

Testimony of Michael J. Camilleri
Director, Peter D. Bell Rule of Law Program, Inter-American Dialogue

Hearing on
“The Health, Economic, and Political Challenges Facing Latin America and the Caribbean”

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Subcommittee on the Western Hemisphere, Civilian Security, and Trade
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Chairman Sires, Ranking Member Rooney, and members of the Subcommittee, thank you for the opportunity to testify today on “The Health, Economic, and Political Challenges Facing Latin America and the Caribbean.”

The Inter-American Dialogue is a non-partisan think tank that has worked for nearly four decades to foster democratic governance, inclusive economic growth, and hemispheric cooperation in the Americas. As director of the Dialogue’s Peter D. Bell Rule of Law Program, I lead our work on issues of democracy and human rights, anticorruption, and citizen security.

The Covid-19 pandemic has had profound public health and economic impacts in Latin America and the Caribbean. I will focus my remarks on the second order consequences of the pandemic for democratic governance in the region, which could be equally significant.

While regional experiences vary and it is still early to draw definitive conclusions, it is already clear that the pandemic is exposing and exacerbating many of Latin America’s preexisting challenges. Income inequality, labor informality, and weak social safety nets obligated millions of citizens to choose between protecting their health and feeding their families. Strained public finances and regressive tax systems limited the steps governments could take to stimulate their economies and support those most in need. Weak public services and discrimination left vulnerable populations such as migrants, prisoners, and indigenous and Afro-descendent communities particularly exposed to Covid-19. Corrupt public officials and cynical profiteers exploited the health emergency for their own gain. And in some countries, politicians used the pandemic to further polarize society, while authoritarian leaders exploited fragile checks and balances to concentrate power and further erode civil liberties.

This last trend is worthy of particular attention and concern. Unsurprisingly, the strongmen leaders of Cuba, Nicaragua, and Venezuela have used the health crisis to reinforce their grip, including by persecuting those who criticized their pandemic responses or simply attempted to share accurate public health information.

Unfortunately, we observe authoritarian tendencies in some of the region’s democracies as well. A recent Inter-American Dialogue [report](#) details several troubling examples of restrictions on free speech under the cover of combating Covid-19, including in Brazil, Mexico, Bolivia, Honduras, and Guatemala. The case of El Salvador is perhaps the most alarming. President Bukele’s pandemic response included deploying the military and police to arbitrarily detain those accused of violating stay-at-home orders, and then defying Supreme Court rulings against these measures. Lately, Bukele has used his public platform and his government agencies to attack the free press, particularly *El Faro*, one of Central America’s leading investigative journalism outlets, which last week broke the story of Bukele’s secret negotiations with MS-13. Most disturbing of all, Bukele seems to believe he enjoys the support of the U.S. government despite these actions.

Latin America has made enormous democratic strides in the past two generations. But just as the pandemic may set the region back two decades in poverty reduction, so could the economic and social turmoil wrought

by Covid-19 become fertile ground for neo-authoritarians promising a strong hand and simplistic solutions. Judicial independence, government transparency, and the exclusion of militaries from domestic affairs may come under strain. Rule of law could, in some cases, grow weaker rather than stronger.

This is not inevitable. Outgoing Inter-American Development Bank president Luis Alberto Moreno observed last week that in Latin America and the Caribbean, people are hungry for honest, pragmatic, science-based governance. If he is right, the post-pandemic period could become an opportunity for reform and renewal, a chance to overcome tired ideologies and entrenched interests, and a time of regional integration rather than inward-facing nationalism. But if Latin America's recent history is any guide, this will not be easy. We should, in my view, be prepared for a prolonged economic hangover, renewed social protest, political turbulence, and potential democratic instability and backsliding.

In short, this is a highly challenging and uncertain time in Latin America and the Caribbean. Strong, steady, principled partnership from the United States will be vital to the region's recovery. Today, however, U.S. engagement with the region is inconsistent and ideologically driven. Often, it is also self-defeating. Cutting aid to Central America only fuels instability and migration. Loose talk of military options in Venezuela neutralizes the democratic opposition and hands the Maduro regime a pretext for further repression. Indiscriminate tariffs disincentivize nearshoring and deepen the region's reliance on China. Staying silent on democratic abuses by friendly governments undermines the United States' credibility to confront Latin American dictators, while separating children from their families gives those dictators an easy retort to our invocations of human rights. And withdrawing from the World Health Organization in the midst of a global pandemic sends the message that Latin America should hedge its bets and look beyond the hemisphere for reliable partners.

As the saying goes, hard times reveal true friends. The present moment is one of deep challenges in our hemisphere, but it offers the United States an opportunity to reinforce bonds of history, cooperation, and partnership with Latin America and the Caribbean. We will do this most effectively by focusing on shared values and interests rather than zero-sum transactionalism, by trading bullying and stigmatization for humility and respect, and by applying a differentiated understanding to the diverse realities of the region instead of a narrow ideological lens. The U.S. government should deepen and broaden its economic, diplomatic, and development footprint in the region. And it should do so based on consistent principles that hold our regional partners accountable to the rule of law, the needs of their citizens, and our shared environment.

The United States has a unique strategic interest in ensuring our Latin American and Caribbean neighbors are peaceful, prosperous, and democratic. We also have a singular role to play in helping them achieve this goal. In the difficult months and years to come, the United States' commitment to the hemisphere will be tested and scrutinized. By redoubling our focus and recalibrating our approach, we can more effectively support our regional partners and advance U.S. values and interests in the Americas.