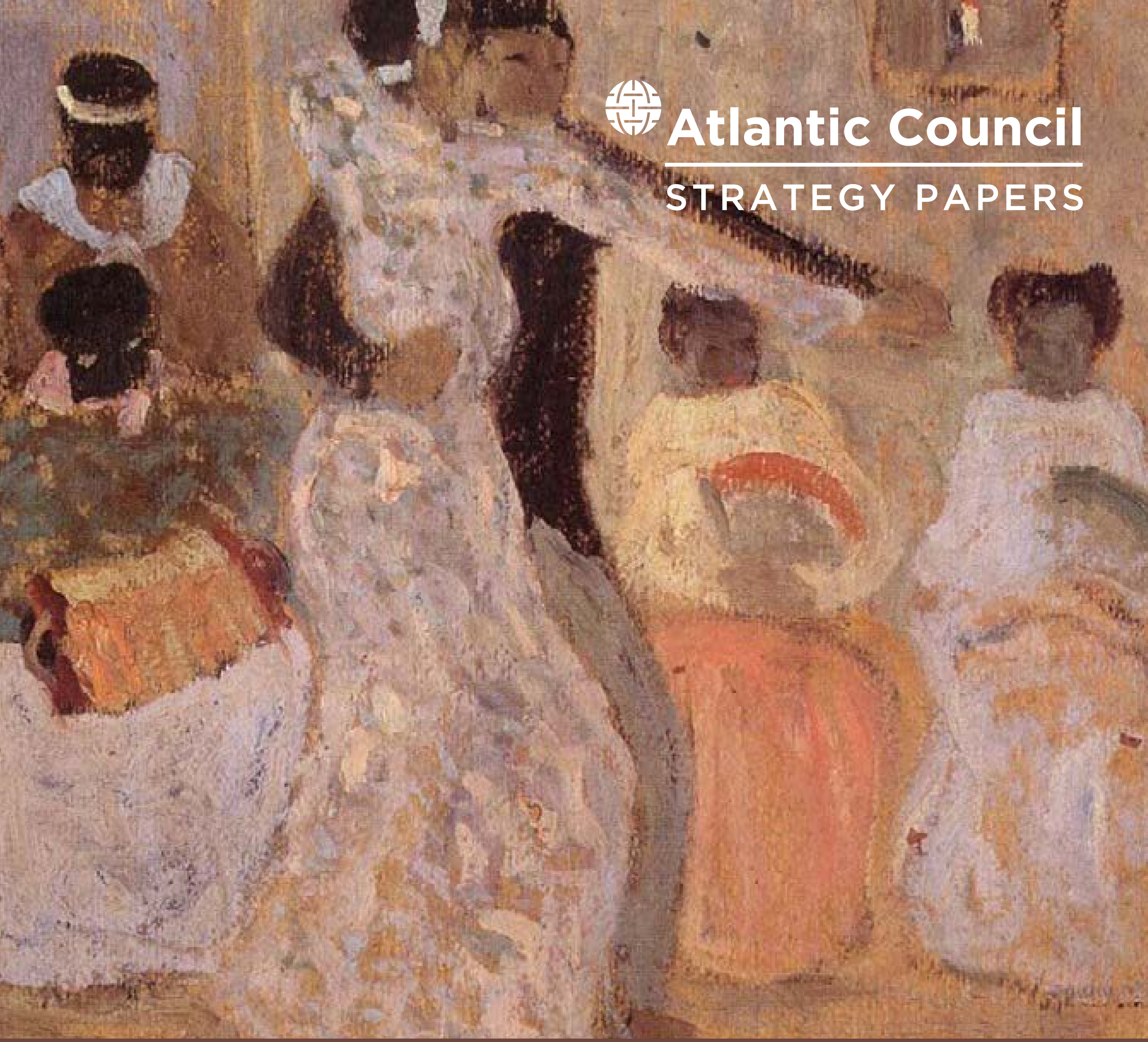

Atlantic Council
STRATEGY PAPERS

Beyond the Headlines
A Strategy for US Engagement with Latin America in the Trump Era

Peter Schechter and Jason Marczak
with Rachel DeLevie-Orey
Foreword by Michael Chertoff

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Atlantic Council Strategy Paper No. 9

Atlantic Council

Atlantic Council
1030 15th Street, NW, 12th Floor
Washington, DC 20005

ISBN: 978-1-61977-431-5

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March 2017

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Foreword

Uncertainty characterizes much of the world today, from conflict in the Middle East to Russia's attempts at worldwide reassertion. While we rightly tend to focus on global hotspots, we must not overlook the importance of expanding ties with regions of stability that are beacons for US business and home to steadfast US allies.

Simply put, in this rapidly shifting world, the United States cannot afford to ignore Latin America. But, time and time again, we default to doing just that, or worse, adopting far too aggressive, zero-sum approaches to our relations with the region. Allies, especially those that share US values of democracy, freedom of expression, and a market economy, are central to US foreign policy successes.

Latin America must be at that center: With some notable exceptions, the last ten years have seen Latin America bloom into an overall stable and prosperous region, one that is open and ready for continued engagement. US businesses have begun to seize the benefits of this growth and stability with Latin America.

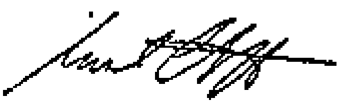
Undoubtedly, Latin America is a key partner for the United States: in security, in trade, and beyond. From national security to the economic policies at the core of US priorities, the US-Latin America relationship must be cultivated over the next four years.

The region means more to the United States than headlines suggest. We must cast aside the disposition to view Latin America through the narrow lens of drugs, crime, and immigration. Instead, let the United States seize four key opportunities aptly laid out in this paper: The Trump administration and Congress should find new ways to unleash the US private sector, to collaborate with our longstanding partners in the fight against organized crime and impunity, to seize on the benefits of enhanced regional integration, and to embrace Latin America's global emergence.

Countries across Latin America have something to offer the United States and the American people. Mexico's energy and tax reforms have created a hub of innovation and progress, entry points for US ventures and commerce. Colombia's peace agreement has introduced a new post-conflict era, with the benefits set to accrue beyond its borders. Argentina's pragmatic approach to economic recovery has increased commerce and foreign direct investment. Brazil has demanded transparency and accountability, decreasing impunity and corruption in the hemisphere.

Challenges do remain, and we must work collaboratively with regional partners to address them. Venezuela is in the midst of a humanitarian crisis of epic proportions. The Central American countries of Guatemala, El Salvador, and Honduras face a vicious cycle of violence and lack of economic opportunity.

But, on the whole, Latin America is moving forward, all the while remaining a strategic partner for the United States. At a time of global upheaval, the United States would fare best with an inclusive, informed, and strategic approach to the region. Suitably named, this paper by Peter Schechter and Jason Marczak, with Rachel DeLevie-Orey, successfully pushes through headlines to analyze core areas for US-Latin America engagement. It contributes not only to the policy debates at hand, but thinks beyond the immediate future to cement a strategic foundation. If embraced, this comprehensive strategy is poised to further security and economic opportunity in the United States and in Latin America beyond today or tomorrow, and for years to come.



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Executive Summary

On January 20, 2017, Donald Trump took the presidential oath, beginning an unexpected and unpredictable tenure. After he ran a campaign that broke with protocol and expectations—much to the delight of some and worry of others—leaders and citizens across the globe anxiously await the direction a Trump presidency will take the United States and the world. Committed to breaking with the status quo, President Trump's first month in office seemed in keeping with the tenor of his campaign, as he signed executive orders and issued statements that emphasized a more inward-oriented approach to US national security and economic growth.

Latin American nations are among those most concerned by this pivot. Many longtime US allies in the region now fear that major trade, security, and diplomatic partnerships are in jeopardy, threatening their relationships with the United States and the impressive growth made in the last decade. This shift comes at a moment when Latin America seems to be headed in an entirely different direction. After nearly two decades of populist-oriented policies in many countries, Latin Americans now largely favor politicians and economic policies espousing integration, globalization, and engagement.

Over the past decade, Latin America has undergone a striking change, yet the majority of the United States remains unaware. Too many Americans believe the region poses a disproportionate danger to the United States—their minds linger on the sensationalist, and often stereotypical, issues that pervade headlines and take center stage: drug-infested shantytowns, murderous cartels, and migrants seeping through US borders.

But, that is not the Latin America of today. In Mexico, bold energy, telecommunication, and tax reforms have bolstered a budding hub of industry and innovation. In Colombia, economic growth and a strong military have created space for the government and the Revolutionary Armed Forces of Colombia (FARC) to end fifty-two years of conflict. In Brazil and Guatemala, strong-willed prosecutors and judges are systematically dismantling deep-seated corruption networks. In Argentina, a pragmatic president continues to take steps to decentralize, deregulate, and turn the economy around.

All of this makes Latin America an attractive economic partner and an important security ally for the United States. At a moment of global upheaval—relentless instability in the Middle East, Russian expansionism, Chinese aggressions in the South China Sea, and nuclear advances in

North Korea—the United States must not take its longtime relationship with Latin America for granted. A US turn away from engagement with the region will mean lost alliances that continue to advance Western interests. It will mean foregoing a chance to sell to a growing middle-class consumer base. It will mean casting aside cross-border efforts to combat drug trafficking, crime, and corruption that bring increased security to the hemisphere. Latin America is a region of peaceful borders and one that continues to exhibit positive transformations. It still faces many challenges, particularly economic ones, as countries attempt to rebalance in an era of cheap commodities. But, beyond the headlines, the trend lines are positive. And this bodes well for US security and economic prosperity.

Much of Latin America is quickly becoming a formidable global player. More than six hundred and thirty million Westerners live between the Rio Grande and the Strait of Magellan. These are people with a fundamental belief in equality, a free press, and democratic elections.[1] Eighty percent live in cities[2] and, in the last decade alone, seventy million have joined the growing middle class.[3] With notable exceptions—Venezuela and Central America's Northern Triangle (El Salvador, Honduras, and Guatemala) chief among them—the future looks clearly brighter than the past. Civil society is bubbling. Like never before, citizens are demanding transparency and accountability, and governments are getting the message.

It is no coincidence that, over the past decade, many Latin American nations have broadened their sights beyond the United States, taking steps to engage in trade and diplomatic relationships with partners outside of the Western Hemisphere. Eleven Latin American countries have trade agreements with the European Union.[4] Chile, Peru, and Costa Rica have the only free-trade agreements (FTA) with China, but more deals are inevitable—particularly as the United States retrenches.[5] Mexican and Chinese officials have already begun to look at how to deepen ties. It is emblematic that Peruvian President Pedro Pablo Kuczynski—a pro-America free-trader—made his first foreign trip as president in September 2016 to China, the country's top trading partner.[6]

Still, Latin America's transformations—and the opportunities they present—do not seem to resonate in much of Washington. That is not true of the US private sector. US businesses are excited to engage with newly opened Latin American markets. Cities are creating exchange and partner programs with their regional counterparts, and the United States' fifty-five million Latinos are helping to shape the next generation of food, music, and culture.

Yet, in the nation's capital, there is a stubborn insistence on focusing on drugs, crime, and immigration, with the new administration seemingly viewing Latin America through a national security lens alone. Furthermore, President Trump's desire to break with the past is already causing many Latin Americans to wonder if they should bet their futures on other areas of the world; clearly, US interests would fare far better under a more collaborative partnership.

In recent years, the United States has laid the foundation for such a partnership, making Latin America fertile ground for expanded cooperation efforts. The Colombia peace process was supported by the appointment of a US special envoy, as well as additional funding for Peace Colombia (also known as Plan Colombia 2.0). Financial support for the Northern Triangle recognized the need to address the root causes of mass unauthorized migration. A presidential visit to Argentina just three months into the newly inaugurated Mauricio Macri administration helped turn a corner in a relationship that had become tense and unproductive in the previous decade. And, though met with some controversy, the normalization of relations with Cuba after more than fifty years was a relief to nearly all Latin Americans—an end-of-Cold War policy that had plagued not just this bilateral relationship, but the US relationship with the region as a whole.[7]

Today, Latin America has much to offer the United States. Reverting back to characterizing the region as a security threat is a disservice to Americans. The new US administration must adjust course and focus on an engagement strategy defined by four pillars: unleash the US private sector; collaborate in the fight against organized crime and impunity; seize the value of regional integration; and embrace Latin America's global emergence.

Under these approaches, the United States should seize business opportunities that, with newly enacted free-market policies in Peru, Mexico, and Argentina, generate exports and investments that can be repatriated to the United States. The United States can support the expanded rule of law in Latin America; it should continue efforts to grow institutional capacity through the provision of technical advice.

Common standards are the next frontier of international trade discussions; constructing guidelines on digital-age commerce would reinforce the United States' leadership in writing the rules of the road. Furthermore, while the United States has a right to secure its borders, other mechanisms must be considered besides a wall. The United States and Mexico should instead focus on advancing efforts such as satellite monitoring and biometric scanning at the border, and building on the partnership to stem the flow of unauthorized Central American migrants before they reach the US southern border.

In Brazil, defense and infrastructure present ideal opportunities for cooperation. In Venezuela, the United States can facilitate an international effort to mitigate humanitarian disaster and a downward spiral of insecurity. Alongside Colombia, the United States can move Peace Colombia forward, and establish an Economic Prosperity Task Force that focuses on elevating Latin American countries into high-income nations. With Cuba, diplomatic relations enable not just commercial opportunities, but reaffirm a national security imperative to have open channels of communication with a country located just beyond US shores. With Argentina, eliminating obstacles to foreign investment would open doors to US businesses.

The US administration need only look to the business community, to the more vibrant civil society, and to forward-looking and pragmatic presidents in the region to see the benefits for the United States of dramatic transformations in much of Latin America. We have come far from the definition of Latin America as “America’s Backyard.” Today, most of the region is America’s partner—ready to work together to address both hemispheric and global challenges.

With this in mind, these pages outline a roadmap for US engagement by looking at the following key developments: trend lines that have fostered the transformation of Latin America; pillars of strategy the United States should adopt to bolster and solidify regional relationships; and opportunities for US engagement with individual countries. This strategic study uniquely identifies key areas of opportunity that could foster win-win outcomes for the United States and Latin America. If approached thoughtfully and strategically, the recommendations outlined in this paper will bolster security and economic prosperity—priorities for this administration and for US success.

Trend Lines over Headlines

In late November 2016, after the people of Colombia shocked the world by voting against the first peace agreement between the government of Colombia and the FARC, President Juan Manuel Santos and FARC leader Rodrigo Londoño officially signed a revised peace agreement to end more than fifty-two years of conflict. Days later, President Santos accepted the Nobel Peace Prize for his ongoing commitment to peace. The prize was demonstrative of what many in and out of Colombia already knew: Despite the bump on the road to peace, Colombia is a country transformed. In the early 1990s, the city of Medellín was deemed "the murder capital of the world," under the thumb of infamous drug lord Pablo Escobar. By 2013, a *Wall Street Journal Magazine* and Citi global competition had awarded Medellín the title of "most innovative city in the world."[8] This award is emblematic of Colombia's great strides over the last two decades. Efforts to implement the peace agreement in the coming year will continue to steer Colombia toward a prosperous and peaceful future—a trajectory critical to US interests.

Colombia's story of economic transformation, peace, and democratic voting is symbolic of a region that has overcome decades of insecurity and economic strife, and emerged as a beacon of resilience and progress. Framed in large part by Cold War dynamics, the 1970s and 1980s brought a wave of authoritarianism and economic volatility to Latin America. Military juntas emerged from Central America to the Southern Cone. The region saw thousands disappeared in Argentina, Brazil, and Chile; Nicaragua engulfed in violence; and Mexico defaulting on its sovereign debt. Governments were forced to employ heavy-handed economic policy to compensate for excessive public spending.[9]

The transformation of the last thirty years is stark, and the United States has helped shape these positive trends through collaboration and partnership. Over the past decade, more than seventy million people have overcome poverty to join the middle class.[10] Rapid urbanization has increased productivity, while challenging cities to prepare for the influx of people. Several Latin American economies rank among the best in the world in areas measured by *Doing Business*, with Costa Rica named the top global improver in 2016.[11]

Such progress is expected to continue, with Latin American governments demonstrating a commitment to engagement-oriented, market-friendly economic policies that will bolster foreign investment. Presidents Kuczynski of Peru, Macri of Argentina, and Michel Temer in Brazil have shown signs of accelerating a more outward-facing economic orientation. These policies will be challenged as Latin American nations find longtime partners in the United States and

Once known for its instability, Medellín is today one of the most innovative cities in the world. Colombia's larger transformation is symbolic of Latin America's resilience and progress.
Source: Jimena Martinez via Wikimedia Commons

Europe leaning toward protectionist policies. One implication of this is a growing Latin American turn to Asia, and China in particular, to sustain this path of global engagement.

Undoubtedly, pockets of Latin America still endure crises, and the diverse histories inform the unique challenges faced by many. Venezuelans face economic and humanitarian despair under an increasingly despotic government. Central America's Northern Triangle struggles to build institutions amid alarming violence. Notwithstanding some changes, political and economic oppression continues in Cuba, hindering growth.

Even countries that are turning around have ingrained challenges that demand new solutions. In Mexico and Brazil, governments grapple with widespread distrust due to deep-seated political corruption scandals. Peru and Colombia continue their battles against illicit activities, ranging from the well-known drug trade to illegal mining and agriculture. To address the pervasive root causes of these activities, regional coordination and sustained US support will be crucial.

But, on the whole, most of Latin America is on a steady path to global emergence: Mexico, Brazil, and Argentina play key leadership roles in the Group of 20 (G20); the region is leading the charge on combating climate change through clean-energy expansion and leadership in organizations like the C40 Cities Climate Leadership Group; countries are creating more inclusive cities through mechanisms like participatory budgeting; and, on the whole, Latin America is increasing investment in human capital by expanding education benefits.

These positive trend lines, which to this day are often misrepresented or misconstrued, should be an integral part of shaping US policy toward the region. Reinforcing perceptions that have not entirely kept up with reality, President Trump has thus far thrown up roadblocks, signing executive orders on border security and immigration that complicate a longstanding relationship with Mexico and have repercussions for the Northern Triangle. These actions, while directed at Mexico specifically, are seen throughout the region as a broader affront. A protectionist trade policy is pushing countries to increasingly eye China as a more consistent long-term partner.

These initial steps—and the corresponding positioning—are misguided. US security and prosperity are intertwined with the region's progress, and have been for decades—a US turn away from engagement with Latin America will lead to missed opportunities for the United States and less US influence in the years ahead. The United States risks ceding market share to global competitors anxious to sell to a growing middle-class consumer base. The partnerships often taken for granted to combat drug trafficking, crime, and corruption could become relics of history. On a global stage, the United States risks losing partnerships with its southern neighbors that have long advanced shared Western interests. As geopolitical realities continue to shift, the administration of President Donald Trump must remain committed to engaging with Latin American partners if it hopes to increase US security and economic prosperity.

Gateways to Engagement

It is clear the United States and Latin America are on divergent paths; as the United States looks to tighten its borders—both physical and economic—Latin America is seeking greater engagement and integration. But, these trends need not lead to a halt in relations. Avenues exist for a mutually prosperous relationship that bolsters the economies and security of the United States and countries in the region, which are core goals for the United States. Recognizing that US engagement with the region is unlikely to be "business as usual" in the Trump era, the following four guidelines describe how the United States can tailor its priorities with the region to expand the benefits of its relationship with Latin America.

Pillars of Strategy

1. Unleash the US Private Sector

In the first eighteen months of his administration, Mexican President Enrique Peña Nieto passed a series of constitutional reforms, including denationalizing the oil industry and breaking up telecommunications monopolies, which opened up Mexican markets in a way previously unseen. In Argentina, President Mauricio Macri has gotten serious about bringing down the country's astronomical inflation rates, and Colombia continues its accession talks with the Organisation for Economic Co-operation and Development (OECD). Meanwhile, Mexico, Chile, and Peru all signed on to the now-dead Trans-Pacific Partnership (TPP), demonstrating a commitment to rules-based global trade, and a pivot to Asia. This, in addition to a rapidly growing middle class, makes Latin America a prime market for US investors and companies seeking new consumer bases.[12]

How excellent, then, that the United States is the region's leading trade partner and preferred business associate. Between 2000 and 2013, US sales to Latin American countries more than doubled,[13] while Latin American foreign direct investment (FDI) in the United States grew by 43 percent in roughly the same period.[14] As much of Latin America puts renewed emphasis on pivoting away from commodities-based economies and doubles down on growing the knowledge economy, existing free-trade agreements and companies with long histories in the region will have the home-field advantage. This will remain the case, even as other global players realize Latin America's increasing value and economic clout.

Colombia is an example of how to accomplish one goal critical for economic success: a safety net for middle-income citizens. This was largely achieved by increasing public investment in

Latin American countries are some of the United States' closest trading partners. US exports of agricultural products to Mexico totaled $18 billion in 2015. Leading exports included corn, soybeans, and dairy products. *Source: Flickr*

infrastructure and human services. The resulting economic growth spurred a rise in per-capita gross domestic product (GDP) from $6,000 in the mid-1990s to $12,000 in 2014.[15] Between 2002 and 2014 alone, poverty dropped from 50 percent to 29 percent.[16]

With the right policies and support from the private sector, parts of Latin America are on track to become high-income countries in the next two decades. Much of this will be fostered by the explosion of e-commerce and the tech industry. As the most social media-engaged region in the world, Latin America is a prime market in the digital age. US retailers are already investing heavily in expanding their e-commerce businesses in the region. Walmart recently redesigned its country-specific website in Brazil, and Amazon has invested heavily in Mexico, launching a Spanish-language version of its shopping website.[17] A *Business Insider* report predicts online retail sales will grow to reach $85 billion by 2019.[18] As these markets expand, deeper investment by American corporations would generate revenue for the United States—and, by extension, help US workers, while simultaneously propelling Latin America toward the next stage of economic growth.

Public-private partnerships have been a driving force in Latin America's development, and continue to present opportunities for Latin American governments and municipalities to work with US companies on investment in clean-energy projects, healthcare, financial products, and expanded access to consumer goods. Development of infrastructure to better facilitate the movement of goods and people is another top area for such partnerships.

Should the United States decide to harbor a zero-sum approach to commercial partnerships and retreat from this market, others are already poised to pounce. China has been active in Latin America for the last ten years; the region has become a large target for China's outward foreign direct investment (OFDI), with the country having invested approximately $106 billion in Latin America and the Caribbean as of 2014.[19]

It is increasingly evident that the Asian giant wants to deepen its role in the region. The China-Latin American and Caribbean Countries Cooperation Plan (2015-2019), signed in Beijing in 2015, set as a goal $500 billion in trade with the region and $250 billion of direct investment.[20] This level of economic cooperation has only become easier with the internationalization of the renminbi (RMB), which will facilitate a whole new throng of small- and medium-sized Chinese enterprises' entrance to international—specifically, Latin American—markets.[21]

The United States should be wary of Chinese expansion in the region for reasons beyond loss of market share. Latin America has long been a rule follower when it comes to international trade and finance. Global norms, including complying with international labor and environmental standards, have been, for the most part, respected by Latin American economies. Many of these very rules have been written and shaped by the United States, making the region's economies friendly toward, and successful for, US companies. The same cannot be said for China. With a history of currency meddling, over-regulating certain industries, and violating dumping laws, China's international engagement has been disruptive to markets key to US interests. Expanded Chinese influence could further aggravate this unfavorable trend.

Finally, the issues of private-sector success, immigration, and US-Latin America relations are inextricably linked. The highly politicized issue of immigration has been contentious in the United States for years, reaching new heights with President Trump's executive orders that targeted refugees from seven nations (though none in Latin America) and paved the way for greater immigrant detention and deportation.

An important issue for the business community, immigration of both high- and low-skilled employees can be the success—or failure—of a company. Certain industries are actually facing a labor-force deficit. Former George W. Bush administration Secretary of Commerce Carlos Gutierrez illustrated this by highlighting that current US quotas allow for 110,000 agricultural workers to enter the country each year; meanwhile, farm owners have demonstrated a need for approximately ten times as many.[22] "Somehow, they come in, somehow, you have to run your farm," said Secretary Gutierrez of the disconnect.[23]

High-skilled workers are also in demand, with top US companies seeking to attract the top global talent. With the retirement of baby boomers, immigrants will also increasingly be needed to fill higher-skills jobs, such as healthcare workers and IT programmers. The Conference Board is backing up these claims with a "Help Wanted" report, stating that in the next ten to fifteen years, it expects US employers to demand more labor than will be available.[24]

To sustain growth in the US private sector, the gap between current policy and labor-force demand must be addressed. The importance of immigration to the success of companies was clearly articulated in the amicus brief filed by ninety-seven executives of US companies in response to the executive order restricting travel from certain countries.[25] As Latin American countries transition to a knowledge-based economy, there will be a natural tilt toward greater education and talent exchange, with businesses wanting greater fluidity for employees.

2. Collaborate in the Fight Against Organized Crime and Impunity

Organized Crime

In Latin America, organized crime has evolved past its once-prominent association with drug cartels to include a range of illegal activities. The repercussions of security challenges like money laundering, human trafficking, and illegal mining seep into the United States. New solutions to address these challenges will be critical, and will require US-Latin America collaboration.

While internal security and judicial mechanisms are obvious tools to combat these networks, it has become clear that repression alone will not eradicate these growing activities. Indeed, one country's success may end up sparking another's detriment. "Ballooning effects," as explained by former Peruvian Finance Minister Luis Miguel Castilla, push illegal activities out of one country and into another, displacing the problem without resolving it.[26]

In countries of the Northern Triangle, where economic opportunity is so scarce, citizens often have few options other than illegal activities. In Brazil and Peru, government services do not meet the needs of citizens—particularly those far away from urban centers. Only comprehensive reform supporting education, health, and economic growth will meaningfully combat these illegal activities, Castilla argues.[27] This should be a priority for the United States from a national security perspective, as a moral imperative, and within its larger goal of supporting formal economic activity.

In the last decade, Latin American countries have proven to be willing and effective partners in combating illicit activities in the region.[28] This begets opportunities for the United States to expand multilateral information-sharing mechanisms and to promote the sharing of intelligence between Latin American countries. The United States could, for example, expand the Egmont Group of Financial Intelligence Units, which includes most Latin American countries.[29] Brazil's bilateral border-security agreements with Colombia, Paraguay, Peru, and Argentina also provide an interesting model; the United States should incorporate these existing pacts into a broader intelligence-sharing operation across the region.[30] And, in Guatemala, Honduras, and El Salvador, where countries like Colombia are helping to train soldiers and police, the United States should facilitate an increase in cooperation that helps to more efficiently investigate and prosecute organized crime, including gang violence.[31]

In the last decade, Latin American countries have proven to be willing and effective partners in combating illicit activities in the region.

Political Corruption

The Western world is suffering a global crisis of trust in political elites. The election of Donald Trump is demonstrative of an impatience with the political class and the demand for new blood among leadership. This sentiment has reached a fever pitch in Latin America, where citizens are deeply skeptical of political leaders. Investigations of politicians continue in Brazil in the *Lava Jato* ("Carwash") operation, which resulted in the impeachment of President Dilma Rousseff. In Mexico, citizens continue to question President Enrique Peña Nieto's leadership as tensions rise between the United States and Mexico.[32] His handling of the Mexican economy amid skyrocketing gasoline prices, his personal financial history, and skepticism about the operations of some of his cabinet members have given rise to popular discontent and the lowest approval ratings in nearly two decades.[33] It is important, though, that protests and demands for change be recognized as progress. Corruption is not new in Latin America, but it is no longer passively accepted.

Impunity

A central component of Latin Americans' long lack of trust in government institutions is the perceived—and, oftentimes, real—pervasiveness of impunity. Citizens believe that criminal activity will go unpunished, whether it is organized crime, petty crime, or political corruption. But, several countries have made impressive strides to combat this perception and tackle impunity. In Mexico, a robust press corps regularly sheds light on a host of issues, and Chile's campaign-finance laws limit the role of money in elections. In Guatemala, investigators working with the

United Nations' International Commission Against Impunity in Guatemala (CICIG) program helped to look into corruption allegations against Guatemala's government, leading to the resignation of President Otto Pérez Molina.[34]

One of the most radical approaches to transparency can be seen in Brazil, where Judge Sérgio Moro leads a task force of judges, investigators, and detectives that has tracked down, prosecuted, and incarcerated scores of politicians, government officials, and private-sector leaders in the region's largest crackdown on corruption.[35] Breaking precedent from other anticorruption efforts, the investigations have, critically, centered not only on the corrupt government officials, but also on the corrupting private-sector companies. Today, Brazil is a leading example of what a strengthened judiciary can accomplish.

Promoting rule of law through a strong judiciary is a core US value. Countries able to effectively exert this are better partners for the United States, as they foster more stable markets and are likely to be willing partners on the global stage. To support the expanded rule of law in Latin America, the United States should continue efforts to grow institutional capacity. In Mexico, there is a long-delayed movement from written trials to oral trials, which would increase the speed and transparency of judicial proceedings. The United States should continue offering technical advice and assistance on this process.

3. Seize the Value of Regional Integration

Trade agreements—particularly multiparty treaties—have come under strict scrutiny in the past year. No presidential candidate supported the Trans-Pacific Partnership (TPP), and President Trump made good on his promise to tear it up. He has also not shied away from threatening the North American Free Trade Agreement (NAFTA) and slapping heavy taxes on imported goods. While several of these proposals would need more than just the president's signature, it is clear that trade relations are under fire. Maximizing the value of international commerce—and aptly communicating that value to US communities—has never been more important. Equally important will be recognizing that there are trade costs that require addressing.

NAFTA is undoubtedly at the center of the discussion of regional integration. With President Trump threatening NAFTA, Mexican and Canadian counterparts—along with many in the United States—are worried about the ramifications of losing such a deeply interconnected value chain. The implications would be both economic and strategic. Renegotiations, however, may prove beneficial for all parties, and, indeed, are likely necessary given a radically different market than that of 1994. Still, the baby must not be thrown out with the bathwater; fourteen million US jobs depend on trade with NAFTA markets, and five million result from NAFTA trade increases.[36] Canada and Mexico are the top-two US export destinations. Abandoning this agreement entirely would mean massively disrupting the US economy and removing the United States as a central player in two major markets. Negotiations should be conducted in an amicable way, so as to not undermine the broader intelligence and security relations with each country.

Presidents of Mexico, Peru, Chile, and Colombia speak at the 2016 Summit of the Pacific Alliance. These Latin American countries embrace collaboration and open-market values in line with those of the United States. *Source: Wikimedia Commons*

Common standards are the next frontier of international trade discussions. The explosion of the Internet, e-commerce, and all relevant intellectual property, and pertinent shifts that have come along with it, demand new rules of the road. The United States has an opportunity to work with Latin American allies to be a leading voice on these standards. The Pacific Alliance, an integration pact between Chile, Colombia, Mexico, and Peru, presents a bloc of countries amenable to collaboration, with open-market values in line with those of the United States. It is not a coincidence that the United States enjoys trade agreements with all four countries. Working with these countries to construct guidelines pertaining to digital-age commerce would ensure the United States remains a leader in writing the rules of the road, and that key trade partners abide by the same standards.

The benefits of strengthening regional integration under terms favorable to the United States are multipronged. One is the obvious advantage of increasing economic opportunity for the United States. Another is the benefit of enhancing economic stability, and, therefore, regional stability, among its neighbors. A third is keeping the United States as a trade power in the region. With the failure of TPP, Latin American countries will not simply turn their backs on the possibility of trade with Asia; instead, they will seek agreements that exclude the United States. Chile responded to

US withdrawal from TPP by inviting trade ministers from the other member countries, plus China and South Korea, to Santiago.

If the United States retreats into protectionist policies, there will be a vacuum in the region, which China has shown it is all too willing to fill. Already, the Chinese-led Regional Comprehensive Economic Partnership has gained renewed interest in the region. The addition of the Chinese currency, the RMB, to international currency reserves, makes it even easier for countries to engage in trade and investment agreements with China. Unless the United States is willing to cede ground to the Asian superpower, it must be vigilant about maintaining a strong regional trade presence by creating more attractive offers to like-minded Latin American nations.

4. Embrace Latin America's Global Emergence

The twenty-first century has seen civil society and democratic institutions strengthened throughout Latin America, with key successes boosting stability in the hemisphere. Where bilateral and multilateral engagement at the national level has faltered, state and municipal governments have stepped up to generate sensible and inclusive solutions to a host of shared problems, including security, nuclear nonproliferation, administration of justice, urban issues, and disaster prevention. Recognizing that many issues are at the forefront of the new administration's agenda, US policymakers, diplomats, and nonprofits can advance the following strategic priorities by drawing on many of the successes seen in Latin America:

- **Internal security**: Given the peaceful borders throughout Latin America, most security concerns are internal. Colombia's success in this field has been supported in large part by the bipartisan Plan Colombia (on track to continue as Peace Colombia). The country has begun training and consulting for security forces in Central America, as well as Kenya, Nigeria, and Uganda.[37] Realizing that security is not born overnight, a continued allocation of human capital and a facilitation of knowledge-sharing in this area with other Latin American countries will help strengthen US national security by combatting threats before they reach beyond national borders.

- **Nuclear agreements**: The Brazilian-Argentine Agency for Accounting and Control of Nuclear Materials ensures the peaceful use of nuclear power through a series of mutual inspections and confidence-building measures. The success of an agreement between these former nuclear rivals led to the implementation of the Treaty of Tlatelolco, establishing Latin America as a nuclear-free region. Similar agreements in Africa, Central Asia, Southeast Asia, and the South Pacific were modeled on the treaty. Given the region's leadership and the growing concern of nuclear proliferation, the United States can seek to promote this type of efficient nuclear cooperation in international forums, without necessarily allocating expensive resources to doing so. Small acts of facilitation,

Judge Sérgio Moro leads judges and investigators in Brazil's fight against corruption and impunity—one of the strongest approaches to transparency in the region. *Source: CCJ–Comissão de Constituição, Justiça e Cidadania via Wikimedia Commons*

including support of a Latin American director general at the International Atomic Energy Agency (IAEA) for the next term, and bringing Brazilians and Argentines to talk about lessons learned and implications for Saudi Arabia and Iran, could go a long way toward reinforcing global nuclear security.

- **Administration of justice**: In recent decades, most Latin American nations—in particular those with which the United States shares close relations—have made tremendous strides in strengthening the judiciary and enforcing the rule of law. In Chile and Brazil, corruption investigations have revealed a mature judiciary able to take on deep-set impunity. In Guatemala, the United Nations helped to conduct investigations that led to the downfall of a president. This has contributed to stronger democratic institutions overall, a long-term priority for the United States.

- **Urban issues**: Latin America is 80 percent urban, while the world is 54 percent urban.[38] Cities are growing everywhere, and, with Latin America so far ahead of the curve, many of its best practices should be further shared globally. With mayors and local municipalities in the United States expanding their international reach, there are myriad opportunities for cities in both the United States and Latin America to share in exchanges, best practices, and partner programs. Brazil, Colombia, and Argentina have lessons to offer in

The Brazilian-led United Nations Stabilization Mission in Haiti (MINUSTAH) manages recovery efforts following the 2010 earthquake. Latin America plays a leading role on global disaster response. *Source: United Nations Development Programme via Wikimedia Commons*

transportation, infrastructure, and education. Chicago, Seattle, Providence, and Portland have lessons to share on innovation, community development, and weather resilience.[39] More local engagement will continue to promote US leadership in Latin America from the national to the community level, with direct benefits to US cities as they seek to adapt to the challenges of urbanization.

- **Disaster response**: The United States is frequently called upon to respond to international catastrophes, be it a health pandemic or natural disaster. Large-scale disasters have repercussions across borders. The United States need not be tasked with responding alone, and it has not. Latin American countries have been particularly active in their global engagement on emergency response. Perhaps best demonstrative of this capacity is the Brazilian-led United Nations Stabilization Mission in Haiti (MINUSTAH). Originally installed by the United Nations to help Haiti's political transition, MINUSTAH quickly became the operation managing recovery from the 2010 earthquake.[40] Strong support from the region has been recognized as instrumental in Haiti's ongoing recovery. This is a particularly useful parallel for regions like Southeast Asia, where severe weather and natural disasters put small nations at risk, and where regional powerhouses like India are well equipped to assist in recovery and disaster mitigation.

- **Climate change:** As the United States considers reallocating resources previously designated for environmental protections, US civil society and nongovernmental actors should consider deepening ties with Latin American counterparts to advance progress on this worldwide imperative. Latin American countries have shown an ongoing commitment to low-carbon development, renewable energy, and forest conservation through the widespread adoption of climate legislation. With its 2010 Law of the Rights of Mother Earth, Bolivia was the first country to legally recognize the rights of nature.[41] Since 2004, Brazil has reduced deforestation in the Amazon rainforest by 70 percent, accomplishing the greatest reduction in greenhouse-gas emissions worldwide.[42] In 2012 and 2014, respectively, Mexico adopted the General Law on Climate Change and created a carbon tax on fossil fuels, paving the way for a 50 percent reduction in emissions by 2050.[43] Chile's Nonconventional Renewable Energy Law could result in production of up to 20 percent of the country's electricity from renewable resources by 2025. Having implemented substantive policies to mitigate climate change, Brazil, Mexico, Peru, Bolivia, Costa Rica, and other Latin American countries are models of progress for the rest of the world.

- **Election administration**: Many countries in Latin America have undergone democratic transitions in recent decades. The region is now home to strong democracies with elections internationally recognized for being legitimate and transparent. Brazil, for example, operates its elections entirely electronically, and, along with Mexico, enjoys a respected electoral commission. Both are credited with modern, fair, and legitimate elections. In a low-cost, low-resource, high-yield effort, the United States should bring in leaders from these countries when serving as election observers in countries like Nigeria and Kenya, both of which have struggled with hosting peaceful elections, and are simultaneously looking to modernize their processes.[44]

- **Gender equality in the political sphere**: With ten female heads of state to date, and an increasing number of women in cabinet and congressional positions, the Americas have the highest average percentage of female parliamentarians of any region, with the exception of the Nordic countries.[45] This is thanks, in part, to quota systems implemented by some countries. Mexico, for example, now requires that 40 percent of congressional candidates be women.[46] The congressional election following implementation of this requirement saw the number of women in congress nearly double.[47] While quotas are not a cure-all, nor the right approach for all countries, there is a clear call in the United States and globally for more dedicated action to promote gender equality. Although there is more progress to be made in many countries, Latin America offers lessons on how a region known for its machismo is increasingly facilitating the participation of women in government.

Countries on the Move

Latin America has witnessed great waves of change over the past year, and will continue on its path to transformation with upcoming elections in 2017 and 2018. New presidents took office in Argentina, Guatemala, Peru, and Brazil over the last two years; Ecuador will elect a new president this spring.[48] Economic crises and political scandals in many countries have given way to inklings of reform. Uncertainty continues to dominate some pockets of the region, but renewed commitment from government actors and civil society gives reason for hope. The following countries—important strategic allies and trade partners for the United States—provide key opportunities for innovation and impact. The United States should focus on strategically enhancing its relationship with these countries through fresh ideas, renewed commitment to collaboration, and increased involvement of diverse actors from the public and private sectors.

Mexico

Throughout much of their common history, US-Mexico ties were characterized by distrust, precious little trade and investment, and a nonexistent sense of economic partnership. This was transformed radically in the 1990s through a series of collaborative efforts. US support for Mexico during the "Tequila Crisis"—along with a shared commitment to strengthening trade relations through the creation of a common North American market, security cooperation, and counter-narcotics efforts—revolutionized the relationship and gave way to twenty-five years of strong partnership.[49] Today, those ties are being jeopardized by unnecessarily confrontational rhetoric and a pervasive sense of uncertainty about where the US-Mexico relationship is headed.

NAFTA was a central discussion—indeed, a punching bag—during the presidential campaign. President Trump has promised US workers a "better deal" with Mexico. This could involve renegotiating the trade agreement, or, if all else fails, tearing it up altogether. Renegotiating an agreement signed nearly twenty-five years ago—before the explosion of the Internet, e-commerce, intellectual property, and the plethora of other market implications the digital age has ushered in—is universally hailed as a wise idea. In fact, counterparts in Mexico and Canada agree on the need for modernization. But, demands for updates should not subsume the benefits the United States has enjoyed as a result of the agreement.

NAFTA supports fourteen million US jobs. Canada and Mexico are two of the three top trade partners of the United States. To get a sense of just how much the United States relies on this close partnership with Mexico, look no further than the battleground states of America's rust belt. Indiana and Wisconsin each have nearly one hundred thousand residents whose jobs depend on US-Mexico trade. Michigan has nearly 140,000, and Ohio nearly 180,000. Pennsylvania has two hundred thousand people at risk of losing their jobs if the United States pulls away from this trade relationship.[50]

On each side of the stable, increasingly prosperous US-Mexico border, governors, mayors, and institutions realize what is at stake and are increasingly working together. Between 2014 and 2016, governors from Arizona, California, Colorado, Idaho, New Mexico, Utah, Minnesota, and Wisconsin travelled to Mexico to discuss business and trade partnerships.[51] This is not surprising, as $1.5 billion in trade crosses the Rio Grande every day.[52]

Revisiting the terms of NAFTA should be beneficial for all parties... Reaching such an agreement will require a collaborative tone and cooperative spirit.

Jeopardizing Mexico's strong economic relationship with its North American neighbors would be devastating for the US job market, and would hit consumers hard. Losing NAFTA altogether would also leave a vacuum in Mexican markets, which China and other economic powers would be all too happy to fill. Perhaps most importantly, the United States should worry because Mexico's politics may not be resilient enough to withstand the pressure of a belligerent US partner seeking to tear up NAFTA. Already, Mexicans everywhere are questioning the unquestionable: Did the country make a mistake twenty-five years ago by betting its future on North America?

The answer? The United States must tell Mexicans unequivocally that they did not. Economic ties through NAFTA have enabled cooperation and prosperity on both sides. It is imperative that this bipartisan foreign-policy success not be endangered. Revisiting the terms of NAFTA should be beneficial for all parties, just like the initial agreement. Reaching such an agreement will require a collaborative tone and cooperative spirit.

Trade is not the only benefit of the US relationship with Mexico. Security and immigration, both at the top of the US and Mexican agendas, are critical components of the bilateral relationship. Given that Mexico is the geographic entrance to the rest of Latin America, it has been crucial to work with Mexican security forces to address unauthorized immigration, drug trafficking, and other illicit activities at the border. Fortunately, the United States has found a willing partner in Mexico, especially in recent years. The overwhelming number of unauthorized immigrants crossing the US-Mexico border now are from Central America, fleeing the violence and economic hopelessness of El Salvador, Honduras, and Guatemala.[53] Net migration from Mexico reached zero years ago, with the United States actually seeing a net loss of at least 140,000 Mexicans dating back to 2009.[54]

To stem the tide of US-bound unauthorized migrants, Mexican security forces have done a laudable job of stopping unauthorized migration at Mexico's southern border, through a program implemented in summer 2014 with US assistance.[55] Thousands of Central Americans are in daily detention on Mexico's Guatemalan border. Continuing cooperation on this front will be crucial to limiting the number of unauthorized migrants who reach the US border. The same is true of counter-narcotics efforts. Shared intelligence and collaborative policing are vital for long-term success.

President Trump has spoken extensively about the pressing need to keep wealth within the United States and secure the nation's borders. In just the first week of his presidency, he signed executive orders restricting immigration and seeking funding for his promised border wall. Suggestions of imposing import taxes remain vague, and their viability is unclear, but the practical implementations of such actions are only one piece of the puzzle.

The atmosphere of uncertainty and the administration's confrontational tone have widespread ramifications for this relationship. One need only track the tumult suffered by the Mexican peso to see rhetoric has concrete impact; on election night, the peso fell 8 percent in value, and another 4 percent in the subsequent week. The peso hit its lowest value yet on the day of Donald Trump's inauguration, though it was then boosted by President Peña Nieto's announcement that Mexico would not pay for the proposed wall. The gains were lost when the peso dropped yet again after the cancellation of the Peña Nieto-Trump meeting that was to take place on January 31 in Washington. The cancelled visit, of course, was the most visible demonstration so far of the strained relationship.

The presidents of both Mexico and the United States have wisely committed to a ninety-day cessation of public discussion while trying to find a resolution behind closed doors. This is important so that both governments can focus on what will be effective and impactful, without needing to simultaneously sell the agreement to their respective citizens. Indeed, just like any nation, the United States has a right and an obligation to secure its border. However, it is important that these measures be truly impactful, not merely flashy soundbites. It would be wise to increase mechanisms such as satellite monitoring and biometric scanning at the border, so as to increase visibility and accuracy. A wall, on the other hand, has been met with skepticism from security experts, and also makes an enemy out of an ally—one that is instrumental in ensuring the security of the very border that wall is meant to protect.

Brazil

At times tense and at others warming, US ties with the second-largest economy in the Western Hemisphere have been tested over the years, yet have ultimately prevailed. As Brazil works to pull itself out of its worst recession in recent history, the country will be searching for ways to boost its economy, grow exports, and bring investment back to the country.

President Michel Temer's government seems willing to take political risks to boost the economy. In December 2016, then-President-elect Trump and President Temer agreed to work side by side to improve business relations between the two Western giants. President Temer emphasized an ongoing interest by Brazil in increasing US investment in the country, and President Trump expressed interest in forming teams that will focus on a mutual-growth program following his inauguration.[56]

A more robust commercial relationship with the United States would not only enable growth, but would allow Brazil to diversify from its trade with China.

A more robust commercial relationship with the United States would not only enable that growth, but would also allow Brazil to diversify from its trade with China, the country's top commercial partner. While soy and iron ore represent more than 90 percent of Brazilian exports to China (imports from China include manufactured and high-tech goods), the United States is the main destination for Brazil's medium- and high-value-added products.[57] This attractive trade profile can, and should, be expanded. In the words of Brazilian analyst Ricardo Sennes, "the constructive and long-term agenda of the United States can be clearly contrasted with the pragmatism and self-centered vision of Chinese actors."[58]

Brazil is experiencing a clear shift to a more open economy, with government officials and the business community alike increasingly supporting measures aimed at facilitating international trade. This will not happen overnight, but it already represents countless opportunities for foreign investment. Bilateral trade agreements with Bolivia, Peru, and Colombia have already resulted in small, targeted commercial reforms that will help open up Brazil's economy. Although a full-fledged FTA is unlikely, given staunch agricultural competition and a Trump administration that will prioritize bilateral agreements with other nations, the United States can seek comparable agreements with Brazil that are mutually beneficial.

The US Department of Commerce and the Brazilian Ministry of Development and Trade have engaged in an important commercial dialogue for the past decade. Going forward, the United States should explore sub-agreements in sectors such as services, energy, technology, and

Infrastructure and tourism present ideal opportunities for cooperation between Brazil and the United States. *Source: Boa Viagem Beach, Recife, Pernambuco, Brazil, by Abdias Junior, via Flickr*

manufacturing, where small steps, like securing regulatory convergence and finding ways to advance the discussion on double taxation, could go a long way toward boosting commerce. Removing nontariff trade barriers—for example, mutual recognition of certifications, sanitary laws, and insurance issues—will boost US investment in Brazil, and vice versa.

The United States and Brazil have strong cooperation agreements in key areas, including scientific research and defense. On the latter, the two countries signed an agreement last year to create a common agenda for their industrial defense bases and strengthen the bilateral defense trade. There are also opportunities for the United States and Brazil to cooperate more on space research and missions—potentially exploring joint satellite projects.

Infrastructure and tourism also present ideal opportunities for cooperation between Brazil and the United States. Brazil's lack of infrastructure is problematic in many ways, limiting trade and preventing the country from reaching its enormous tourism potential. A new visa-waiver program, announced in October 2016, would remove the requirement—for a twelve-month trial period—that US citizens obtain a visa.[59] The United States should reciprocate; it and Brazil could both benefit from expanded infrastructure and tourism contracts.

Venezuela

Venezuela remains a standout in Latin America, and for all the wrong reasons. The country is in economic ruin, the government can hardly claim to be democratic, and access to basic goods is scarce. President Nicolás Maduro is the most vocally anti-American leader in the region, and has already engaged in diplomatic rows with the new administration. The United States must continue to be a beacon of hope for the Venezuelan people, and early signs from the Trump administration show that commitment is likely to remain. This must continue. Venezuela has become a narco state, leading in the export of drugs, human trafficking, and illegal mining. The repercussions of this level of insecurity—beyond fueling the cycle of humanitarian crisis—will reverberate throughout the region even more than they already have, impacting energy prices, security, and migration trends. Such impact will surely reach the United States, too, if not aptly addressed.

Between 2014 and 2015, the percentage of Venezuelans living in poverty increased from 52 to 76 percent.[60] Today, the economic crisis has spurred a verifiable medical emergency. Infant mortality is at 2 percent, malaria rates are the worst in seventy-five years, and Venezuelans are dying from chronic diseases left untreated because medicine is so scarce.[61] As the situation continues to deteriorate, severe food shortages have led to rampant food trafficking, with the military at the heart of fraudulent food importation and uneven distribution.

US Congressional members and nongovernmental organizations (NGOs) are in a position to push for actions that help mitigate food and medical shortages. It is time for multilateral support to save lives in a humanitarian catastrophe; the new US administration can play a role in preventing further loss and degradation and bringing some degree of stability to the country. The United States can, for example, lobby the World Health Organization to declare a medical emergency in the country, putting further international pressure on the Venezuelan government. The United States can also engage creative mechanisms through which to supply aid, to better ensure that it reaches the Venezuelan people. The Catholic Church played an important role in negotiating the rapprochement between the United States and Cuba. Perhaps it is well-positioned to do the same in facilitating an agreement whereby the United States and like-minded partners provide crucial supplies to Venezuela.

Other regional powers also have the capacity to encourage political and economic change. Failure to comply with the democratic tenets of Mercosur—the sub-regional economic bloc that includes Argentina, Brazil, Paraguay, and Uruguay—led member countries to suspend Venezuela in December 2016. Tougher stances could send a stronger message. Instead of suspension, an action that has failed to budge the Maduro administration, regional powers should come together to offer more direct support to the Venezuelan opposition.

In an unusual state of affairs, China is also well positioned to work toward a shared goal with the United States. China is supposed to receive six hundred thousand barrels of oil per day from

In Maracaibo, Venezuelans march for change. Members of the US Congress and nongovernmental organizations are in a position to push for actions that mitigate the humanitarian and economic crisis in Venezuela. *Source: María Alejandra Mora via Wikimedia Commons*

Venezuela, as payback for the $65 billion lent to the country; as such, China is also interested in seeing sound economic policy and greater stability in Venezuela.[62] The United States, along with other regional allies, could seek support from China in imploring that reforms be undertaken to reestablish economic integrity. After all, the Chinese hold the greatest leverage in Caracas. This approach, however, requires some caution, as Venezuela has previously failed to properly allocate China's lending in accordance with agreed-upon targets.

Lastly, helping Latin America absorb the effects of Venezuela's crisis would be easier if the United States had a permanent representative to the Organization of American States (OAS). The Trump administration should exert pressure on the US Congress to approve the nominee. "The time has come for a new US administration to seek, through the OAS and with the consensus of key actors, bold and sustained initiatives for the advancement of democracy and human rights," says Roberto Álvarez, a former permanent representative of the Dominican Republic to the OAS.[63]

Multilateral engagement in Venezuela will be necessary in the immediate term to tackle the humanitarian crisis, and in the long term to reestablish democratic procedures and rule of law within the government. The democracy deficit in Venezuela is staggering, and as the government continues to create roadblocks—mainly orchestrated by the National Electoral Council (CNE)—to ensure that a national recall referendum does not take place, the Venezuelan opposition has continued its push to end Maduro's rule.

When President Maduro's government cracked down on protestors in late 2014 and early 2015, the United States responded by imposing economic sanctions on about fifty Venezuelan officials.[64] The Trump administration has selected other prominent Venezuelans, including the country's vice president, and their businesses for sanction. It is unclear whether these personalized sanctions will help to improve the on-the-ground catastrophe—but, given the spiraling humanitarian crisis, sanctions targeted at individuals and entities responsible for starving the Venezuelan people understandably gain momentum. New sanctions should specifically target those behind the humanitarian disaster.

Given Venezuela's downward spiral and the increasingly dire lack of basic goods, it is through the humanitarian lens that the United States could indirectly support the people of Venezuela. It is time the United States rally support from the international community and expose the callousness of the Maduro administration.

Colombia

With security a top priority in the US relationship with Latin America, Colombia is, and should continue to be, one of the United States' strongest regional allies. The country has undergone an impressive transformation over the past twenty years. In the 1990s, Colombia suffered, with almost two hundred thousand dead from a half-century of conflict and more than six million people displaced.[65] With the support of the United States, Colombia overcame staggering violence, and continues its unwavering commitment to peace. Having largely prevailed over years of insecurity at home, the country offers lessons to other countries facing internal conflict; for example, Colombia has begun training security forces in Central America, and in multiple African nations. Moving forward, the new administration must not forget the decades-long US security partnership with Colombia; it should seize opportunities to utilize the country's knowhow in achieving US national security interests.

A resilient country, Colombia is today a stable democracy with a healthy economy and a growing middle class. To ensure this prosperous path progresses toward greater growth and security, it is critical that the US government continue its support for the country through Peace Colombia (also known as Plan Colombia 2.0).

Plan Colombia, a bipartisan success story spanning three US administrations, played a key role in Colombia's rise. While Colombian taxpayer funds financed nearly 95 percent of Plan Colombia, the United States contributed more than $10 billion to counter-narcotics, counter-terrorism, and democracy-building programs between 2000 and 2016.[66] Peace Colombia is designed to extend this support during the critical moment of peace implementation with the

FARC, and the beginning of formal peace talks with the second-largest rebel group, the National Liberation Army (ELN). The next several months will be pivotal in the success of this advancement, and the United States would be remiss to disengage at such an important crossroad.

It is for this reason the Atlantic Council's Adrienne Arsht Latin America Center is spearheading a bipartisan taskforce co-chaired by Senators Benjamin Cardin (D-MD) and Roy Blunt (R-MO). The task force, which met for the first time in December 2016 and multiple times this year, considers ways the US government can offer technical and financial support to Colombian counterparts in a mutually beneficial manner.

The United States' first priority should be to ensure the appropriation of the full $450 million committed by the previous administration, to assist with everything from reinforcing security gains, to demining, and to expanding development programs to areas most affected by violence.[67] President Trump and the new Congress should continue this vital monetary and technical support—but this support must not be unconditional.

With security a top priority in the US relationship with Latin America, Colombia is—and should continue to be—one of the United States' strongest regional allies.

Land under drug cultivation has again expanded in recent years, and US-Colombian cooperation will need to quickly address how to turn back this negative trend. The FARC must stick to agreed-upon dates for de-arming and for reintegrating. Crop substitution is at the heart of policies outlined in the peace agreement for dealing with drug issues. The Colombian government has much work to do to ensure milestones of success are reached in this area.

The new administration should also consider making permanent the role of US special envoy to ensure a US presence at negotiations with the ELN. As the two sides discuss issues of drugs and extradition—global issues that not only affect Colombians, but that have repercussions for the United States—an expert at the table who knows the intricacies of the process would be invaluable. This US special envoy would support US embassy efforts and serve as facilitator as the parties hash out details.

A critical tool in facilitating Colombia's long-term progress will be to make deeper investments to improve the country's infrastructure. As the importance of infrastructure is once again at the forefront, now may be an ideal time to consider the benefits to US businesses, whose profits in Colombia could then flow back to the United Sates. Better-developed infrastructure in rural areas would also bring new economic opportunities and, thus, greater regional stability. One way to stimulate this expansion in Colombia would be to work with the Inter-American Development Bank (IDB) to set up a special infrastructure fund for the country. The IDB is experienced in creating development-oriented funding structures, along with the technical expertise needed to build efficient systems.

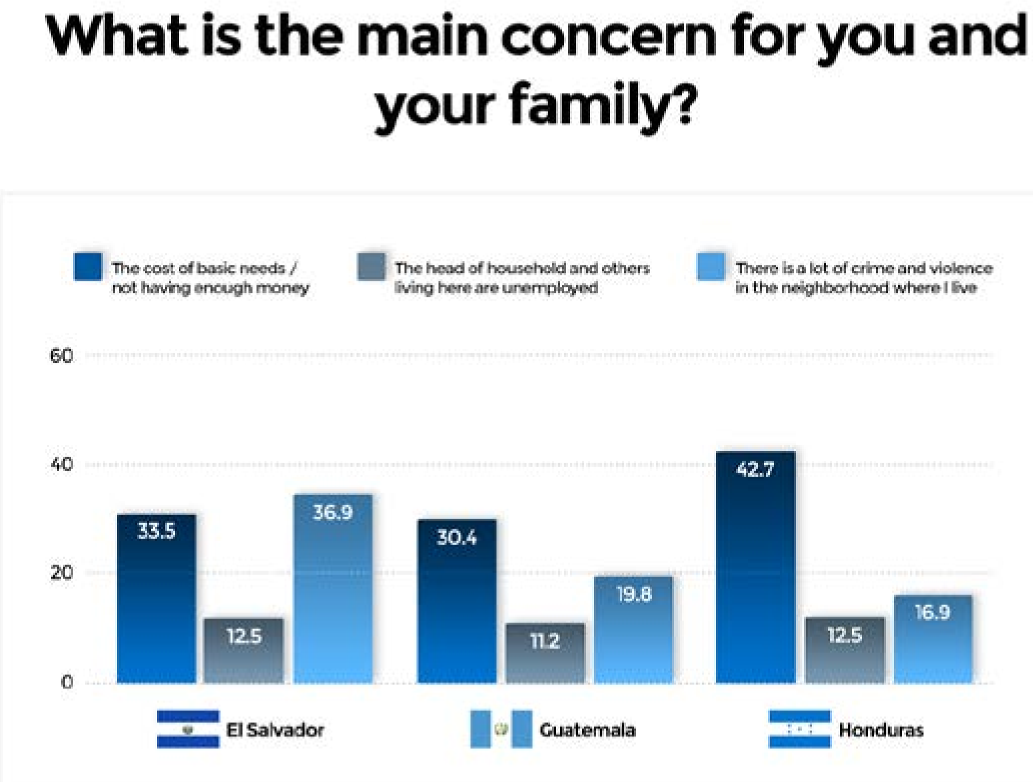
Private-sector support will also be instrumental. Colombia's strong institutions and sound economic policies make it one of Latin America's most attractive investment destinations. Colombia has made progress in healthcare, education, and social services, with the goal of spurring growth. The free-trade agreement between the United States and Colombia is already reaping dividends; in the first twelve months following its implementation, trade increased by 20 percent.[68] The US Department of Commerce should expand its Commercial Service to promote greater activity in mutually beneficial industries like agriculture, tourism, and biotechnology.

There is no doubt that Colombia—and Chile—could be among the first Latin American countries to achieve high-income status in the next twenty years. As a nation on track to join the OECD and with a record of responsible fiscal policy, Colombia stands as an example for other Latin American countries seeking similar trajectories. The United States should encourage President Juan Manuel Santos to rein in the pressure from Colombia's political left to politicize healthcare and manufacturing. This has served to reduce trust and diminish Colombia's status as an exemplary investment destination. Economic policies geared for growth are spreading in the region. As they do so, US organizations should work with Colombia to establish an Economic Prosperity Task Force within the IDB that focuses on how to elevate Latin American countries into high-income nations. This task force would illustrate the importance of foreign investment, directing resources toward growth and diversification, and public-private partnerships—all areas in which Colombia excels.

Northern Triangle

The Northern Triangle leapt back onto policymakers' collective radar in the summer of 2014, when tens of thousands of migrant children (unaccompanied minors) overwhelmed the US-Mexico border.[69] These countries—El Salvador, Honduras, and Guatemala—have never fully recovered from bloody civil wars that peaked most violently in the 1980s. Instability and violence are products of stubborn inequality, violent gangs, deep-seated corruption, weak states, and stagnant economic growth.

A poll recently commissioned by the Adrienne Arsht Latin America Center to inform the Atlantic Council's Northern Triangle Security and Economic Opportunity Task Force—launched to find a comprehensive, locally driven strategy to improve security and economic development—found change is direly needed.[70] The data show nearly nine in ten respondents believe there is "a lot" of corruption in their country. More than 75 percent of the people in all three countries have "little



A September 2016 poll commissioned by the Adrienne Arsht Latin America Center to inform its Northern Triangle Security and Economic Opportunity Task Force shows the economic challenges people face in El Salvador, Guatemala, and Honduras. *Source: Atlantic Council. Northern Triangle Security & Economic Opportunity Task Force*

to no" confidence in the police.[71] More than seven in ten Salvadorans do not have confidence in judges, the military, the tax authority, or the attorney general. Similar results were found in Guatemala and Honduras.[72] The overall violence and lack of opportunity have led to high migration rates—nearly 10 percent of the three countries' people have left.[73]

All of this directly impacts the United States. With such widespread insecurity, crime, and lack of economic opportunity, hundreds of thousands of people from these Central American nations have made the journey to the United States to seek more prosperous lives—or, harder yet, sent their children north in hopes they would attain that dream. Instability in the Northern Triangle has direct bearing on the quantity of unauthorized immigrants coming to the US every year. Only addressing the root causes of these crises will stem the tide of migration in a meaningful, long-term way.

Tackling these challenges will take sustained funding and technical assistance, along with an injection of new solutions. More than 50 percent of the $750,000 in aid recently approved by Congress will go toward security, which, though important, is treating a symptom rather than a cause.[74] Congress should approve a comprehensive, multiyear assistance package to streamline the financial drag associated with tackling such a multifaceted issue. Countries should have to meet certain thresholds, including investigating and prosecuting corrupt government officials, implementing reforms to improve transparency, and investigating human-rights violations, before funding disbursement.[75] But, too many conditions mean money gets stuck in the pipeline.

At the same time, a multiyear authorization of funding should prioritize the programs and efforts that are most directly tied to addressing the top concerns of US taxpayers—namely, unauthorized migration and drug trafficking. This requires a three-pronged focus on improving economic opportunity, security, and the rule of law. Here, the Atlantic Council's Northern Triangle Task Force—co-chaired by former US Deputy Secretary of State John Negroponte, former Guatemalan Vice President Eduardo Stein, former Salvadoran Foreign Minister María Eugenia Brizuela, and former Honduran Minister of the Presidency Luis Cosenza—is outlining a path forward that would improve the effectiveness of US assistance and cooperation with the three countries.

The Alliance for Prosperity, a development strategy for the Northern Triangle created by the three countries with support from the IDB, includes conditions like tackling corruption, prosecuting human-rights abusers, and cleaning up security forces. Funds, technical support, and significant external oversight will all be critical in addressing everything from expanding economic opportunity to institutional capacity building. This support should come from the United States, the IDB, and other regional leaders. For example, Colombia's police and military have provided advisory services to enhance internal security issues and combat violence.

Addressing the root causes of crisis in the Northern Triangle must be done deliberately, and with a historical understanding of what plagues these nations. Myths must be dispelled. For example, street gangs in El Salvador have historically eschewed the handling of drugs; their main source of income is extortion. A continuously updated, detailed diagnostic is needed to identify the sources of violence in the Northern Triangle, develop better strategies to combat them, and adjust resources accordingly.

This requires consistent backing from all sectors of society. Incentives should be put in place to encourage private-sector investment and create the conditions necessary for giving youth noncriminal alternatives. The short answer is focusing on job creation and strengthening the state institutions pivotal to generating employment. In the long term, institution building will be key to progress in the region.

Strategic partnerships are one way of ensuring this happens. A model for this is the UN-backed CICIG, which has proven to be an effective mechanism for rooting out corruption and fortifying a weak justice system. Salvador Paiz, a respected Guatemalan businessman and innovator, says of the commission. "The anticorruption effort has proved to be a unifying calling in our societies."[76] A similar collaborative approach, led by the United States, should ensure that the Mission to Support the Fight against Corruption and Impunity in Honduras leads to meaningful reform, and encourage similar efforts in El Salvador to support its attorney general's anticorruption crusade.

Cuba

A country that had, for some time, faded out of the American psyche was thrust back into the limelight in the final two years of the Barack Obama administration. By reestablishing diplomatic relations and opening up certain trade avenues with Cuba, President Obama upended fifty years of policy dedicated to cutting off the island from any sort of engagement with the United States.

The death of Fidel Castro and the charged nature of this bilateral relationship have refocused US discussion on Cuba. Given the significant community of Cuban Americans with personal ties to the island, Cuba has long maintained a particular significance in US foreign policy, and critics of normalizing relations have found a sympathetic ear in the new US president. But, it would be a mistake to revert to old policy and deny new business possibilities to US companies and expanded economic opportunities to the Cuban people.

Critics of the new Cuba policy have proffered that the United States did not gain enough in the negotiations with the Cuban government. It is important to reframe the US relationship with Cuba not as a negotiation, but through a lens of assuring that policy best supports the interests and the values of the US population. Allowing US citizens the right to trade and travel where they see fit is a value espoused by politicians and citizens across the political spectrum. It is for this reason that there is widespread, bipartisan support for maintaining the expanded trade and travel opportunities newly allowed with Cuba.

Indeed, expanded trade opportunities provide new export frontiers for US companies, particularly those in the agricultural, pharmaceutical, and telecommunications industries. Given that Cuba contains only eleven million people, this new market may not be significant for major US corporations—but has instead provided new ventures for small and medium-sized US enterprises. To deny US business this access is unnecessary, and a clearly ineffective measure for prompting a change in government in Cuba.

Just ninety miles away from Florida, Cuba is the country closest to the United States with which it does not share a contiguous border. Given its strategic location in the Caribbean and proximity to Latin America, it is a critical partner regarding security, particularly on matters related to counter-narcotics and transnational crime. Open communication with Cuba is therefore not just a commercial opportunity, but a national security imperative.

Given the long, contentious history between Cuba and the United States, it is important to maintain a clear perspective about the importance of the country. The United States should prioritize what is important about this relationship, while being careful not to view the entirety of Latin America through the lens of one small nation. There are discreet, critical matters on which the United States must engage Cuba, but this need not have bearing on the US relationship with the rest of the region.

Argentina

Argentina is on track to radically change its relationship with the United States, Latin America, and the world. After twelve years of populist, closed-door policies under Presidents Néstor Kirchner and Cristina Fernández de Kirchner, President Mauricio Macri was elected on a platform of global engagement and free-market economic policy. Though the forces behind his election seem to be the reverse of those in the United States, avenues of cooperation remain that would be beneficial to US business interests as Argentina looks to expand its global market reach.

US-Argentina collaboration hinges on Macri's ability to turn around the struggling Argentine economy. This is no easy task. Inflation remained near 40 percent in 2016, despite new austerity measures, which have been met with some protests by supporters of Kirchner's Peronist party.[77] Macri's challenge will be pushing through enough fiscal reforms to revive the economy before the mid-2017 legislative elections. His party's success will depend on economic performance. There is little the United States can do to tangibly support these changes, but demonstrations of faith in the administration will be key. Confidence in the Argentine economy has been low for more than a decade, and remains so.

The United States and Argentina recently signed a bilateral Trade and Investment Framework Agreement (TIFA) to open up formal avenues on issues pertaining to market access, intellectual property, and cooperation within the World Trade Organization. Through this, one step to get the gears turning and encourage trade between US and Argentine businesses would be to work to eliminate some of the bureaucratic obstacles to foreign investment. Under the Kirchners, many foreign companies pulled out of Argentina when regulations and taxes became too onerous.[78] Streamlining processes and eliminating unnecessary obstacles would benefit both countries. Argentina's commitment to clean energy and its untapped potential in traditional energy present opportunities for US companies.

President Mauricio Macri speaks before Argentina's Legislative Assembly in March 2016. Macri continues to take steps to turn the country's economy around, opening doors to US business. *Source: Casa Rosada (Argentina Presidency of the Nation) via Wikimedia Commons*

Growing the role of US business in Argentina not only helps stimulate US economic growth, but also helps stem the expansion of China's economic reach in the region. Given the chilled relations between the United States and Argentina of the last decade, Argentina has turned more to the Asian giant for economic cooperation. However, President Macri has taken a decidedly friendlier stance toward the United States and fellow Latin American countries, including reviving Argentina's active role in Mercosur, and expressing interest in cooperation with the Pacific Alliance. Such sentiment is an opening to expand the role of the US private sector in Argentina, while achieving a regional objective of remaining competitive with China.

The United States should also offer collaboration and assistance in Argentina's fight against crime and narcotrafficking, growing problems in urban areas and the northern tri-border area. More can be done to strategically target the leaders of these criminal operations, not just their footmen. The two countries began sharing intelligence again in 2016—a step in the right direction.[79]

Conclusion

As Latin America is looking outward, the United States is looking inward, but these need not be mutually exclusive trends. Indeed, as the new administration considers how to ensure US national security and economic growth, a newly engaged Latin America presents a wealth of opportunity on myriad fronts. The possibilities for collaboration abound—in urbanization, human capital, open markets, energy reform, technology, and the fight against corruption. Diverse sectors of the United States are already on board: businesses investing in the region; universities and research institutions with exchange programs; NGOs working on the ground; and local and state governments with trade partners across the border.

Engagement with Latin America is far from a benevolent endeavor. Indeed, by unleashing the US private sector, collaborating in the fight against organized crime and impunity, seizing the value of an increasingly integrated region, and embracing Latin America's global emergence, the US administration would be creating a more secure and prosperous United States. Recognizing the profound transformation of the region is important for engaging in an impactful and relevant manner. At a time when so much of the world is in upheaval, the United States would do well to recognize the shared values and sympathies of its closest neighbors, and capitalize on these relationships wherever possible. It is sure to find enthusiastic partners.

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Peter Schechter is the Atlantic Council's senior vice president for strategic initiatives, and the first director of the Adrienne Arsht Latin America Center. Founded in October 2013, the center seeks to promote the political, economic, and social transformations in the region. Under Schechter's tenure, the center has: held more than one hundred events in a dozen cities; produced more than two hundred external publications; formalized more than thirty partnerships with universities, NGOs, media networks, and public- and private-sector leaders; and hosted Mexican President Enrique Peña Nieto and Colombian President Juan Manuel Santos, as well as numerous mayors, governors, and ministers from the region.

Schechter has overseen the publication of a game-changing poll on US-Cuba relations, a major analysis of Mexican energy reforms, recommendations on US-Brazil relations, and a groundbreaking study on China's engagement in Latin America. As an international consultant who advised many heads of state and business leaders around the globe, Schechter has more than twenty years of communications and political experience, and is a sought-out voice on Latin American political issues. Fluent in six languages, he specializes in reducing reputational risk in increasingly adversarial political and communications environments. Schechter previously served as the lead consultant on a host of high-stakes elections—overseeing polling, campaign management, advertising, and media relations—in nearly every country in Latin America.

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He has led work on trade and commerce; China-Latin America, including groundbreaking insight on China's currency; US-Cuba relations; regional energy transformations; and the Pacific Alliance, in which he co-authored a May 2016 report on alliance integration. With the Inter-American Development Bank, he recently oversaw a fifteen-country effort that led to the December 2016 publication of *Latin America and the Caribbean 2030: Future Scenarios*, of which he was the lead author. Marczak leads the new Northern Triangle Security and Economic Opportunity Task Force. He frequently publishes in major media outlets, and provides English- and Spanish-language commentary on political and economic issues. He is a lecturer in International Affairs at The George Washington University's Elliott School of International Affairs. Marczak has more than fifteen years of expertise in Latin American policy leadership and analysis, with a long track record of working with high-level policymakers and private-sector leaders to build consensus on some of the region's top challenges. He began his career in the US House of Representatives.

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Acknowledgments

The authors would like to extend a special thank you to the many experts whose ideas shaped the strategies outlined in this paper, including: FUNSEPA President Salvador Paiz; former Peruvian Ambassador to the United States, former Minister of Finance of Peru, and former Atlantic Council Senior Fellow Luis Miguel Castilla; Universidad Torcuato di Tella's Juan Gabriel Tokatlian, PhD; Fundación IDEA Executive Director Alberto Saracho; former Permanent Representative of the Dominican Republic to the Organization of American States Roberto Álvarez; and Atlantic Council Nonresident Senior Brazil Fellow Ricardo Sennes.

Thank you to: Ambassador Jesús Mario Chacón Carrillo, head of the Global Business Promotion Unit at ProMéxico; José Carreño, correspondent for *El Universal*; and Luis de la Calle, managing director and founding partner of De La Calle, Madrazo & Mancera. Your presence at our roundtable in Mexico City helped solidify the approaches taken in the report. The authors also thank Maria Soledad Núñez, executive secretary of Paraguay's National Secretariat of Housing and Habitat, and Ramiro Tagliaferro, mayor of the Argentine city of Morón, who contributed their thoughtful insights at a strategy roundtable in Rio de Janeiro, Brazil.

Thank you to the members of the Adrienne Arsht Latin America Center team who diligently contributed to the production of this report, especially our program assistant, Roberta Braga. Her countless hours of work and oversight made this report possible. For her extensive input and well-rounded research, the authors thank Sarah Esther Maslin.

This paper would not have come to fruition without the vision, ongoing collaboration, and support of the Atlantic Council's Brent Scowcroft Center on International Security (BSC). In particular, the authors thank Alexander Mirtchev; Atlantic Council Senior Vice President and BSC Director Barry Pavel; Foresight, Strategy, and Risks Initiative Director Mathew Burrows; Program Assistant Alexandra Di Cocco; and Assistant Director of Communications Diya Li.

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– Michael Chertoff

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