



CENTRAL AMERICA AND THE UNITED STATES: REBUILDING A FRUITFUL NEIGHBORING PARTNERSHIP

CONSIDERATIONS AND RECOMMENDATIONS ON “THE BIDEN PLAN TO BUILD SECURITY AND PROSPERITY IN PARTNERSHIP WITH THE PEOPLE OF CENTRAL AMERICA” AND HIS INITIATIVES FOR THE REGION

Stimulated by the inauguration of a new administration in the United States, and the watershed moment this represents, a group of Central American citizens with diverse backgrounds have gathered to reflect on the future of Central America and its relationship with the United States. We have developed some considerations and recommendations that we believe may positively influence the future of the region. In doing so, we consider as reference and starting point “The Biden Plan to build security and prosperity in partnership with the people of Central America”¹. It is a first and hopeful approach that allows for the expansion and strengthening of refreshed US foreign policy strategy towards our countries, which will hopefully result in better living conditions for its citizens. At the same time, we are convinced that Central America must contribute with its own approaches in shaping its future and relationship with the international community.

We are encouraged by the new US government's manifest willingness to strengthen ties with the Central American region and broaden its vision of the problems that burden us; also, by its openness for fruitful dialogue with various actors in politics, economics, academia and activism in Central America. We are convinced that a comprehensive and realistic vision of our challenges, as well as a broad and diverse dialogue, will allow for a more constructive and effective approach to the problems concerning the isthmus, with mutually beneficial results.

The essential purpose of the exercise we have undertaken is the identification of critical aspects that can complement and strengthen the effectiveness and impact of policy towards Central America, taking into account that the Biden Plan is a starting point in formulating a shared vision between the United States government and the Central American region. We believe that this exercise, the elements of a new roadmap will materialize for the benefit of economic development, the generation of more and better opportunities, resilience to climate change and natural disasters, the fight against insecurity, and solutions for overcoming the rooted problems of corruption and institutional weakness that affect both the rule of law and democratic governance.

¹ This plan was presented during the presidential campaign. Some of its proposals are part of President Biden's immigration reform unveiled on his first day in office.
View document at: <https://joebiden.com/centralamerica/>



Thus, we present the following:

Considerations

The current context is especially challenging for the Central American countries, but a new administration in the United States represents an opportunity. To different extents, all of our countries are afflicted by the above-mentioned problems, as well as the enormous challenges of managing the health, economic and social impact of the Covid-19 pandemic and natural disasters caused by climate events, in particular hurricanes Eta and Iota, that left a catastrophic aftermath in the already weakened economies of the region.

We understand the United States' urgency in responding to the serious migration crisis experienced by the three northern countries of the isthmus in which the Biden Plan is focused on, but an effective and articulated strategy must look further. Faced with the challenges shared by the region, we believe it is inconvenient, and even counterproductive, to isolate the situation of the Northern Triangle (Guatemala, El Salvador and Honduras) from the rest of the Central American countries (Belize, Nicaragua, Costa Rica and Panama).

It is essential that US policy towards Central America moves forward based upon a general plan of economic, social and institutional development for the region, neither limited to the Northern Triangle, nor to migration and security issues. Moreover, this policy should be framed in a comprehensive geopolitical approach, which values how important stability, security, development, institutional strength and political participation in Central America are for the United States' own security and prosperity. .

We recognize that our region is still struggling to present itself united and with a common voice in the face of the great themes concerning its inhabitants. Nevertheless, and thanks to long-lasting relations, the region has promoted important regional institutions and instruments of integration among its countries and with the rest of the world. These include the Central American Integration Treaty, the Central American-U.S. Free Trade Agreement, the Association Agreement with the European Union, and the Central American-Mexico Free Trade Agreement. These and other mechanisms are complemented by the fruitful relationships between various civil society groups, the business sector, academia and officials from specific areas that collaborate with one another.

Based on our collective reflection process, we have identified ten recommendations that can contribute to the strengthening of the Biden Plan and his initiatives for our region.

Recommendations



- 1. Consider the Central American reality as one, and expand the channels of dialogue.** It will be difficult, if not impossible, to achieve the four specific objectives of the Biden Plan if Central America is separated into two or more subregions. While each country has its own challenges and urgencies to address, the political, economic and social interconnection, border porosity, shared security challenges, adaptation and resilience to climate change, migration and cultural affinities, require a holistic approach. This way, we will be able to better work in addressing more specific challenges and opportunities. Let us also note that in addition to the necessary official communication between authorities, channels of dialogue with unofficial actors should be fostered.

The region is experiencing serious difficulties in terms of dialogue and cooperation among its governments; hence, the incorporation of civil society sectors is essential to offset these obstacles and complement ongoing official efforts. Such efforts should also aim to strengthen accountability and transparency in the public sector.



- 2. Encourage the reform of regional institutions and instruments to deepen economic and trade integration.** One of the main problems for Central American joint action stems from the dysfunctional nature of some institutions in charge of its economic and commercial integration agenda and its transnational governance. Although intra-regional trade represents a substantial portion (in some cases a third or more), of the total trade every country maintains with the rest of the world, regional institutions have not lived up to the expectations. It is also imperative to consider, as a potential trigger for development, the enormous advantages of cooperation in fostering greater interconnection in energy, digital, road, port and tourism infrastructure. Additionally, strengthening regional integration processes in economic and commercial matters will lay a stronger foundation for Central American countries to take advantage of nearshoring by multinational companies.



- 3. Integrate climate action into the central axes of the strategy.** Although the “Biden Plan” hardly highlights this dimension; climate dynamics are critical both because of the substantial challenges in terms of resilience, adaptation, mitigation and prevention, and because of the favorable guidance that the new US administration shows on this issue on the global agenda. The deep damages caused to the isthmus by recent hurricanes and tropical storms emphasize this point. It is also important to note that that global warming is generating prolonged droughts in the “Central American Dry Corridor” and, by decimating crops, food security of many communities is at risk. The most recent migratory caravan to the United States originating in San Pedro Sula, Honduras, has been driven, among other factors, by climate disasters. At the same time, the region offers great investment opportunities in developing clean energy sectors, sustainable tourism, and sustainable management of marine resources.



4. **Articulate cooperation and investment efforts with other external partners.** One of the lessons learned from the international cooperation programs already implemented is that their effectiveness is reduced in the absence of close coordination and convergence with the initiatives of other actors, whether bilateral or multilateral. Given the enormous needs of our region and the resource constraints of cooperation, we consider it essential that the United States participates not only as an essential actor facilitating cooperation itself, but also as a catalyst for initiatives originated in other countries and regions, especially those with a historical and significant presence in Central America and with which we hold shared ideals and objectives, such as the European Union and Japan. Beyond cooperation, access to the world's most important markets and investment opportunities are crucial for a region of clear commercial vocation and with great needs to finance the post-pandemic recovery phase and development.



5. **Strengthen education and innovation with information technologies to combat inequality and exclusion.** While the “Biden Plan” rightly stresses the importance of workplace training, it overlooks education as a structural key factor in fostering greater social mobility, boosting democratic culture and strengthening human dignity. Likewise, it does not refer substantially to entrepreneurship and innovation as ways to break down the barriers of marginalization and to diversify wealth-generating sectors in the context of an increasingly knowledge-dependent economy. These factors are also key in mobilizing private investment, opening up opportunities for emerging sectors, reducing inequality, and combating exclusion. Education, universal access to information technologies, innovation and entrepreneurship are also essential tools to overcome the conditions that generate high migration flows.



6. **Support responses to health emergencies and combat food insecurity and malnutrition.** The management of the Covid-19 pandemic exposed serious gaps in the vast majority of national health systems; also, the shortcomings of a robust and effective global system of immediate response to health threats. In addition, the region also exhibits huge lags regarding food insecurity and chronic child malnutrition. Overcoming these challenges and weaknesses is not only an essential human duty, but a requirement for the inclusion and access of large sectors of the population of these countries to health, education and work. Effectively combating this scourge is a necessary condition for solving migration and security issues.



7. **Promote freedoms, rule of law and the fight against corruption.** Citizen activism, respect for the rule of law, legal certainty, accountability, transparency and strong democratic institutions are essential in themselves, but they are also key pillars of development. At the same time, they receive a heavy onslaught in our region.

Nicaragua's dictatorial drift is particularly serious and should be urgently addressed, given the upcoming elections in November 2021. Its ongoing contempt and breach of human rights and democratic institutions represents a serious threat not only for

Central America but for the entire continent. But the problem is not constrained to Nicaragua. New authoritarian and populist impetus in other countries of the region are also disturbing, as well as the attitude of many political parties to close spaces for diverse citizen participation. A comprehensive program of cooperation with Central America must include promoting the defense of public freedoms, fostering more inclusive political participation, and strengthening of civil society as pathways to peaceful change, while focusing on a determined fight against corruption. It should also focus on underpinning transparency, accountability and ensuring an environment of freedom of speech and recognition of the role independent media and journalists play as antidotes against despotic drives, corruption, misinformation and public debate deterioration. Based on what has been learned from CICIG's experiences in Guatemala and MACCIH in Honduras, it is paramount to strengthen the autonomy and capacity of prosecutors and institutions of the judicial branch, control mechanisms and instruments of transparency and international cooperation.



8. Rethink the anti-narcotics policy in a frank and rigorous manner. Evidence shows the failure of the U.S.-led anti-narcotics policy in the region. The recently published report of the Western Hemisphere Drug Policy Commission² recognizes the "collective failure" of efforts to control drug abuse and trafficking in the hemisphere, which has left a destructive human and institutional toll. Central America has carried much of the efforts and costs without any real changes on the horizon that predict different results. Based on this report and together with hemispheric allies, mechanisms to address the problem of illicit drug racking in the region should be reconsidered.



9. Promote a sense of belonging and the rooting of younger generations through greater opportunities. One of the largest resources for regional development is the large contingent of young people who will join the labor market in several of our countries over the next two to four decades. It is estimated that by adequately harnessing this demographic bonus, and providing its members with opportunities for education, security, recreation, work and entrepreneurship, some of the region's most lagging countries could grow by up to 35 percent or more. Otherwise, if we keep doing things the way we are doing today, these young generations will have no choice but the continuation of violence, misery, uprooting and migration.



10. Incorporate the gender dimension and the empowerment of women in all actions of cooperation. Cooperation efforts should promote mechanisms for women's financial inclusion, and the promotion of gender-focused entrepreneurship and investments that will contribute in overcoming conditions of exclusion and substantially improve the living circumstances of millions of Central American families, many of them sustained by women. Their empowerment must not only go through greater participation in the benefits of the initiatives, but also in designing and implementing

² View document at: https://foreignaffairs.house.gov/_cache/files/a/5/a51ee680-e339-4a1b-933f-1b15e535fa103/AA2A3440265DDE42367A79D4BCBC9AA1.whdpc-final-report-2020-11.30.pdf



the initiatives. A vital element is the formalization of the economy, recognizing that most informal micro-enterprises are led by women.

More than three decades ago, Central America signed the Peace Agreements and established a route for overcoming the civil wars that caused so much suffering to the region. We should do now much more to honor the dreams of security, development, and peace of present and future generations of Central Americans. We must make our geographical closeness and friendship with the United States of America a force that permanently works together to make the shared aspirations for sustained prosperity, security, peace and stability a reality.

Central America, February 2021.

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