2021.

The Trump Administration's FY2021 request for Haiti totaled \$128.2 million, a reduction of almost 26% compared with estimated assistance provided in FY2020. It is not yet clear how much U.S. assistance Haiti ultimately will receive in FY2021. The explanatory statement accompanying the Consolidated Appropriations Act, 2021 (P.L. 116-260), stipulates that \$51 million in development assistance is to be provided to Haiti, including not less than \$5 million for specific prison reforms. Among other provisions, the act prohibits funding under the act for assistance to Haiti's armed forces.

Key Policy Issues: The U.S. Government Accountability Office (GAO) released a report in April 2021 on USAID funding for reconstruction and development activities in Haiti since the 2010 earthquake. According to a House Committee on Foreign Affairs press release, the report "will help Congress and the Biden Administration make strategic decisions to best aid the Haitian people...."¹¹⁵

Congress may consider whether conditions for free and fair elections are sufficient to support U.S. assistance for the constitutional referendum and elections that the Moïse government scheduled this year. Almost 70 House Members wrote to Secretary of State Blinken, encouraging the State Department to change its policy of insisting on elections this year and to refuse to provide any support for the referendum under current conditions.¹¹⁶ Congress may also consider encouraging further sanctions against Haitians allegedly involved in corruption and human rights violations.

Some Members have expressed concern over several issues related to immigration and Haiti. Some Members are calling on President Biden to re-designate TPS for Haiti before terminations announced by the former Trump Administration go into effect in October 2021.¹¹⁷ Other Members have called on the Biden Administration to end deportations of Haitians during the pandemic. Still others argue in favor of continuing policies that restrict Haitians' entry into the United States or expedite their removal from the United States.

For background, see CRS Report R45034, *Haiti's Political and Economic Conditions*, by Maureen Taft-Morales.

Mexico and Central America

Mexico

Congress has demonstrated sustained interest in Mexico, a neighboring country and top trading partner with which the United States has a close but complicated relationship. In recent decades, U.S.-Mexican relations have improved, as the countries have become close trade partners and

¹¹⁴ Jacqueline Charles and Monique O. Madan, "Haiti Coronavirus Panel Demands That ICE Halt Deportations Until Pandemic Is Controlled," *Miami Herald*, May 10, 2020.

¹¹⁵ U.S. Government Accountability Office, *Haiti: USAID Funding for Reconstruction and Development Activities since the 2010 Earthquake*, GAO-21-263, April 1, 2021; and U.S. House of Representatives, Committee on Foreign Affairs, "Meeks, Jeffries Requested GAO Report on Haiti Reconstruction After 2010 Earthquake Published," press release, April 5, 2021.

¹¹⁶ U.S. House of Representatives, Committee on Foreign Affairs, "Meeks and Jeffries Co-Lead Letter Condemning Unconstitutional Actions of Haitian President Moïse," press release, April 26, 2021.

¹¹⁷ See, for example, "Menendez, Rubio Urge Biden Administration to Re-designate Haiti for TPS," press release, Senator Bob Menendez, March 12, 2021.

have worked to address migration, crime, and other issues of shared concern. Nevertheless, the history of U.S. military and diplomatic intervention in Mexico and the asymmetry in the relationship continue to provoke periodic tensions. For example, the October 2020 arrest of former Mexican Defense Minister Salvador Cienfuegos in the United States on drug trafficking charges deeply angered the Mexican government. Despite Cienfuegos's subsequent release, Mexico's Congress enacted legislation to limit U.S. law enforcement operations in Mexico.

Andrés Manuel López Obrador, the populist leader of the National Regeneration Movement party, which he created in 2014, took office for a six-year term in December 2018. He is the first Mexican president in over two decades to enjoy majorities in both legislative chambers. In addition to combating corruption, he pledged to build infrastructure in southern Mexico, revive the poorly performing state oil company, address citizen security through social programs, and adopt a noninterventionist foreign policy.

President López Obrador's approval ratings have remained relatively high, even as his government has struggled to address organized crime-related violence, the COVID-19 pandemic, and a deep recession. In 2019, most Mexicans approved of the López Obrador government's new social programs and minimum wage increases, but some opposed large cuts to government expenditures. Due to high-profile massacres and elevated homicide levels, the López Obrador government has come under pressure to improve its security strategy. Mexico's economy recorded zero growth in 2019, and the IMF estimates that it contracted 8.2% in 2020.¹¹⁸ President López Obrador has been slow to implement economic policies and public health measures to mitigate the impact of COVID-19, which has caused more than 215,000 reported deaths as of April 28, 2021.¹¹⁹

U.S.-Mexico relations under the López Obrador government have remained generally cordial. Tensions have emerged over several issues, however, including trade disputes and tariffs, immigration and border security issues, U.S. investigations of Mexican officials, and policies Mexico has adopted that negatively affected U.S. energy investors.¹²⁰ The López Obrador government enacted labor reform and a wage increase, which helped lead to U.S. congressional approval of implementing legislation for the USMCA. Mexico accommodated the Trump Administration's restrictive border and asylum policy changes, which shifted the burden of interdicting migrants and offering asylum to Mexico. As the Biden Administration seeks to reverse those policies, U.S. officials have asked Mexico to increase migrant interdiction and accept certain migrants expelled from the United States due to pandemic-related restrictions on asylum processing. The Biden Administration also has agreed to provide Mexico with 2.5 million doses of Astra Zeneca's COVID-19 vaccine and to coordinate pandemic responses. Security cooperation under the Mérida Initiative has stalled, but restarting bilateral efforts and addressing related issues, such as corruption and human rights violations, remain U.S. priorities.

Key Policy Issues: Amid a surge in migrant arrivals at the Southwest border, Mexico's role in bilateral and regional migration issues has emerged as a top congressional concern. Overseeing implementation of the USMCA, related labor reforms in Mexico, and Mexico's investment climate for U.S. investors, particularly in the energy sector, likely will be key issues of interest to Congress. Congress has appropriated foreign assistance for Mexico and has overseen bilateral efforts to address U.S.-bound unauthorized migration, illegal drug flows, and the COVID-19

¹¹⁸ IMF, *World Economic Outlook Database*, April 2021.

¹¹⁹ Johns Hopkins, "Mortality Analyses," April 29, 2021.

¹²⁰ Reuters, "U.S. Voices Concern to Mexico About 'Deteriorating Climate' for Energy Investors," April 2, 2021.

pandemic. Congress remains focused on the effects of organized crime-related violence in Mexico and likely will continue oversight of bilateral security and rule-of-law cooperation.

For additional information, see CRS Insight IN11635, *Mexico: Challenges for U.S. Policymakers in 2021*, by Clare Ribando Seelke; CRS Report R42917, *Mexico: Background and U.S. Relations*, by Clare Ribando Seelke; CRS Report RL32934, *U.S.-Mexico Economic Relations: Trends, Issues, and Implications*, by M. Angeles Villarreal; CRS In Focus IF10997, *U.S.-Mexico-Canada (USMCA) Trade Agreement*, by M. Angeles Villarreal and Ian F. Fergusson; CRS In Focus IF10578, *Mexico: Evolution of the Mérida Initiative, 2007-2021*, by Clare Ribando Seelke; CRS Report R41576, *Mexico: Organized Crime and Drug Trafficking Organizations*, by June S. Beittel; CRS In Focus IF10215, *Mexico's Immigration Control Efforts*, by Clare Ribando Seelke; CRS In Focus IF10400, *Trends in Mexican Opioid Trafficking and Implications for U.S.-Mexico Security Cooperation*, by Liana W. Rosen and Clare Ribando Seelke; and CRS In Focus IF11669, *Human Rights Challenges in Mexico: Addressing Enforced Disappearances*, by Clare Ribando Seelke and Rachel L. Martin.

Central America's Northern Triangle: El Salvador, Guatemala, and Honduras

The Northern Triangle region of Central America (see **Figure 3**) has received considerable attention from U.S. policymakers over the past decade, as it has become a major transit corridor for illicit drugs and, in some years, has surpassed Mexico as the largest source of irregular migration to the United States. In the first six months of FY2021, for example, U.S. authorities at the Southwest border encountered nearly 226,000 Guatemalans, Hondurans, and Salvadorans—exceeding the total number of foreign nationals from the Northern Triangle encountered in all of FY2020.¹²¹ These narcotics and migrant flows are the latest symptoms of deep-rooted challenges in the region, including widespread insecurity, fragile political and judicial systems, and high levels of poverty. The COVID-19 pandemic and two hurricanes exacerbated conditions in the region in 2020, contributing to higher levels of unemployment and food insecurity while creating opportunities for governments to curtail civil liberties and engage in corruption.

Since 2014, the United States has sought to improve security, strengthen governance, and promote prosperity in the region through the U.S. Strategy for Engagement in Central America. Launched by the Obama Administration with support from Congress, the strategy initially doubled annual foreign assistance for the region. From FY2016 to FY2021, Congress appropriated a total of more than \$3.6 billion to implement the strategy, allocating most of the funds to El Salvador, Guatemala, and Honduras. Annual appropriations measures have required a portion of the aid to be withheld, however, until the Northern Triangle governments take steps to improve border security, combat corruption, protect human rights, and address other congressional concerns.

The Trump Administration initially maintained the U.S. Strategy for Engagement in Central America but effectively halted the initiative in March 2019, when it suspended aid to the Northern Triangle due to the continued northward flow of migrants and asylum-seekers from the region. The Administration reprogrammed \$396 million to other foreign policy priorities and withheld most of the remaining assistance for more than a year while it negotiated a series of border security and asylum agreements with the Northern Triangle governments. The aid suspension forced U.S. agencies to scale back projects significantly and cancel planned activities.

¹²¹ CBP, “Southwest Land Border Encounters,” April 8, 2021.

In Honduras, for example, the number of beneficiaries of USAID programs fell from 1.5 million in March 2019 to 640,000 in January 2021.¹²²

Figure 3. Map of Central America



Source: CRS Graphics.

Notes: Geographically located in Central America, Belize is a member of the Caribbean Community (CARICOM) as well as the Central American Integration System.

U.S. policy in Central America is now at a crossroads. The United States-Northern Triangle Enhanced Engagement Act (P.L. 116-260, Division FF, Subtitle F), signed into law in December 2020, directs the State Department, in coordination with other U.S. agencies, to develop a new five-year strategy to advance inclusive economic growth, combat corruption, strengthen democratic institutions, and improve security conditions in the region. In February 2021, President Biden issued E.O. 14010, directing his Administration to begin preparing strategies to address the root causes of Central American migration and to collaboratively manage migration in the region.¹²³ The Biden Administration is requesting \$861 million in foreign assistance for Central America in FYY2022 to begin implementing its proposed four-year, \$4 billion strategy for the region.

Key Policy Issues: The Biden Administration's approach to Central America is likely to be the subject of significant congressional debate and oversight. In the coming months, Congress will likely consider the Administration's \$861 million foreign assistance budget request for Central America, which is 70% above the FY2021 enacted level. In addition to determining the amount of funding appropriated to the region, Congress may allocate funding to certain countries or activities and may impose conditions on certain types of assistance. Congress also may oversee the Biden Administration's implementation of the United States-Northern Triangle Enhanced Engagement Act, assessing the Administration's strategy for the region and the extent to which it names and imposes sanctions on corrupt officials.

Congress could seek to exercise greater influence over the shape of U.S. policy in Central America. The U.S. Citizenship Act of 2021 (S. 348/H.R. 1177) would authorize \$4 billion over four years to advance reforms in Central America and address the underlying drivers of migration

¹²² U.S. Agency for International Development data provided to CRS, March 2021.

¹²³ Executive Order 14010, "Creating a Comprehensive Regional Framework to Address the Causes of Migration, to Manage Migration Throughout North and Central America, and to Provide Safe and Orderly Processing of Asylum Seekers at the United States Border," February 2, 2021.

to the United States. The bill would authorize a variety of activities to be implemented in the region to combat corruption, strengthen the rule of law, and consolidate democratic governance; reduce criminal violence and improve citizen security; counter sexual, gender-based, and domestic violence; and tackle extreme poverty and advance economic development. It also would direct the State Department to carry out public information campaigns regarding irregular migration and establish in-country refugee processing programs in the region.

For additional information, see CRS Insight IN11603, *Central America's Northern Triangle: Challenges for U.S. Policymakers in 2021*, by Peter J. Meyer; CRS In Focus IF1151, *Central American Migration: Root Causes and U.S. Policy*, by Peter J. Meyer; CRS In Focus IF10371, *U.S. Strategy for Engagement in Central America: An Overview*, by Peter J. Meyer; CRS Report R44812, *U.S. Strategy for Engagement in Central America: Policy Issues for Congress*, by Peter J. Meyer; CRS Report R43616, *El Salvador: Background and U.S. Relations*, by Clare Ribando Seelke; CRS Report R42580, *Guatemala: Political and Socioeconomic Conditions and U.S. Relations*, by Maureen Taft-Morales; and CRS Report RL34027, *Honduras: Background and U.S. Relations*, by Peter J. Meyer.

Nicaragua

President Daniel Ortega, aged 75, has been suppressing popular unrest in Nicaragua in a manner reminiscent of Anastasio Somoza, the dictator Ortega helped overthrow in 1979 as a leader of the leftist Sandinista National Liberation Front (FSLN). Ortega served as president from 1985 to 1990, during which time the United States backed right-wing insurgents (*contras*) in an attempt to overthrow the Sandinista government. In the early 1990s, Nicaragua began to establish democratic governance. Nonetheless, the FSLN and Ortega gradually consolidated control over the country's institutions. Ortega reclaimed the presidency in 2007 and has served as president for the past 14 years, creating what the State Department terms "a highly centralized, authoritarian system."¹²⁴ Until recently, for many Nicaraguans, Ortega's populist social welfare programs, which had improved their standards of living, outweighed his authoritarian tendencies and self-enrichment; similarly, for many in the international community, the relative stability in Nicaragua outweighed Ortega's antidemocratic actions.

Ortega's long-term strategy to retain control of the government began to unravel in 2018, when his proposal to reduce social security benefits triggered protests led by a wide range of Nicaraguans. The government's repressive response led to an estimated 325-600 extrajudicial killings, as well as torture, political imprisonment, suppression of the press, and thousands of citizens going into exile.¹²⁵ The government says it was defending itself from coup attempts. The crisis undermined economic growth in the hemisphere's second-poorest country. Government repression has continued in Nicaragua, and international economic sanctions, the COVID-19 pandemic, and hurricane damage have worsened conditions in the country. Nicaragua's economy contracted by 3.9% in 2019 and by an estimated 3.0% in 2020; the IMF projects it will contract by 0.2% in 2021, with unemployment nearly doubling from 6% to 11% from 2019 to 2021.¹²⁶

The international community has sought to hold the Ortega government accountable for human rights abuses and to facilitate the reestablishment of democracy in Nicaragua. An Inter-American Commission on Human Rights team concluded in 2018 that the Nicaraguan security forces'

¹²⁴ U.S. Department of State, *Nicaragua 2020 Human Rights Report*, March 20, 2021.

¹²⁵ Organization of American States (OAS), *Report of the High-Level Commission on Nicaragua of the Organization of American States*, November 19, 2019.

¹²⁶ IMF, *World Economic Outlook Database*, April 2021.

actions could be considered crimes against humanity. The OAS has stated multiple times that the Ortega government has violated the rule of law, altered constitutional order, and violated human rights; the OAS also has urged the Ortega government to commit to concrete electoral reforms.¹²⁷ On March 24, 2021, the U.N. Human Rights Council called for the Nicaraguan government to hold officials and armed groups accountable for human rights abuses, enact meaningful electoral reform, and unconditionally release those detained unlawfully.¹²⁸

Dialogue between the government and the opposition collapsed in 2019. Elements of the opposition have tried to unite behind a single candidate for the November 7, 2021, general elections, but internal divisions persist. In addition, as Ortega's popularity has declined, the Sandinista-controlled legislature has passed a series of laws requiring individuals or groups that receive funding from foreign entities to register as "foreign agents" and granting Ortega the power to declare citizens who support sanctions against Nicaragua or take certain other actions to be "traitors." The laws ban such individuals from running for public office and make them subject to imprisonment. The FSLN has used these laws to eliminate electoral competition. According to the State Department's human rights report for 2020, "Government restrictions on freedoms of expression, association, and assembly precluded any meaningful choice in elections."¹²⁹

As of February 10, 2021, the Sandinista government had not established extensive mitigation measures against COVID-19.¹³⁰ Meanwhile, civil and regional health organizations have called for voluntary quarantines and stricter health measures. Experts are concerned that the government is concealing the disease's spread. The government reported 6,898 cases and 182 deaths as of April 28, 2021; an independent, citizen-run registry reported 12,716 cases and 2,947 deaths as of early February 2021.¹³¹

U.S. policy toward Nicaragua focuses on strengthening civil society and promoting respect for human rights and free and fair elections. The Trump Administration imposed sanctions on high-level officials and organizations, including Vice President and First Lady Rosario Murillo, three of the president's sons, and the Nicaraguan National Police, for corruption and serious human rights abuses. The Biden Administration said it is "deeply concerned about the escalating crackdown" by the Ortega government and urged President Ortega "to change course now."¹³² The Nicaragua Human Rights and Anticorruption Act of 2018 (P.L. 115-335) effectively blocks access to new multilateral lending to Nicaragua. The Consolidated Appropriations Act, 2021 (P.L. 116-260) and its explanatory statement provide \$10 million for democracy and civil society programs in Nicaragua.

Key Policy Issues: The 117th Congress may continue to express concern about human rights abuses and the erosion of democracy in Nicaragua, especially leading up to elections scheduled for November 2021. A Senate legislative initiative introduced in March 2021, S. 1064, would,

¹²⁷ See for example, OAS, "Statement from the General Secretariat on the Situation in Nicaragua," press release E-102/20, October 15, 2020; and OAS, "Resolution Restoring Democratic Institutions and Respect for Human Rights in Nicaragua Through Free and Fair Elections," press release S-019/20, October 22, 2020.

¹²⁸ U.S. Department of State, "Key Outcomes at the 46th Session of the U.N. Human Rights Council," fact sheet, March 24, 2021.

¹²⁹ U.S. Department of State, *Nicaragua 2020 Human Rights Report*, March 20, 2021.

¹³⁰ Elizabeth Gonzalez et al., "The Coronavirus in Latin America," Americas Society/Council of the Americas (ASCOA), February 10, 2021.

¹³¹ Johns Hopkins, "Mortality Analyses," April 29, 2021; and Elizabeth Gonzalez et al., "The Coronavirus in Latin America," ASCOA, February 10, 2021.

¹³² U.S. Department of State, "Nicaragua's Foreign Agents Law Drives Nicaragua Toward Dictatorship, Silencing Independent Voices," press release, February 8, 2021.

among its provisions, require the Administration to align U.S. diplomacy and the use of targeted sanctions to advance democratic elections in Nicaragua.

South America

Bolivia

Bolivia experienced relative stability and prosperity from 2006 to 2019, but governance standards weakened and relations with the United States deteriorated during this period under populist President Evo Morales. Morales was the country's first indigenous president and leader of the Movement Toward Socialism (MAS) party. In November 2019, Morales resigned and went into exile amid nationwide protests against a disputed October first-round election in which he had claimed victory. An interim government was established. Luis Arce, Morales's former finance minister, took office a year later, after winning 55% of the vote in October 2020 elections in which the MAS also maintained a legislative majority.

President Arce is an economist who worked in Bolivia's central bank prior to serving as minister of finance. He pledged to govern in a conciliatory fashion, but his government's arrest of conservative Interim President Jeanette Añez has prompted domestic protests and international condemnation. Although Arce's government has pointed to the interim government's arrest of former MAS officials and Añez's role in what it describes as a "coup" against Morales as justifications for her detention, critics maintain the MAS has violated due process and politicized the judiciary.¹³³ Arce's actions could discourage investors whose help Bolivia likely will need to help its economy recover from a 7.9% contraction in 2020 due to the COVID-19 pandemic. With limited access to vaccines, responding to COVID-19 remains a key challenge; the pandemic has caused almost 13,000 reported deaths in Bolivia as of April 28, 2021.¹³⁴

U.S.-Bolivian relations are likely to remain challenging, given tension under Morales and the Trump Administration's strong support for the conservative interim government. The Trump Administration sent a delegation to Arce's inauguration and vowed to work with President Arce on shared interests. Secretary of State Blinken issued a statement condemning recent actions taken against interim government officials; Bolivia dismissed this statement as interventionist.¹³⁵ Long-standing differences over drug policy and geopolitics also could prove difficult to overcome. With limited bilateral trade and investment ties, the possibility of a resumption in U.S. foreign assistance could encourage cooperation on some issues. In January 2020, President Trump waived restrictions on U.S. assistance to Bolivia that had been imposed due to the country's noncompliance with its international antidrug commitments.¹³⁶ USAID provided \$5 million to support the 2020 elections, 200 ventilators and related technical assistance to address COVID-19, and another \$926,000 in health and sanitation support.

Key Policy Issues: As Congress continues to monitor the situation in Bolivia, it may seek to influence the Biden Administration's policy through the appropriations process, oversight hearings, legislation, or letters to the Administration. Some Members of Congress have

¹³³ César Muñoz and José Miguel Vivanco, "Bolivia Should End Revenge Justice," *El País*, March 22, 2021.

¹³⁴ Johns Hopkins, "Mortality Analyses," April 29, 2021.

¹³⁵ U.S. Department of State, Antony J. Blinken, Secretary of State, "Arrest of Bolivian Former Interim Government Officials," press statement, March 27, 2021.

¹³⁶ White House, Office of the Press Secretary, "Presidential Determination on Waiving a Restriction on United States Assistance to Bolivia Under Section 706 of the Foreign Relations Authorization Act, Fiscal Year 2003," January 6, 2020.

congratulated Arce on his victory and expressed hope for improved bilateral relations; others have expressed concerns about the return of a socialist government in Bolivia.

For more information, see CRS In Focus IF11325, *Bolivia: An Overview*, by Clare Ribando Seelke.

Brazil

Occupying almost half of South America, Brazil is the fifth-largest and sixth-most-populous country in the world. Given its size and tremendous natural resources, Brazil has long had the potential to become a world power and periodically has been the focal point of U.S. policy in Latin America. However, uneven economic performance and political instability have hindered Brazil's rise to prominence. The country experienced a period of strong economic growth and increased international influence during the first decade of the 21st century, but it has struggled with a series of economic, political, security, and health crises since 2014. This domestic turbulence contributed to the controversial impeachment and removal from office of President Dilma Rousseff (2011-2016). It also discredited much of Brazil's political class, paving the way for right-wing populist Jair Bolsonaro to win the presidency in 2018.

Since taking office in January 2019, President Bolsonaro has implemented some fiscal reforms favored by international investors and Brazilian businesses and has proposed measures to ease firearms regulations and promote development in the Brazilian Amazon. Rather than building a broad-based coalition to advance his agenda, Bolsonaro has sought to keep his political base mobilized by taking socially conservative stands on cultural issues and verbally attacking perceived enemies, such as the press, nongovernmental organizations, and other branches of government. This confrontational approach to governance has alienated potential allies within the conservative-leaning Brazilian congress and placed additional stress on the country's already-strained democratic institutions. It also has hindered Brazil's ability to respond to the COVID-19 pandemic. Although the Brazilian government has enacted significant economic support measures to help households, businesses, and state governments during the pandemic, Bolsonaro's resistance to public health restrictions and recommendations has undermined Brazil's efforts to slow the virus's spread.

In international affairs, the Bolsonaro Administration has moved away from Brazil's traditional commitment to autonomy and toward closer alignment with the United States. Bolsonaro coordinated closely with the Trump Administration on regional challenges, such as the crisis in Venezuela, and frequently supported the Trump Administration within multilateral organizations. The Trump Administration welcomed Bolsonaro's rapprochement and sought to strengthen U.S.-Brazilian relations. In 2019, the Trump Administration took steps to bolster bilateral cooperation on counternarcotics and counterterrorism efforts and designated Brazil as a major non-NATO ally for the purposes of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2321k), and the Arms Export Control Act (22 U.S.C. 2751 et seq.). The United States and Brazil also forged agreements on several trade and investment matters, including the Protocol on Trade Rules and Transparency, concluded in October 2020, which aims to foster cooperation on trade facilitation and customs administration, good regulatory practices, and anti-corruption measures.

It is unclear whether the recent advances in bilateral relations—that were based, in part, on the personal rapport between President Trump and President Bolsonaro—will be sustained under President Biden. President Bolsonaro made unsubstantiated allegations about fraud in the U.S. election and was among the last world leaders to recognize President Biden's victory, but he has

expressed interest in strengthening bilateral ties since President Biden's inauguration.¹³⁷ The Biden Administration has sought to maintain a cooperative relationship with Bolsonaro, recognizing Brazil's importance for addressing global challenges, such as the COVID-19 pandemic and climate change.

Key Policy Issues: U.S.-Brazilian cooperation on environmental issues is likely to remain a subject of interest in the 117th Congress. The U.S. CLIMATE Act of 2021 (S. 1201) would express the sense of Congress on the importance of conservation of the Amazon River basin, including support for U.S. engagement with Brazil on efforts to reduce deforestation and greenhouse gas emissions. Congress may consider appropriating funding for conservation efforts, potentially including contributions to the \$20 billion international fund to protect the Amazon that President Biden proposed during his campaign.¹³⁸ Congress also may consider enacting the Tropical Forest and Coral Reef Conservation Reauthorization Act of 2021 (H.R. 241/S. 335), which would authorize \$20 million annually for debt-for-nature swaps from FY2022 to FY2026. An earlier debt-for-nature swap with Brazil under this program generated \$21 million for conservation activities over a five-year period, and Brazil may be eligible for future swaps. Other legislative efforts could focus on combating environmental crime in Brazil and elsewhere by appropriating funds to enforce the Lacey Act (16 U.S.C. §§3371-3378 and 18 U.S.C. §§42-43) and the Foreign Corrupt Practices Act (15 U.S.C. §§78dd-1 et seq.) or by restricting access to the U.S. market for commodities derived from illegally deforested land.

In addition, Congress may continue to assess the state of democracy and human rights in Brazil. Members could use their oversight powers to examine the situations of particular groups, such as indigenous or Quilombola communities. They also could consider legislative measures to restrict U.S. security assistance or other types of bilateral engagement until Brazil meets certain human rights conditions.

For additional information, see CRS Report R46236, *Brazil: Background and U.S. Relations*, by Peter J. Meyer; CRS Report R46619, *U.S.-Brazil Economic Relations*, coordinated by M. Angeles Villarreal; and CRS In Focus IF11306, *Fire and Deforestation in the Brazilian Amazon*, by Pervaze A. Sheikh et al.

Colombia

Colombia is a key U.S. ally in Latin America, and the United States is Colombia's top trading partner. Because of Colombia's prominence in illegal drug production, the United States and Colombia have forged a close relationship over the past two decades. Plan Colombia, a program focused initially on counternarcotics and later on counterterrorism, laid the foundation for an enduring security partnership.

Colombia's 2016 peace treaty with the Revolutionary Armed Forces of Colombia (FARC) resulted in the demobilization of 13,000 insurgents and the transformation of the FARC from a leftist guerrilla army to a political party. However, targeted violence remains prevalent, raising concerns of a faltering peace. Some worry that the country's five-decade internal armed conflict

¹³⁷ Agence France Presse, "Brazil's Bolsonaro Backs Trump Fraud Claim after Unrest," January 7, 2021.

¹³⁸ *CQ Newsmaker Transcripts*, "CNN and Univision Host Democratic Presidential Candidates Debate in Washington, D.C.," March 15, 2020; and *CQ Newsmaker Transcripts*, "Case Western Reserve University and the Cleveland Clinic Hold the First 2020 Presidential Debate in Cleveland," September 29, 2020.

may resume, fueled by peace accord delays and the 6.8% economic contraction in 2020 related to the COVID-19 pandemic.¹³⁹

Iván Duque, a former senator from the conservative Democratic Center party, won the 2018 presidential election and was inaugurated to a four-year term in August 2018. Duque campaigned as a critic of the peace accord and quickly suspended peace talks with the National Liberation Army, now Colombia's largest leftist guerrilla group. Duque has embraced what he calls "peace with legality" and contends his government has complied with the most vital peace accord commitments.¹⁴⁰

President Duque's approval ratings slipped early in his presidency but rose during his initial response to the COVID-19 pandemic. The Duque administration took early measures to contain the virus, including a national lockdown that began in March 2020 and was lifted fitfully through early September. However, cases and deaths began to rise after the lockdown; by April 28, 2021, Colombia had reported over 72,000 COVID-19 deaths.¹⁴¹ The Duque government secured vaccines from several sources, including as the first recipient of vaccines in the Americas through the COVAX Facility mechanism. Although critics noted a slow start to the vaccination campaign, President Duque announced in March 2021 that his national vaccination plan aims to reach 35 million Colombians (or 70% of the population) by the end of 2021.¹⁴²

Along with challenges in implementing the peace accord and the global pandemic, Colombia faces other obstacles. Challenges include a spike in coca cultivation and cocaine production, humanitarian and security issues associated with a mass migration of Venezuelan migrants and refugees, and violence against human rights defenders and social activists.

Colombia has set records in cocaine production in recent years. In 2019, according to U.S. estimates, the country's cocaine production reached 936 metric tons of pure cocaine. In 2018, President Duque and then-Secretary of State Mike Pompeo reaffirmed a commitment to work together to lower coca crop levels and cocaine production to 50% of 2017 levels by 2023.¹⁴³ President Duque campaigned on resuming forced aerial eradication (or spraying) of coca crops with the herbicide glyphosate; in 2020, his government accelerated forced manual eradication. Critics contend only voluntary eradication coupled with alternative development will reduce coca cultivation sustainably. Several U.S. and Colombian groups have urged the Biden Administration to remove funding for the Duque administration's planned restart of the spraying program.¹⁴⁴

Colombia has been a major U.S. security partner, training regional security counterparts and interdicting roughly half of all illicit drugs seized in the Western Hemisphere. For the past two years, Colombia has led a multinational anti-drug operation called Campaign Orion.¹⁴⁵

¹³⁹ IMF, *World Economic Outlook Database*, April 2021; Julie Turkewitz and Sofia Villamil, "Children Trapped by Colombia's War, Five Years After Peace Deal," *New York Times*, March 29, 2021.

¹⁴⁰ Presidential Council for Stabilization and Consolidation, *Peace with Legality Short Management Report: August 2018-November 2020*, January 2021.

¹⁴¹ Johns Hopkins, "Mortality Analyses," April 29, 2021.

¹⁴² President Duque remarks from Atlantic Council, "Transcript: A Conversation with President of Colombia Iván Duque and U.S. Senators Roy Blunt and Ben Cardin," March 25, 2021.

¹⁴³ U.S. State Department, *International Narcotics Control Strategy Report* (INCSR) 2021, vol. 1, March 2, 2021 (hereinafter, INCSR, vol. 1, 2021).

¹⁴⁴ Washington Office on Latin America, "25 Organizations Call for an End to U.S. Support for Aerial Herbicide Fumigation in Colombia," March 26, 2021.

¹⁴⁵ INCSR, vol. 1, 2021; and President Iván Duque, "Declaración del Presidente Iván Duque en la Presentación de Resultados de la Campaña Orión," at https://www.youtube.com/watch?v=Hjh7t4RFFaU&feature=emb_logo&app=

Currently, Colombia hosts more than 1.8 million Venezuelans who have fled the multifaceted crises in their home country. In February 2021, the Duque Administration offered Venezuelans living in Colombia a decade of temporary protected migration status with access to health care, work permits, and other social services. Hailed by many humanitarian leaders as a major innovation to address the region's gravest humanitarian crisis, others caution the program could be politically unpopular if the government fails to meet citizen demands for health and economic assistance. In late March 2021, a conflict between a FARC dissident faction and the Venezuelan government (previously considered to be sheltering the faction) created a new crisis along the already-fraught mutual border.¹⁴⁶

The Trump Administration's focus in U.S.-Colombia relations was largely on containing impacts from Venezuela and reducing drug flows. In August 2020, the Trump Administration announced a new U.S.-Colombian initiative to bring funding from several U.S. agencies to leverage investment in rural, marginal areas to spur Colombia's post-pandemic recovery.¹⁴⁷

For FY2021, in the Consolidated Appropriations Act, 2021 (P.L. 116-260), Congress provided \$461.4 million in assistance for Colombia, the highest level of bilateral foreign assistance appropriated for Colombia in a decade. A provision in the FY2021 William M. (Mac) Thornberry National Defense Authorization Act (NDAA; P.L. 116-283) conference report (H.Rept. 116-617)) requires the Defense Department to report within 120 days after the NDAA's passage any credible allegations since 2016 of misused intelligence assistance by Colombian intelligence services, steps taken by DOD in response, and what the Colombian government has done to punish those who misused the equipment to surveil civilians and to avoid future misuse.

Key Policy Issues: U.S. government assistance to Colombia over the past 20 years has totaled nearly \$12 billion, with funds appropriated by Congress mainly to the U.S. Departments of State and Defense and to USAID.¹⁴⁸ In recent years, many Members of Congress have expressed support for Colombia's continued leadership role in promoting a democratic transition in Venezuela and responding to the worsening humanitarian crisis.

Given the history of strong U.S.-Colombia ties, bilateral relations under the Biden Administration likely will remain close. U.S. policy may be shaped by Biden's stated regional aims of democratic strengthening through building the rule of law and protecting human rights, potentially opening areas of tension. In addition to human rights, the Biden Administration may focus on delayed efforts to establish a comprehensive state presence in rural zones to curb the expansion of criminal and armed groups, including dissident guerrilla groups.

For additional information, see CRS Insight IN11631, *Colombia: Challenges for U.S. Policymakers in 2021*, by June S. Beittel; and CRS Report R43813, *Colombia: Background and U.S. Relations*, by June S. Beittel.

Venezuela

The crisis in Venezuela has deepened under the authoritarian rule of Nicolás Maduro, who has consolidated power despite presiding over a dire economic and humanitarian crisis worsened by

desktop.

¹⁴⁶ *Guardian*, "‘In the Middle of a War Zone’: Thousands Flee as Venezuela Troops and Colombia Rebels Clash," March 31; and Reuters, "Venezuela and Colombia Rights Groups Ask for U.N. Envoy amid Border Violence," March 31, 2021.

¹⁴⁷ White House, "Statement by National Security Advisor Robert C. O'Brien," press release, August 17, 2020.

¹⁴⁸ U.S. Department of State, "Update: The United States Is Continuing to Lead the Response to COVID-19," fact sheet, August 21, 2020.

the COVID-19 pandemic. Maduro—narrowly elected in 2013 after the death of Hugo Chávez (president, 1999-2013)—and the United Socialist Party of Venezuela took de facto control of the National Assembly, the last independent branch of government, in January 2021. Maduro has resisted U.S. and international pressure to step down and an opposition led by Juan Guaidó, the National Assembly president elected in 2015 and once regarded as interim president by nearly 60 countries. Although the Biden Administration recognizes Guaidó as interim president, many U.S. allies, including European Union member states, do not.

Despite years of intense international pressure and the mishandling of Venezuela's economic and humanitarian crisis, Maduro remains entrenched in power. The Maduro government has used repression to quash dissent; rewarded allies, particularly in the security forces, with income earned from illegal gold mining, drug trafficking, and other illicit activities; and relied on support from Russia, China, Iran, and others to subvert U.S. sanctions. The COVID-19 pandemic, low oil prices, and gasoline shortages do not appear to have weakened Maduro's grip on power.

Venezuela's economy has collapsed. The country is plagued by hyperinflation, severe shortages of food and medicine, and a dire humanitarian crisis that worsened in 2020 due to gasoline shortages, COVID-19, and strengthened U.S. sanctions. Maduro has blamed U.S. sanctions for the economic crisis, but many observers cite economic mismanagement and corruption as the main factors. U.N. agencies estimate that 5.6 million Venezuelans had fled the country as of March 2021, primarily to neighboring countries.

The U.S. government ceased recognizing Maduro as Venezuela's legitimate president in January 2019. Although the Trump Administration initially discussed the possibility of using military force in Venezuela, it ultimately sought to compel Maduro to leave office through diplomatic, economic, and legal pressure. Officials in the Biden Administration have stated that the Administration's approach toward the crisis in Venezuela will focus on supporting the Venezuelan people and engaging in multilateral diplomacy to press for a return to democracy and hold Maduro officials and supporters accountable for their actions.¹⁴⁹ On March 8, 2021, the Biden Administration designated Venezuela for TPS. This came after President Trump ended removals of Venezuelans eligible for deferred enforced departure on January 19, 2021. The Biden Administration also is reviewing the humanitarian impacts of U.S. sanctions.

Key Policy Issues: The 117th Congress may continue close oversight of U.S. policy toward Venezuela—a country at the center of a hemispheric humanitarian crisis—including oversight of the Biden Administration's actions to sanction human rights abuses, corruption, and antidemocratic actions by the Maduro government and its backers. Many Members of Congress praised the March 2021 designation of TPS for Venezuela. Although some in Congress support continued pressure on the Maduro government, others favor a more targeted approach, arguing that broad sanctions have not prompted political change but have hurt the Venezuelan people. As in the 116th Congress, some Members have advocated for an end to certain sanctions, including a ban on oil-for-diesel swaps that has contributed to fuel shortages in the country.¹⁵⁰ The 117th Congress may examine new policy approaches by the Biden Administration and further legislative options, such as additional sanctions against the Maduro government and its foreign enablers or humanitarian assistance to Venezuelans.

For additional information, see CRS Report R44841, *Venezuela: Background and U.S. Relations*, coordinated by Clare Ribando Seelke; CRS In Focus IF10230, *Venezuela: Political Crisis and*

¹⁴⁹ U.S. Department of State, "Background Press Call by Senior Administration Officials on Venezuela," press briefing, March 8, 2021.

¹⁵⁰ Timothy Gardner, "Democratic Senator Urges Biden Admin to Allow Diesel Swap in Venezuela," Reuters, March 23, 2021.

U.S. Policy, by Clare Ribando Seelke; CRS In Focus IF10715, *Venezuela: Overview of U.S. Sanctions*, by Clare Ribando Seelke; CRS Report R46213, *Oil Market Effects from U.S. Economic Sanctions: Iran, Russia, Venezuela*, by Phillip Brown; and CRS In Focus IF11029, *The Venezuela Regional Humanitarian Crisis and COVID-19*, by Rhoda Margesson and Clare Ribando Seelke.

Outlook

Even before the COVID-19 pandemic, the Latin American and Caribbean region was facing significant political and economic challenges—most prominently, Venezuela’s ongoing political impasse and economic and humanitarian crisis, but also increasing public dissatisfaction with the state of democracy in the region. The pandemic has multiplied the region’s challenges and negatively affected its future economic prospects. Instead of registering low economic growth rates, as originally forecast before the pandemic, the region is experiencing a deep recession, with millions of people expected to become impoverished. Although economic growth is projected to resume in 2021, the region’s recovery may be slow, lagging behind the global economic recovery, and could jeopardize the economic and social progress that the region has made over the past two decades. Moreover, the pandemic continues to surge in the region, particularly in South America. Vaccine administration has begun in most countries in the region, but vaccine accessibility has been a significant problem and could delay economic recovery.

In addition to the pandemic and its economic fallout, the Biden Administration and the 117th Congress face a variety of other policy challenges in the Latin American and Caribbean region. For example, even as the Biden Administration is revising the Trump Administration’s more restrictive immigration policies, irregular migration from Central America and Mexico is increasing. The Administration has indicated that its budget request will contain increased funding for Central America to address the root causes of migration. The political, economic, and humanitarian crises in Venezuela remain a challenge not only for the United States but also for the entire Western Hemisphere and could be an important test for multilateral diplomacy. In addition, the Biden Administration is currently reviewing U.S. policy toward Cuba, including the previous Administration’s designation of Cuba as a state sponsor of international terrorism, and the future direction of this policy remains a key decision for the Biden Administration. These and other policy challenges discussed in this report may be subjects of legislative initiatives, debate, and oversight in the 117th Congress.

The ninth Summit of the Americas, to be hosted by the United States in 2021 (a date has not yet been announced) could serve as an opportunity for the Biden Administration to set forth its policy agenda for the region and deepen U.S. diplomatic engagement with hemispheric leaders on regional and global issues.

Appendix. Latin American and Caribbean Countries: Basic Data and Hearings

Table A-1. Latin American and Caribbean Countries: Basic Facts

Country	Area (square miles)	Population (2020 estimated, thousands)	GDP (2020 est., U.S. \$ billions, current)	GDP Per Capita (2020 est., U.S. \$, current)	Leader (elected/next election)
Caribbean					
Antigua & Barbuda	171	98	1.4	14,168	Gaston Browne (Mar. 2018/by Mar. 2023)
Bahamas	5,359	385	11.3	29,221	Hubert Minnis (May 2017/by May 2022)
Barbados	166	288	4.4	15,163	Mia Mottley (May 2018/by May 2023)
Belize^a	8,867	419	1.7	3,945	Juan Antonio “Johnny” Briceño (Nov. 2020/by 2025)
Cuba	42,803	11,333 (2019)	100.0 (2018)	8,822 (2018)	Miguel Díaz-Canel (Apr. 2018/ Apr. 2023) ^b
Dominica	290	75	0.5	6,904	Roosevelt Skerrit (Dec. 2019/by Mar. 2025)
Dominican Republic	18,792	10,455	78.7	7,530	Luis Abinader (July 2020/May 2024)
Grenada	133	113	1.0	9,186	Keith Mitchell (Mar. 2018/by Mar. 2023)
Guyana^a	83,000	787	5.8	7,327	Irfaan Ali (Mar. 2020/by 2025)
Haiti	10,714	11,403	14.3	1,253	Jovenel Moïse (Nov. 2016/Sept. 2021)
Jamaica	4,244	2,737	13.9	5,096	Andrew Holness (Sept. 2020/by 2025)
St. Kitts & Nevis	101	57	0.9	14,919	Timothy Harris (June 2020/by 2025)
St. Lucia	238	181	1.7	9,351	Allen Chastanet (June 2016/by June 2021)
St. Vincent & the Grenadines	150	111	0.8	7,122	Ralph Gonsalves (Nov. 2020/by 2025)
Suriname^a	63,251	604	2.4	3,988	Chandrikapersad “Chan” Santokhi (May 2020/2025)
Trinidad & Tobago	1,980	1,399	21.5	15,384	Keith Rowley (August 2020/by 2025)

Country	Area (square miles)	Population (2020 estimated, thousands)	GDP (2020 est., U.S. \$ billions, current)	GDP Per Capita (2020 est., U.S. \$, current)	Leader (elected/next election)
Mexico and Central America					
Mexico	758,449	127,792	1,076.2	8,421	Andrés Manuel López Obrador (July 2018/July 2024)
Costa Rica	19,730	5,128	61.5	11,982	Carlos Alvarado (Feb. & Apr. 2018/Feb. 2022)
El Salvador	8,124	6,486	24.6	3,794	Nayib Bukele (Feb. 2019/Feb. 2024)
Guatemala	42,042	17,971	77.1	4,289	Alejandro Giammattei (June & Aug. 2019/June 2023)
Honduras	43,278	9,942	23.7	2,383	Juan Orlando Hernández (Nov. 2017/Nov. 2021)
Nicaragua	50,336	6,496	12.1	1,870	Daniel Ortega (Nov. 2016/Nov. 2021)
Panama	29,120	4,279	52.9	12,373	Laurentino Cortizo (May 2019/May 2024)
South America					
Argentina	1,073,518	45,388	388.3	8,555	Alberto Fernández (Oct. 2019/Oct. 2023)
Bolivia	424,164	11,722	39.4	3,360	Luis Arce (Oct. 2020/2025)
Brazil	3,287,957	211,422	1,434.1	6,783	Jair Bolsonaro (Oct. 7 & 28, 2018/Oct. 2022)
Chile	291,932	19,458	252.8	12,990	Sebastián Piñera (Nov. & Dec. 2017/Nov. 2021)
Colombia	439,736	50,878	271.5	5,336	Iván Duque (May & June 2018/May 2022)
Ecuador	109,484	17,511	96.7	5,520	Lenín Moreno (Feb. 7 & Apr. 11 2021/Feb. 2025) ^c
Paraguay	157,048	7,253	35.9	4,946	Mario Abdo Benítez (Apr. 2018/Apr. 2023)
Peru	496,225	33,494	203.8	6,084	Francisco Sagasti (Apr. 11 & June 6, 2021/Apr. 2026) ^d
Uruguay	68,037	3,531	55.7	15,778	Luis Lacalle Pou (Oct. & Nov. 2019/Oct. 2024)
Venezuela	352,144	27,951	47.3	1,691	Nicolás Maduro (May 2018/May 2024) ^e

Sources: Area statistics are from the Central Intelligence Agency's *World Factbook*, with square kilometers converted into square miles. Population and economic statistics are from the International Monetary Fund (IMF), *World Economic Outlook Database*, April 2021. Population and economic statistics for Cuba are from the World Bank's World Development Indicators databank.

Notes:

- a. Geographically, Belize is located in Central America and Guyana and Suriname are located on the northern coast of South America, but all three are members of the Caribbean Community (CARICOM) and therefore are listed under the Caribbean region.
- b. Cuba does not have direct elections for its head of government. Instead, Cuba's legislature selects the president of the republic for a five-year term.
- c. In the first round of Ecuador's presidential elections in February 2021, no candidate received enough votes to win outright. In the April runoff election between the two candidates with the most votes, Guillermo Lasso won and will be inaugurated as president on May 24, 2021.
- d. Martin Vizcarra took office in March 2018 upon the resignation of Pedro Pablo Kuczynski, who faced impeachment. Vizcarra was impeached on November 9, 2020, and succeeded by Manuel Merino, who resigned after six days. Amid pro-democracy demonstrations, Congress selected Francisco Sagasti to serve out the remainder of the presidential term ending in July 2021. In the first round of elections in April 2021, no candidate received enough votes to win outright. The June runoff election will be between the two candidates who received the most votes, Pedro Castillo and Keiko Fujimori.
- e. Venezuela's May 2018 elections were characterized by widespread fraud. The United States recognizes Juan Guaidó, president of Venezuela's National Assembly, as interim president of Venezuela. See CRS In Focus IF10230, *Venezuela: Political Crisis and U.S. Policy*, by Clare Ribando Seelke.

Table A-2. Congressional Hearings in the 117th Congress on Latin America and the Caribbean

Committee and Subcommittee	Date	Title
House Foreign Affairs Committee, Subcommittee on Western Hemisphere, Civilian Security, Migration, and International Economic Policy	March 3, 2021	A Way Forward for Venezuela: The Humanitarian, Diplomatic, and National Security Challenges Facing the Biden Administration
House Foreign Affairs Committee	March 12, 2021	Policy Recommendations on Haiti for the Biden Administration
Senate Armed Services Committee	March 16, 2021	United States Southern Command and United States Northern Command
Senate Foreign Relations Committee	March 24, 2021	The State of Democracy in Latin America and the Caribbean
House Foreign Affairs Committee, Subcommittee on Western Hemisphere, Civilian Security, Migration, and International Economic Policy	April 14, 2021	Renewing the United States' Commitment to Addressing the Root Causes of Migration from Central America
House Armed Services Committee	April 14, 2021	National Security Challenges and U.S. Military Activity in North and South America
House Committee on Appropriations, Subcommittee on Defense	April 15, 2021	United States Southern Command

Source: CRS, prepared by Carla Davis-Castro, Research Librarian.

Notes: See also hearing information at House Foreign Affairs Committee at <https://foreignaffairs.house.gov/hearings>; Senate Foreign Relations Committee at <http://www.foreign.senate.gov/hearings>; Senate Armed Services Committee at <https://www.armed-services.senate.gov/hearings>; and House Armed Services Committee at <https://armedservices.house.gov/hearings>.

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