## Mexico





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## Chapter 1 Country Overview

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## **Country Overview**

### **MEXICO**

Mexico is the most populous Spanish-speaking country in the world and the second most-populous country in Latin America after Portuguese-speaking Brazil. Highly developed cultures, including the Olmec, Maya, Toltec, and Aztec, existed long before Spain conquered Mexico in 1521. Mexico was a Spanish colony for 300 years until 1821 when it formally achieved independence.

For 70 years, Mexico's national government was dominated by the Institutional Revolutionary Party, or PRI, which won every presidential race until the July 2000 presidential election when Vicente Fox became the first president to come from the opposition. President Fox completed his term on Dec. 1, 2006, and he was succeeded by Felipe Calderon.

Mexico is endowed with substantial natural resources, and is a major oil producer and exporter. The Mexican economy is highly dependent on exports to the United States, which account for about 90 percent of its total exports. Mexico has undergone a profound economic transformation since the mid-1990s as a result of economic liberalization and its joining the North American Free Trade Agreement (a free trade bloc with the U.S. and Canada also known as NAFTA). There has been rapid and impressive progress in building a modern, diversified economy, improving infrastructure, and tackling poverty. Today, the country enjoys a more open economic and political system and is more integrated with the world economy.

Note that since 2010, Mexico has plagued by rampant violence and crime at the hands of narcotics traffickers and cartels, as well as drug gangs. The degree of criminality affecting broad swaths of Mexico has raised questions about the Mexican government's ability to adequately deal with rampaging drug gangs who have turned portions of the country into lawless enclaves. Indeed, in the first part of 2010 alone, more than 7,000 people have died in drug-related violence in Mexico, while approximately 25,000 people died in drug-related violence for the previous three and a half years, according to Mexico's Office of the Attorney General.

For his part, then-President Calderon interpreted the rising rate of bloodshed in the most favorable manner by saying it showed that the drug cartels were under pressure from his government's crackdown. To that end, he drew attention to the fact that in the same three and a half year period, thousands of troops had been deployed at key locations across the country, 75,000 weapons had been decommissioned, and 78,000 people had been detained on narcotics-associated operations.

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Nevertheless, President Calderon simultaneously warned that drug gangs and cartels are intent on imposing their own authority in pockets across Mexico. Not surprisingly, anxiety was on the rise as Mexicans worried about the "Colombianization" of the ongoing drug war in their own country.

The election of President Enrique Pena Nieto in 2012 has not significantly influenced the general climate of lawlessness and turmoil that Mexico has grappled with in recent times as a result of narcotics gangs. Indeed, the case of more than 40 mssing students at the hands of drug gangs in late 2014 was a reminder of the continued plague of narcotics-centered terrorism in Mexico.

In 2015, irrespective of President Pena Nieto's failure to deal with the gruesome violence plaguing the country at the hands of narcotics traffickers, his ruling party, the PRI, claimed victory in parliamentary elections.

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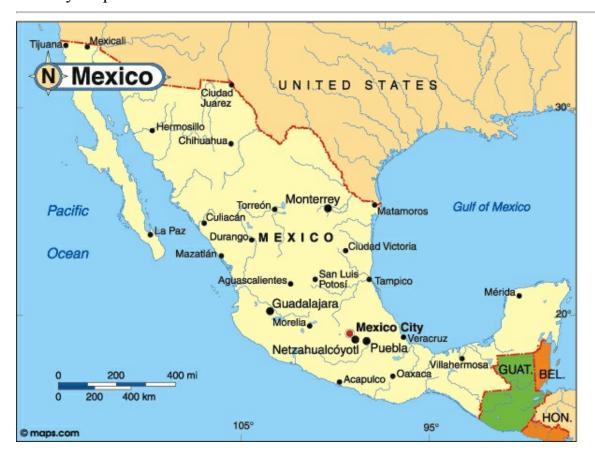
## **Key Data**

Key Data	
Region:	Middle America
Population:	118689160
Climate:	Varies from tropical to desert.
Languages:	Spanish Various Mayan dialects
Currency:	1 new Mexican peso (Mex\$) = 100 centavos
Holiday:	Independence Day is 16 September (1810), Constitution Day is 5 February, Cinco de Mayo is 5 May
Area Total:	1972550
Area Land:	1923040
Coast Line:	9330

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## Mexico

## Country Map



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## **Middle America**

## Regional Map



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# Chapter 2 Political Overview

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## **History**

Mexico was the site of some of the earliest civilizations in the western hemisphere. Archaeological evidence suggests that the area was populated by hunting peoples as early as 21,000 before the common ear, or B.C.E., and by agriculturalists in 8,000 of the common era, or C.E. A number of highly advanced cultures inhabited Mexico prior to the Spanish conquest, the most well known today being the Olmecs, the Mayas, the Toltecs and the Aztecs. When Spaniards landed in Mexico in the early 16<sup>th</sup> century, they encountered the great cities and intricate social and political structures of the Aztec Empire throughout the valley of Mexico.

During the period from 1519 to 1521, Spaniard Hernan Cortes led the conquest of Mexico and claimed the territory as a Spanish colony. In the period from 1535 to 1821, 61 Spanish viceroys ruled the colony. The Spanish government implemented the "encomienda system," which granted large pieces of land to Spanish nobles, priests and soldiers. The Native American majority became the subjugated laboring class under the encomienda system, and although reforms to the system were decreed by Spain, they were largely ineffective because of the difficulty of enforcement.

The result was the development of rigid social classes that ran along ethnic lines. Native Americans, mestizos, black slaves and freed slaves made up the bottom segment of the population. The European population made up the top echelon, but within this segment, there were other divisions. Those born and raised in Spain, the peninsulares, of pure European descent, held the highest colonial offices and were elevated above the criollos, who were born and raised in Mexico.

The colonial administration was rife with inefficiency and corruption, and by the 19<sup>th</sup> century, growing criollo resentment weakened the link between the colony and Spain. Factional struggles between peninsulares and criollos as well as opposition to the subjugation of the Native American population stimulated a political rebellion, and on Sept. 16, 1810, Father Miguel Hidalgo declared independence from Spain. This led to the Mexican War of Independence.

Eleven years after the beginning of the war, a treaty was finally signed in 1821 that recognized Mexico's independence from Spain and called for a constitutional monarchy. The planned monarchy failed, and a republic was proclaimed in December 1822 and established in 1824. Prominent figures in Mexico's war for independence were Father Jose Maria Morelos; Gen. Augustin de Iturbide, who defeated the Spaniards and ruled as Mexican emperor from 1822-23;

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and Gen. Antonio Lopez de Santa Ana, who went on to control Mexican politics from 1833 to 1855.

Conflict arose in the 1840s with Texas, which declared its independence from Mexico in 1846. The United States then went to war with Mexico from 1846-48 over border disputes. In 1848, the Rio Grande was fixed as the boundary between the countries, and Texas became part of the U.S. The Gladsen Purchase in 1853 clarified the New Mexico border and added more territory to the U.S, thus reducing the size of Mexico.

In 1854, a liberal revolt began, marking a long and fierce struggle between the powerful elite who had dominated Mexico and the liberals who demanded greater democratization. The great leader to emerge from this revolution was Native American Benito Pablo Juárez, who occupied the Mexican presidency from 1858 to 1871, except for the period between 1864 and 1867, when the Hapsburg monarchy ruled Mexico. Napoleon III of France ordered troops to overthrow the Mexican government in response to a number of nationalist measures enacted by Juarez that affected the colonial interests of European powers in Mexico. Archduke Maximilian of Austria ruled Mexico until his deposition and execution by Juarez in 1867.

Although Juárez was re-elected president in 1871, a number of insurrections, led by Gen. Porfirio Díaz, followed, and Juárez finally died in 1872. Sebastián Lerdo de Tejada succeeded him, but in 1877, Porfirio Díaz was elected president. Diaz was president during most of the period between 1877 and 1911. His economic policies favored the elite and detrimentally impacted the Native American population whose communal lands were displaced.

Severe social and economic turmoil and inequality in Mexico led to a revolution that lasted a decade, from 1910-1920. The Mexican Revolution gave rise to the 1917 constitution that restored communal lands to the Native Americans under a system called "ejido" and implemented a number of nationalist measures. Prominent leaders in this period-some of whom were rivals for powerwere Francisco I. Madero, Venustiano Carranza, Pancho Villa, Alvaro Obregon, Victoriano Huerta and Emiliano Zapata.

For political developments since the Mexican Revolution, including the emergence of the Institutional Revolutionary Party (PRI) and its opponents, please see "Political Conditions" of this review.

Note on History: In certain entries, open source content from the State Department Background Notes and Country Guides have been used. A full listing of sources is available in the Bibliography.

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## **Political Conditions**

## After the Mexican Revolution through the 1960s

In 1929, a coalition of interests that emerged after the chaos of the Mexican Revolution developed into a significant political force and the official government party in Mexico. This entity, called the National Revolutionary Party (PNR), eventually became the Institutional Revolutionary Party (PRI), which controlled the national government throughout the rest of the 20<sup>th</sup> century.

A party designed for power, the PRI's mechanisms for success involved a combination of repressive measures and, more frequently, measures such as hand-outs and patronage that ensured popular consent and legitimacy. The party professed no specific ideology, enabling it to adapt to changing social, economic and political forces over time. It attached itself to labor unions, civic interest movements, peasant groups and virtually all aspects of civil society, excluding business, and in this way, it become the political extension and tool of the government.

In 1932, the PNR put forth a co-operative economic plan that was oriented toward socialism. The PNR plan was enacted in 1934, with the election of Lázaro Cárdenas as president, who emphasized agrarian reform, social welfare and education. In 1938, the Cárdenas administration carried out the expropriation of U.S. and British multi-national oil corporations and the subsequent nationali zation of the oil industry. Mexican nationalism soared, and minor disputes with the United States over the conditions of the expropriations ensued.

In September 1939, the first authentic opposition party to the PRI, called the National Action Party (PAN), was formed. Mainly composed of business sector members, the PAN opposed what it saw as the PRI's populist nature and tactics. The PRI showed no resistance to the formation of the PAN because it enabled the ruling party to claim democratic competition and to more easily monitor its opposition.

In 1940, Manuel Ávila Camacho was elected president. More conservative than former President Cárdenas, Ávila Camacho fostered friendlier relations between Mexico and the U.S. As such, Mexico supported the U.S. efforts in World War II. After the war, in 1949, national elections were held, with the Institutional Revolutionary Party (PRI), the former PNR, winning decisively.

In 1952, PRI candidate Adolfo Ruiz Cortines became president. Adolfo Lopéz Mateos, who, in turn, was followed in 1964 by Gustavo Díaz Ordaz, succeeded him in 1958.

Díaz Ordaz enacted a program of economic development, in addition to a controversial non-

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interference policy on the matter of Cuban terrorists, which ultimately alienated many western hemisphere states. Well into the 1970s, anti-government agitation took place as a result of his policies and programs.

## 1970s through the 1990s

In 1970, Luis Echeverría Álvarez became president and pursued a more moderate economic and political strategy. From 1970 to 1974, the Mexican economy grew, and all levels of society appeared to benefit. By 1975, however, excessive government borrowing led to a marked decrease in overall growth. Elected in 1976, President José López Portillo nationalized banks and implemented a program of economic austerity, while continuing to borrow and spend hugely. Corruption soared, along with foreign debt, and the peso was devalued.

During the 1980s, Miguel de la Madrid Hurtado was elected president, but the country was rapidly plunging into massive foreign debt. The earthquake of 1985 further burdened the already devastating financial situation.

In 1989, Cuauhtémoc Cárdenas, son of Lázaro Cárdenas, broke away from the PRI to form the Party of the Democratic Revolution (PRD). Mexico's first significant left-wing force, the PRD ranged in its membership from former guer rillas and communists to middle class professionals and union leaders.

As the PRD's candidate in the 1989 presidential elections, Cárdenas stressed anti-corruption, and was a major contender. PRI candidate Carlos Salinas de Gotari did secure the presidency, but with surprising difficulty. He received barely 50 percent of the vote to Cárdenas' 33 percent.

Salinas carried out political reforms during his presidency that were surprising to many. The Supreme Court was given more autonomy from the executive, the National Electoral System was granted independence from the PRI, and the federal government intervened when PRI members were accused of stuffing ballots.

Salinas pursued a program of orthodox economic reforms and rapid privatization, in an effort to salvage the economy. To this end, Mexico, along with the U.S. and Canada, signed the North American Free Trade Agreement (NAFTA) in 1992, which went into effect in 1994. NAFTA eliminated constraints on trade between the United States, Mexico and Canada, and placed limits on European and Asian investments. The agreement promised benefits to Mexico such as the modernization of the production system, the creation of jobs and salary increases, although those measures were not put into effect.

In an attempt to increase competition and efficiency, the Salinas administration privatized banks, as

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well as the state telephone monopoly, Telmex. He made the extremely risky political move of closing down the "ejido" system in 1991, which resulted in the displacement of many small landowners and rapid urban migration, in order to modernize the agricultural system. Many of Salinas' ambitious reforms provided him with opportunities to win favors from wealthy investors, and thus, his presidency was heavy with corruption.

Unexpected and traumatic events in early 1994 shook the Mexican political scene. In January 1994, peasants in the southern state of Chiapas took up arms against the government, protesting oppression and governmental indifference to poverty. Under the leadership of a man known as Sub-Comandante Marcos, a group of Native Americans called the Zapatista National Liberation Army (EZLN) captured four towns in Chiapas and demanded social and political ref orm from the Salinas administration

After nearly two weeks of fighting, the clashes were halted by a cease-fire that remains in effect. The government and the Zapatista Army of National Liberation (EZLN) have negotiated on topics such as granting greater autonomy to indigenous people since then, but the partial peace accords that were reached have not been fully implemented.

In March 1994 PRI presidential candidate Luis Donaldo Colosio Murrieta was assassinated. In September 1994 PRI Secretary General Jose Francisco Ruiz Massieu was also assassinated. Although the gunmen in both murders and co-conspirators in the Ruiz Massieu murder were eventually tried and convicted, the Mexican public was not satisfied that all the truth behind these crimes had been uncovered. In 1995, a flurry of public scandals unfolded regarding supposed attempts at obstruction of justice in the cases and allegations of major corruption in police, judicial, military and other authorities, as well as big business, including allegations of ties in those sectors to narcotics trafficking. Raul Salinas, the brother of former President Carlos Salinas, was convicted in 1999 of being the mastermind of the Ruiz Massieu assassination.

Colosio Murrieta's successor, Ernesto Zedillo Ponce de León, won the August 1994 election and was sworn in as president at the end of 1994. A record 78 percent of registered voters cast ballots in the 1994 presidential election. Election officials declared Luis Donaldo Colosio's successor, Ernesto Zedillo Ponce de Leon of the ruling PRI party the winner with 48.8 percent of the vote. Conservative Partido Acción National (National Action Party or PAN) candidate, Diego Fernandez de Cevallos, received 25.9 percent, while Cuauhtemoc Cardenas Solorzano of the social-democratic Partido de la Revolución Democrática (Party of the Democratic Revolution or PRD) received 16.6 percent. Cecilia Soto Gonzalez of the Partido del Trabajo (Labor Party or PT) garn ered 2.7 percent of the vote. Various other candidates accounted for the remaining vote percentage.

Despite isolated incidents of irregularities and problems, there was no evidence of systematic attempts to manipulate the elections or their results, and critics concluded that the irregularities that did occur did not alter the outcome of the presidential vote. Civic organizations fielded more than

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80,000 trained electoral observers. Foreigners, many from the United States, were invited to witness the process, and numerous independent "quick count" operations and exit polls validated the official vote tabulation.

On December 1, 1994, Ernesto Zedillo Ponce de Leon was sworn in as president of Mexico. A trained economist with degrees from Yale University, Zedillo had served as Secretary of Programming and Budget and Secretary of Education in the Salinas Administration prior to being elected.

Upon his inauguration, President Zedillo pursued efforts to further open Mexico's political system, reforming the justice system, curtailing corruption, strengthening efforts against narcotics trafficking, and moving forward with Mexico's market-oriented economic policies.

Just days after Zedillo assumed office, the peso underwent a large devaluation, and from 1995 well into 1996, his administration battled with a severe financial crisis. The president combated the crisis with difficult emergency economic stabilization policies and intensified long-term economic restructuring. A financial bailout by the United States was arranged, and, as stipulated by its conditions, strict austerity measures were implemented, and major state enterprises were privatized. The Mexican economy recovered surprisingly quickly, which was a great success for President Zedillo, although the stabilization process caused real wages to drop drastically. Meanwhile, the Mexican government had made a number of moves to forge closer ties with the U.S. by cooperating on matters of illegal immigration, narcotics trafficking and crimes, and human rights.

Another major issue for Zedillo was the unresolved situation of the Zapatista National Liberation Army (EZLN) rebellion in the state of Chiapas (see History section). Following the massacre of 45 indigenous peasants in Acteal, Chiapas in December 1997, tensions in the state increased and pressures for a negotiated settlement were renewed. The Zedillo administration held peace talks with the EZLN, but instead of following through with the agreement that it signed, it blocked it and opted for quietly increasing troops in the region in order to push the rebels out. Violence in Chiapas skyrocketed as a result, and poor indigenous villages loyal to the EZLN became almost completely isolated.

The Zedillo administration faced serious allegations of government corruption. Revelations surrounding the March 1994 assassination of PRI presidential candidate Luis Donaldo Colosio Murrieta and the Septem ber 1994 assassination of PRI Secretary General Jose Francisco Ruiz Massieu occupied much of the Zedillo administration's attention in 1995 and 1996.

The July 1997 mid-term elections saw historic gains for opposition parties and marked a significant step in Mexico's political transformation. For the first time in its 68-year history, the PRI lost its absolute majority in the Chamber of Deputies. The opposition was split among four parties: the

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PRD, the PAN, and two small parties, the PT, and the Partido Verde Ecologista de México (Green Ecological Party of Mexico or PVEM). Of the 500 seats in the Chamber of Deputies, PRI candidates garnered 239, PRD obtained 125, PAN earned 121, PVEM won eight, and PT obtained the remaining seven.

The opposition gained ground in the Senate, as well, where the PRI retained an overall majority but fell below the two-thirds needed to amend the constitution. Of the 128 Senate seats, PRI candidates won 77 seats, while PAN received 33, PRD won 16, and PVEM and PT received one seat each. Also by that time, opposition parties had obtained an increasing voice in Mexico's political system on a local level. Opposition mayors governed many municipalities, and the PAN controlled the governorships of four states.

Key campaign issues included corruption, tax cuts and government decentralization. Pervasive public dissatisfaction with the country's economic and social situation, particularly evident in the poorer southern states, was considered to be the major determinant of the electoral results.

As aforementioned, numerous reforms were implemented during Zedillo's presidency that aided in the opening of the Mexican political system. Constitutional and legal changes were adopted to improve the performance and accountability of the Supreme Court, the Office of the Attorney General, and the administration of federal courts. The Supreme Court, relieved of administrative duties for lower courts, was allotted respons ibility for judicial review of certain categories of law and legislation. Several laws were also passed in 1995-96 to help control organized crime.

In addition to these judicial and legal reforms, numerous electoral reforms implemented since 1989 have added to the opening of the Mexican political system. Mexicans' primary concerns in this regard were electoral fraud and campaign fairness. During 1995-96, the political parties negotiated constitutional amendments to address these issues. The thrust of the new laws was to have public financing predominate over private contributions to political parties, to tighten procedures for auditing political parties, and to strengthen the authority and independence of electoral institutions. In 1996, a reform was passed that established the "Instituto Federal Electoral" (Federal Election Institute or IFE), which runs elections, as an autonomous agency. The court system was also given greatly expanded authority to hear civil rights cases on electoral matters brought by individuals or groups. In short, a serious effort was made to "level the playing field" for the parties.

In another important electoral development, PRD candidate Cuauhtemoc Cardenas Solorzano won the first modern election for mayor of Mexico City in 1997 (this post was previously appointed by the Mexican president). In state elections, the PAN won two additional governorships, giving it a total of six. A non-PRI party now governs more than 50 percent of Mexico's population at the state or municipal level.

Although the constitution provides for three branches of government, the Mexican presidency

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traditionally occupies a dominant position. In an attempt to reduce this "presidentialism," the Zedillo administration sought to develop a greater role for the Congress. For example, Zedillo invited the participation of a multiparty legislative commission in the Chiapas peace negotiations and asked for congressional approval of the financi al assistance package signed by the U.S. and Mexico in February 1995.

Congress' role as a co-equal balance to the executive also received a boost after the July 1997 increase in opposition strength to control a majority in the Chamber of Deputies. The judicial reforms mentioned above are in part designed to allow the judicial branch of government to become a more effective counter-weight to the other two branches. The Zedillo administration has also promoted "New Federalism" to devolve more power to state and local governments, starting with pilot programs in education and health.

State-level elections held in 1998 appeared to confirm the increasing political pluralism in Mexico. While the PRI regained the governorship of one state from the PAN and held on to several others, the PAN won its state house in yet another state, and PRD candidates won two gubernatorial elections (the first such PRD victories). In the state-level elections of 1999, the PRI won an unex pectedly clear victory, though the party took the state of Mexico with only 41 percent of the vote to the PAN's 35 percent and the PRD's 21 percent. Despite taking in 43 percent of the vote in another state, the PRI lost when the opposition united around one candidate.

## 2000 Election

Attention in Mexico soon turned to the maneuvering for the presidential elections of July 2000, which proved to be the most competitive race in modern Mexican history. Seeing the potential of their union, the PAN, PRD and six smaller groups began discussions of creating an opposition alliance that would endorse one candidate in the presidential elections. In late September 1999, the proposed alliance failed due to lack of will, policy differences, bureaucratic obstacles and disagreement over the selection process of the proposed coalition's presidential candidate.

In May 1999, the PRI broke with its tradition of the president hand picking his successor and instituted an open primary candidate selection process. With over half of the votes, former Interior Minister Francisco Labastida achieved a clear victory over his chief rival, former state governor Roberto Madrazo. Such a large margin of victory prevented a split in the PRI. Given th is and the fact that the opposition parties failed to form an alliance, Labastida's chances of winning the presidency looked increasingly good. Indeed, Labastida himself appeared to be good for toning down the disunity that had mounted within the PRI. The party was divided between technocrats and traditionalists, and as an experienced politician, an economist educated in Mexico, a nationalist, and a supporter of President Zedillo's fiscally responsible economics, Labastida was a very good compromise for the opposing forces of the PRI.

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In 1999, the PAN allied itself with the Mexican Green Party (PVEM) and the PRD formed a coalition with several small parties. Cuautemoc Cardenas stepped down from his position as mayor of Mexico City in order to run for the third time as the presidential candidate of the PRD coalition. The PAN and the PVEM called their coalition the Alliance for Change, and named Vicente Fox as their presidential candidate. A former Coca-Cola executive with a degree in upper management from Harvard University, Fox had served as federal deputy in 1988 and governor of the Guanajato state from 1995 to 1999.

December 1999 public opinion polls showed Labastida to be in the lead, with Fox in second place and Cardenas trailing at third. As the election neared, Labastida's lead over Fox narrowed to only a very slight margin. Support was overwhelmingly divided along the demographic lines of urban versus rural and educated versus uneducated. Labastida was counting on the traditional PRI loyalty of millions of Mexicans, especially poorer, rural and older voters, mainly in Mexico's rural south, who relied on the party for government jobs and social-spending programs. Fox, whose platform rested on ending corruption, boosting the economy with jobs programs and foreign investment, and drastically increasing spending on education, attracted the backing of urban, professional, primarily young, middle-class voters who were tired of old politics a nd were seeking an acceleration of economic growth.

Fox also benefited from taking a centrist political stance and reaching out to the political left during the campaign, despite the conservatism of the PAN. While the PRI had transformed itself from "the electoral arm of a ruling government bureaucracy" to something resembling a conventional political party, the opposition worried that the "party machine" was still largely in place. Campaign finance was the most difficult factor to regulate; the PRI was accused many times of exceeding campaign spending limits. In addition, there were claims that some voters in rural areas were being bribed or coerced by the PRI. And while the PRI did hold a primary election for the first time in 1999, the winner was rumored to be Zedillo's choice candidate and to have been aided by the distribution of favors from government officials.

Despite these worries, several factors guaranteed the 2000 election to be fairer than any other in M exican history. First were the above-mentioned electoral reforms, especially the acquisition of the non-partisan, independent Federal Electoral Institute. The IFE spent \$492 million on preparations during the election year. Second, during the 1990s the media gained a great deal of independence from the PRI government, thus allowing all of the parties to get their messages out to voters via the valuable campaigning tool of television.

On July 2, 2000, the day of the election, record numbers of people turned out to monitor the voting process and ensure that the voting be carried out fairly. 10,000 local vote monitors and over 800 international observers oversaw the elections throughout both urban and rural areas.

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Voter turnout was large on the day of the July 2, 2000, election, which were also attended by local and international monitors. Nearly two-thirds of Mexico's 58 million members of the voting electorate went to the polls, thanks largely to the millions in federal funds that enabled the main political parties to mount enormous campaigns and hire many thousands of campaign workers.

With 93 percent of the vote counted on election day, Fox won 42.8 percent of the vote, followed by Labastida's 35.7 percent and Cardena's distant 16 percent. Labastida conceded defeat upon the release of the first results, making official the stunning victory of a non-PRI candidate for the first time in 71 years. This was a monumental step in Mexico's transition from one-party state to plural democracy. The alternation of power will surely be beneficial to the political system, as the government and the PRI become separate, autonomous institutions. Fox's victory in the July 2000 election signified an end to seven decades of PRI rule.

## From Mid-2000 to the close of 2002

Immediately upon his election victory, Fox announced that he was committed to a new, pluralist Mexican government, and that he would include members of the PRI, PRD and other political parties in his cabinet. President Ernesto Zedillo promised to cooperate with Fox during his five remaining months in the presidency. PRD leaders and their candidate Cuauhtemoc Cardenas, on the other hand, took the stance that they would refuse to collaborate with Fox's transition.

The PAN and its Green Party alliance won a majority of seats in the upper house of Congress but did not obtain a majority in the lower house. On the state and local levels, PRD alliance candidate, Andres Lopez Obrador, won the important position of mayor of Mexico City, but the PRD obtained only 36 percent of the vote, compared to the 48 percent achieved in the 1997 election. The PAN achieved landslide victories in the gubernatorial races of the Morelos and Guanajuato states, and a coalition of eight parties opposing the PRI won the governorship of Chiapas. Controversy arose over alleged fraud in the victories of PRI candidate Manuel Andrade and PAN candidate Alberto Cardenas, in the respective states of Tabasco and Jalisco.

In the months following the elections, the already-present divisions in the PRI turned to turmoil, as the party faced its worst crisis in over seven decades. The "old guard" members of the PRI, having seen themselves pushed out of leadership in the past decade, laid heavy blame on President Zedillo and his technocrat supporters for the party's devastating loss of the presidency. In an attempt to recover some hold within the party, the traditional party members rejected party president Dulce Maria Sauri's resignation and appointed her to lead a process of internal renovation for the PRI. With the capacity in question of technocrats and Zedillo's supporters to control the party and prevent infighting, the PRI organization was at risk of falling apart.

Vicente Fox enjoyed a public approval rating of nearly 90 percent upon his inauguration to the

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presidency on Dec. 1, 2000. In a controversial but overall popular political move that reflected his commitment to change, the new president strayed from tradition by referencing his religious background and modifying the constitutional oath during his inaugural ceremony.

One of the first issues that President Fox tackled was that of the Zapatista (EZLN) movement. On his first day in office, he ordered soldiers to dismantle some bases and checkpoints in Chiapas, and the very next day, he signed an agreement with the U.N. high commissioner for human rights that included sections on indigenous people. Fox appointed officials respected by the Zapatistas to work on the peace process in Chiapas and on human rights abroad, and the first bill that he sent to Congress was the one regarding indigenous rights that the Zapatistas and former President Zedillo had agreed upon four years earlier. The bill would amend the constitution, giving indigenous people more autonomy in their government, justice system and civil society.

Zapatista leader Sub-Comandante Marcos held a press conference on Dec. 2, 2000, and stated that if the bill was passed, certain army posts in Chiapas were disbanded, and Zapatista prisoners were released, he would re-open peace talks in Mexico City to end the rebellion. Since the constitutional reform needs a two-thirds majority in Congress, much now lies on the legislature to keep the process moving. And while the reforms are just a start, laws, programs and social changes on the local level will need to be passed and implemented in order for Chiapas' indigenous people to really benefit; President Fox has taken important steps in re-opening the issue. On Jan. 14, 2001, Marcos announced that he was planning to visit 10 states in southern Mexico before arriving in Mexico City on March 6, 2001, to meet with legislators to defend the bill for indigenous rights.

As promised, Fox's cabinet appointments were pluralistic. The new ministers' backgrounds reflected few party affiliations, both left and right-wing stances, and public as well as private sector experience. Many selected were new to government positions, while some had worked under prior administrations. Despite previous pledges to reduce the size of the government, Fox created 17 new cabinet positions.

One role that will be crucial to Mexico's success in transitioning to a pluralistic democracy is that of the Interior Ministry, because it handles relations between the federal government and state and local level government and institutions. Fox named Santiago Creel to that position, a former member of the Federal Electoral Institute and leader of an anti-corruption commission. Where previously the Interior Ministry controlled political conflicts by means of repression and bribery, the Fox administration aims to achieve political consensus through negotiation.

As president-elect, Fox spoke of plans for a comprehensive 25-year development plan and stated that his administration would concentrate on stimulating investment and creating more jobs. As president, Fox stated that he would work toward ending crime, drug trafficking and corruption, and he said that he planned to place more emphasis on education, in order to keep the Mexican work force globally competitive. Foremost on his agenda in early 2001 were tax reforms crucial to

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preventing the stagnation of social spending, and reforms to privatize the extremely inefficient electricity sector, all of which faced fierce congressional opposition.

The new administration's challenges became apparent from the very start. With a divided Congress, Fox faced the possibility of PRI members voting as a block and PRD members putting up constant opposition to his proposed reforms. The president managed to get the 2001 budget passed with relative ease, a testament to his ability to work with Congress to pass legislation, but in order to do so, he left out the reforms until the next congressional session and compromised his budget ceiling by agreeing to a higher deficit.

In his first year in office, Fox received criticism for a lack of organization and clarity in terms of priorities, plans and management. He did not give the ministers a clear agenda, and this frequently led to them openly disagreeing with each other. Public relations were poor, and the press remained bureaucratic in structure and output. Fox did not seem to be collaborating with the political parties, either. As a result, his government's plans for tax hikes, an opening of the energy sector, boosts in education spending, and the creation of a truth commission to address past injustices committed under the PRI were either postponed or altogether abandoned.

However, other critics argued that change in the political system was not noticeably innovative during Fox's first year precisely because of the amount of change that the country underwent with the PRI no longer commanding control of the government, trade unions, social organizations, and Congress. Unlike under PRI governments, President Fox was now subject to checks and balances, which the other branches of government exercised in instances that would have been unimaginable previously. With less power centered in the executive, change in the Mexican political system was gradual, and it was occurring in the lower levels of government. Slowly but steadily, lower level officials were working on cutting and cleaning up bureaucratic red tape. Examples of such efforts were that legislative information was now more available both within the government and to Mexican citizens, less paperwork was needed to start up a small business, governmental promotions were beginning to be b ased on performance rather than boss loyalty and personal ties, and copyright laws were beginning to be observed.

The three main political parties underwent difficulties in 2001 as they struggled to establish new roles for themselves in the context of emerging democracy. Without power and hold of the presidency, the factors that had unified its factions, the PRI faced the challenge of establishing what it would now stand for. While its members agreed they wanted it to remain the moderate party between the PAN and the PRD, the PRI was threatened internally by a deep divide between those who favored free-market policies and those who opposed such policies and blamed them for the party's demise.

Nevertheless, 2001 did not turn out to be a disastrous year for the PRI, despite what many had predicted. The party managed to keep its factions together, and while it lost some mayors and

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governorships, it achieved reasonable success in local elections held throughout the year, maintaining an average of 40 percent of the overall vote. The PRD, too, suffered from often conflicting factions, but also achieved some successes in 2001, such as the election of Lazaro Cardenas to the governorship of Michoacan state, formerly a PRI bastion. The ruling PAN was blemished by tenseness and division, as President Fox did not have strong ties or support with or from his party, and did not confer with them on some of his major reform efforts or policy making. Instead of relying on the popularity of their leaders to win voter support, the parties were increasingly having to look to the performance of their elected officials at all levels of government. For the PRD, this meant its vario us governors, including Mexico City mayor Andres Manuel Lopez Obrador. For the PRI, the focus was in the legislature, as it held the greatest number of seats in both houses.

The PRI cooperated with the Fox administration on many bills passing through the legislature but blocked some of the most important legislation on the president's agenda, such as tax reform. In the end, it appeared that the tax reforms would be passed, but more slowly than Fox wanted and with heavy conditions determined by the PRI.

On Oct. 19, 2001, lawyer and human rights activist, Digna Ochoa, was murdered by an unknown assailant. The crime caused uproar among Mexicans, many of whom suspected that the army was involved, namely members of the old regime who intended to destabilize the new government. President Fox responded to the murder by pledging his support in the investigation, including new measures that would protect human rights activists and guarantee that all army and federal police files be made available. In October 2001, the Fox administration turned over government security files on almost 500 people who disappeared in the 1970s to the National Human Rights Commission, but it did not surrender any army files or fulfill its promise to organize a truth commission to investigate the abuses of the PRI regime.

In mid-2001, President Fox's relations with U.S. President George W. Bush were close and amiable, and Fox seemed to be making progress on bilateral migration issues. Amid statements by George Bush that the United States' relations with Mexico were a top priority, Mexico's aspirations for guest-worker programs and migrant amnesties were looking immediately hopeful. Following the September 11 terrorist attacks, however, the focus of U.S. foreign policy shifted to the Middle East and Mexico's bilateral agenda was put on the backburner.

In response to the September 11 attacks, the Fox administration declared full support of the United States, short of sending troops. Border controls were increased to maximum security, and in an American-directed search for terrorists, Mexico detained and questioned hundreds of people of Middle Eastern origin. Government officials professed solidarity with the United States in response to the disaster. However, the general sentiment among the majority of Mexican civilians was that the United States' "War on Terrorism" was none of their concern, and they did not want their government to get involved. Unlike in Canada and some European countries, no official memorial

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ceremony was held in Mexico following the attacks, a reflection of Mexico's historic antagonism with its northern neighbor. When foreign minister Jorge Castañeda stated that Mexico's support of the United was non-negotiable, opposition politicians quickly condemned him, and amid interior minister Santiago Creel's attempts to pacify them, the government only appeared to be more divided than it really was.

In an act unprecedented by a Mexican president, Fox offered a plan in October for a trilateral security zone that would enlist Mexico and Canada as the first line of defense of U.S. borders. The proposed plan would involve the exchange of intelligence between the customs and immigration agencies of the three countries regarding the movements of potential terrorists, as well as the stepping up of intelligence and security within Mexico. In offering such an uncharacteristically active role for Mexico in U.S. affairs, Fox hoped to position himself as such that he could urge the United States to ease its new controls on legal crossings, while still maintaining an extremely high level of security.

Despite the lack of large-scale change and the fact that Mexico was hit hard by the world economic recession, President Fox maintained a fairly high approval rating in 2001. His administration adhered to plans of tight fiscal strategy, a push for tax reforms, minor measures to promote tourism and encourage more foreign investment, and programs for 2002 to create jobs, housing, and roads.

By 2002, allegations emerged suggesting that \$166 million from state-owned oil company Pemex was diverted to the 2000 presidential-election campaign of Fox's opponent, Institutional Revolutionary Party (PRI) candidate Francisco Labastida. Fox has sanctioned a probe into the matter, even though reports suggest that an investigation on the issue could well jeopardize congressional passage of his proposed tax reform.

Meanwhile, Fox's brother denied allegations of illegal contributions to the current president's successful 2000 campaign. The allegations came from the PRI that contributions to Fox were illegally transferred to his coffers from abroad. In this regard, Fox's sibling stated that Fox Brothers -- a company within the Fox Group -- has been conducting business as usual in the form of produce exports. All such allegations have been adamantly denied. Nevertheless, Fox Brothers is one of a number of companies under investigation by electoral authorities for illegal campaign contributions.

In June 2002, peasants in central Mexico held six people hostage. The hostage scenario played out in protest of the construction of a new airport terminal in Texcoco. The construction project involved the expropriation of some 5,000 hectares (12,345 acres) of farm land for 540 million pesos, valued at about US \$58 million. The residents of the area of San Salvador Atenco challenged the degree and protested the decision. Nevertheless, the hostages were released soon after their capture. The expropriation of the land remains an unresolved issue for the peasants of the area.

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A similar land issue also re-emerged in the volatile indigenous community of Chiapas where landrights have been in the news for years. The Mexican government had promised that residents of the area -- most of whom do not possess property titles -- would not be displaced. Despite this commitment, non-title holders will be "relocated" to other areas, according to government officials. Thousands of Zapatista peoples of the region have lived in constant fear that the army will evict them from the land on which they have lived for decades because they do not possess proper documentation validating land rights.

In the realm of regional relations, in 2002 relations between Mexico and Cuba became strained when Mexican President Fox asked Cuban President Fidel Castro to excercise retraint at an international aid summit. Castro, upset at Mexico's support for United Nation's condemnation of Cuba's human rights record, taped and publicized a conversation he shared with Fox. In the conversation, Fox was clearly recorded as he pressured Castro to leave the conference early, and also to refrain from criticizing either United States President George Bush or the United States. The publicization of the tape caused a temporary strian between the two countries, which usually share close and cordial ties, however, relations were normalized soon thereafter.

## From 2003 to 2005

In 2003, United States-Mexico relations were strained when Mexico called for a stays of execution in the cases of 51 Mexican nationals on death row in the United States. The Mexican government stated that the individuals on death row had not be provided with information about their right to assistance from Mexican consular offices.

Bilateral relations were further strained when Mexico did not offer troops toward the United States-led war in Iraq and, indeed, Mexican President Vicente Fox expressed a clear objection to the war, especially without sanction from the United Nations. Mexico held a seat at the United Nations Security Council and did not support the United States' call for an additional resolution expressly authorizing the use of force against Iraq. The Mexican public expressed outrage at the war itself and to date, Mexicans largely have protested United States policy in regard to Iraq.

On the domestic agenda, in July 2003, President Fox's National Action Party (PAN) lost seats in the parliamentary elections to the PRI establishment party. Indeed, in the elections for the Chamber of Deputies, the Institutional Revolutionary Party (PRI) and its allies won 241 seats while the president's PAN obtained 153. The social democrats (PRD) secured 95 seats, the socialists labor party (PT) received six seats and Convergence for the Democracy garnered five seats.

The results of the election did not bode well for President Fox as they symbolized dissatisfaction with the direction of the country. In fact, opposition members, as well as members of the public,

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accused the president of failing to realize many of his election promises. They were especially concerned about the country's growing unemployment rate.

Nevertheless, in his mid-term address to the Mexican nation state in September 2003, President Fox urged everyone, including his detractors, to support his reform program. His speech, however, was interrupted by members of Congress screaming "People are Dying of Hunger," thus prompting warnings of expulsion if the interruptions continued. Central to the proposed reforms was the demand for open investment in natural gas, electricity and petroleum production. Experts predicted, however, that members of Congress would attempt to block these proposals from being put into place.

In 2004, political violence in the southern state of Oaxaca left two people dead and the country's leader calling for an end to the violence. The upsurge of violence marred the relatively peaceful political landscape that Mexico enjoyed in recent years. It also brought into question whether the next presidential elections would entail a return to the election violence of the past.

Later, in early 2005, President Vicente Fox declared war on drug traffickers over multiple slayings of law enforcement officers, including the execution-style murders of six prison guards in the border city of Matamoros. Mexico's top three high security prisons were put on maximum alert. The army took control of the prison at Matamoros as well as the prison of La Palma near Mexico City after a series of killings there. Drug rings operating from inside the prisons and internal corruption in the prison system have been blamed for the crisis.

Meanwhile, in early August 2004, as the opposition party PRI enjoyed notable victories in regional elections, analysts wondered about the effect on Fox's presidency and more so, the prospects for his party in the next national elections. Regardless of the effect on PAN, these victories were expected to provide PRI and its leader, Roberto Madrazo, a symbolic boost in the months ahead. Note: Constitutionally, President Fox is barred from another term of office after his current tenure expires in 2006.

By the close of 2004 and into the beginning of 2005, the political landscape had shifted somewhat as the political pundits began to discuss the fortune of the mayor of the capital city, Andres Manuel Lopez Obrador, who was quickly becoming Mexico's most popular politician. As a result he was quickly identified by President Fox's PAN and the opposition PRI as being a political threat.

Perhaps not surprisingly, moves were made to stop the ascendancy of Lopez Obrador. PAN and PRI were offered a golden opportunity when Lopez Obrador was placed in the center of a land dispute. The mayor of Mexico City was accused of breaching a court order to allow the construction of an access road to a city hospital through a disputed plot of expropriated land. As a result, the Mexican Congress made the decision to end the mayor's legal immunity and to allow him to be prosecuted. In order to pass such a measure, a strategic alliance was formed between

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President Vicente Fox's PAN and the opposition PRI. As intimated already, both parties could potentially benefit from undermining the very popular Lopez Obrador. Indeed, they both would benefit from neutralizing the person who was increasingly viewed as a favorite to win the 2006 presidential election.

To the dismay of both PAN and PRI, however, the response to this decision by Congress was an outpouring of public support for Lopez Obrador. In late April 2005, hundreds of thousands of people marched through Mexico City to show their solidarity with the mayor of the capital city. Many were adorned in the yellow color associated with the left-wing Party of the Democratic Revolution (PRD), to which Lopez Obrador belongs.

If the judgment by the courts was made that he must face trial, it would mean that Lopez Obrador would have been constitutionally prohibited from running for office. He would also be compelled to resign as mayor. But before the courts could make such a decision, President Fox asked for the resignation of Attorney General Rafael Macedo. The attorney general had been one of the key figures leading the movement to have Lopez Obrador face trial. The measure by Fox calling for Macedo's resignation was presumably enacted to try to end the imbroglio, and perhaps also to salvage the image of his government. Indeed, Lopez Obrador accused the government of President Fox of trying to advance spurious legal charges against him, for the purpose of blocking his path to the presidency.

By mid-2005, state elections were held. The election was viewed as a sign of things to come in presidential elections scheduled for 2006. The main opposition party, PRI, claimed victory in the country's largest state when party candidate, 38-year old Enrique Pena, garnered 47 percent of the votes cast and the governor's office. The PRI, which had been suffering from image problems due to corruption and repression charges which raged during its 70 years in power, were, as expected, encouraged by the result. Meanwhile, President Vicente Fox's conservative party, PAN, was worried about the result, which gave it only 24.8 percent of the votes cast. The party wants to hold on to the presidency even if Fox cannot run for another consecutive term. Finally, the left-leaning candidate, Yeidckol Polevnsky of the PRD suffered a huge defeat with only 24 percent of the votes cast and a third place finish. Since the PRD's popular contender for the presidency in 2006 - Lopez Obrador -- campaigned unsuccessfully for Polevnsky, her defeat was not an encouraging sign for that party.

The aftermath of Hurricane Stan left thousands of people dead or missing across Latin America in October 2005. Stan hit Mexico as a Category One hurricane on Oct. 4, 2005, and decreased in intensity. In its downgraded status as a tropical storm, however, Stan unleashed an endless barrage of rain for subsequent days across Central America. In Guatemala alone, around 2,000 people were missing and believed to have died, although the known death toll was over 500 at the time of writing. The official death toll was not expected to be known for some time. In other countries the known death toll (to be distinguished from the actual death toll) was as follows: El Salvador - 67;

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Mexico - 17; Nicaragua - 10; Honduras - 4 and Costa Rica - 2. Overall, those hardest hit have been those afflicted by poverty living in hillside communities and thus, most vulnerable to the perils of landslides following strong rainfall. In Mexico, the government pledged 20 billion pesos in emergency and reconstruction aid for victims. President Vicente Fox said, "We are going to support everyone to recover their goods and rebuild their homes that were destroyed, to compensate agricultural producers for the loss of crops, and in finance plans for businesses." The international community, led by Spain, also began to offer aid, supplies and equipment.

In November 2005, relations between Mexico and Venezuela deteriorated in the aftermath of the Organization of American states summit in Argentina. The diplomatic imbroglio was sparked by the United States-backed effort to launch the Free Trade of the Americas and Mexico's support therein. Venezuelan President Hugo Chavez claimed that Mexican President Vicente Fox had violated normal protocol by trying to force agreement on the contentious free trade deal, even when it was not on the agenda. While giving an address to business people and political supporters in the Venezuelan capital city of Caracas after the summit, Chavez said: "How sad that the president of a people like the Mexicans lets himself become the puppy dog of the empire." By "empire" he was referring to the United States. The Mexican government responded to the characterization by demanding an apology, and noted that the Venezuelan leader's words struck at "the dignity of the Mexican people." Foreign ministers from both two countries met to discuss the dispute but no resolution was immediately forthcoming.

## Election 2006

At the start of 2006, Marcos, the masked leader of the Zapatista rebel movement, commenced an extensive tour of Mexico's 31 states ahead of the country's presidential elections. Marcos, a mysterious individual believed to have been a university lecturer, rose to prominence as the leader of the 1994 uprising in Chiapas. In that uprising, he led the indigenous communities of the region in a call for increased rights and recognition. Now known as "Delegate Zero" rather than his former military name of "Subcomandante," one of his first stops was in San Cristobal -- the center of Chiapas. There, he addressed thousands in the crowds saying that on his tour, he hoped to listen to workers about the challenges of exploitation and racism. The Mexican government responded favorably to the Zapatista's political tour. A spokesman for President Vicente Fox said that the Zapatista's decision to launch what was being termed the "Other Campaign" demonstrated the group's engagement with the political debates of the country, and was a boost for the country's democracy. Reuben Aguilar said, "It is an achievement of Mexican democracy and Mexican democracy guarantees the free expression of these ideas."

By mid-2006, attention turned to the three main contenders in the presidential race -- the aformentioned leftist Andres Manuel Lopez Obrador, the center-right Felipe Calderon and Roberto Madrazo of Institutional Revolutionary Party. Calderon, the PAN candidate and the successor to

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time-limited outgoing President Vicente Fox, had once served as Energy Minister and held a free market orientation. Educated at Harvard University and viewed as a technocrat, Calderon called for increased foreign investment as well as more integration into the global economy. Lopez Obrador, a former mayor of Mexico City, commanded popular support among impoverished segments of Mexican society because of his support of public programs as well as his calls for poverty alleviation. Madrazo was hoping to return the country's historically dominant PRI party to a position of political control.

Once thought of as a front-runner, in early June 2006, Lopez Obrador was running neck-to-neck with Calderon, according to an opinion poll in the El Universal daily, which had them both with 36 percent. Three other candidates, including PRI's Roberto Madrazo, were also contesting the election. Madrazo, whose economic stance mirrored that of Calderon, was running in third place, according to the El Universal poll with 24 percent. By mid-June 2006, however, Lopez Oblador was advancing a small lead over his competitors, according to a poll by the Excelsior newspaper. In that poll, the leftist appeared to have 36.5 percent of the potential electoral vote, as compared with his closest rival, ruling party candidate Felipe Calderon, who was polling 32.5 percent. PRI's Madrazo remained in third place with 27 percent of the potential vote.

On July 2, 2006, Mexicans went to the polls to vote in elections. The main issues surrounding the election focused on economic development and job creation.

As noted above, the main candidates in the presidential race were: Felipe Calderon of the National Action Party (PAN), Andres Manuel Lopez Obrador of Alliance for the Good of All (PRD), and Roberto Madrazo of Institutional Revolutionary Party (PRI). Other candidates included Patricia Mercado of the Social Democrat and Peasant Alternative Party, and Roberto Campa of New Alliance. Voters were also electing legislators in the Chamber of Deputies and the Senate, the mayor of Mexico City, and three state governors.

On election day, turnout was high with observers saying that the election had gone off in a free and fair manner. However, voters at several polling stations complained of insufficient ballots and that they had been unable to vote.

Once the polls closed, attention turned to early election returns and exit poll data as Mexicans tuned to the media to find out who would be their new leader. Reports quickly emerged that the election was too close to call. Indeed, election officials said that center-right candidate, Calderon, and leftist candidate, Lopez Obrador, had secured the highest vote share but the margin of victory was too slight to decisively determine one man as the victor. As such, the election officials said that they would re-examine the votes before declaring a winner.

The lack of a definitive outcome did not stop the top two vote-getters from declaring premature victory. In a central square, Lopez Obrador said, "According to our data we have won the vote by

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at least 500,000 votes. This is irreversible." Soon thereafter, Calderon referenced various projections which showed him to be in the lead while noting, "We have won the presidential elections." Celebrations broke out among the supporters of both candidates while outgoing President Vicente Fox appealed for calm and patience saying, "Citizens, we can have complete confidence that each one of our votes will be properly counted and respected."

By July 4, 2006, preliminary results issued by the Federal Electoral Institute (IFE) showed Calderon with 36.38 percent of the vote and Lopez Obrador with 35.34 percent. While Calderon claimed victory, Lopez Obrador pointed to the margin of one percent. The closeness of the race resulted in a recount of all the results data from polling stations across the country. The process took a few days and along the way, Lopez Obrador opened up a lead over Calderon. But the vote advantage did not stay constant and, instead, switched among both candidates continuously. In the end, Calderon of the ruling National Action Party won 35.88 percent of the vote -- less than one percent more than the 35.31 percent for Lopez Obrador of the Party of the Democratic Revolution.

In Congress, election results showed that President Fox's ruling PAN had garnered a plurality of the vote share. In the 500-seat Chamber of Deputies: National Action Party (PAN) secured 34.2 percent; Alliance for the Good of All (PRD) had 29.3 percent; Institutional Revolutionary Party (PRI) took 26.6 percent; New Alliance acquired 4.9 percent and Social-Democratic and Rural Alternative Party garnered 2.3 percent.

In the 128-seat Senate: National Action Party (PAN) secured 34.5 percent; Alliance for the Good of All (PRD) had 30.1 percent; Institutional Revolutionary Party (PRI) took 26.4 percent; New Alliance acquired 4.3 percent; Social-Democratic; and Rural Alternative Party garnered 2.1 percent.

Even with a plurality of seats, PAN would not have a majority in congress. This outcome was largely due to the split vote among the left. Meanwhile, PRI, with its long legacy of political dominance, was set to become the third largest party in Congress for the first time ever.

In the aftermath of the incredibly close presidential election poll, Lopez Obrador said that he would petition both the Federal Electoral Tribunal and the Supreme Court to look into allegations of fraud and vote-rigging. He also said that he would press for a manual recount of all ballots. The two measures were somewhat related since, according to Mexican law, a manual recount could not be generated without being able to prove just cause.

Although international monitors said that they had not recorded any irregularities, Lopez Obrador accused the election tribunal, which was appointed by the government, of actively seeking to deny his election victory. To this end, he indicated cases of polling areas where there were more votes than registered voters, and he referenced an inaccurate initial vote count via a particular software

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program. In addition, he pointed to video footage showing what appeared to be a scene depicting the act of ballot stuffing. The election tribunal dismissed the video depictions as a kind of misinterpretation.

Whether or not this evidence furnished by Lopez Obrador would sway the tribunal or the court to change the results or call new elections was yet to be determined. Regardless, there were several months available to sort out the political situation since the election result was not scheduled to be certified until September 6, 2006. Indeed, it was this very certification date that contributed to the decision by Lopez Obrador's cadre to call on international leaders to refrain from congratulating any candidates until the election outcome was actually official. Already, some leaders (including United States President George W. Bush) had called Calderon to congratulate him for winning victory.

On July 15, 2006, hundreds of thousands of Mexicans took to the streets of the capital city to protest the outcome of the election earlier in the month, which gave a small election advantage to center-right candidate, Calderon, over leftist candidate, Lopez Obrador. It was the second such massive protest in Mexico City by voters alleging fraud and calling for legal recourse.

For his part, as noted above, Lopez Obrador was demanding a manual recount and urged his supporters to use civil resistance as a means to compel such an end. In that regard, at an address in the public square known as the Zocalo, he said, "To defend democracy we are going to begin peaceful civil resistance." In his claim of electoral irregularities -- the basis for his recount demand -- Lopez Obrador reportedly submitted up to 900 pages of apparent evidence to the Federal Electoral Tribunal.

On the other side of the equation, Calderon argued that a complete recount was uncalled for but said that he would respect the decision by the elections tribunal. He was also busy establishing his transitional team in anticipation of taking the reins of power.

In late July 2006, hundreds of thousands of people (some reports suggested up to one million people) took to the streets in Mexico to again protest the outcome of the presidential election and to demand a recount. It was the third such massive protest. As participants marched to the main public square in Mexico City, known as Zocalo, they chanted popular slogans about the rise of the common people.

The issue spurred some degree of a political crisis, which could likely come to an end on August 31, 2006 when the Federal Electoral Institute was expected to render its decision about the recount request. According to Mexican law, a president-elect must be declared by Sept. 6, 2006, so that a replacement to Vicente Fox could be inaugurated on Dec. 1, 2006. The timing suggested that a full recount could be difficult to accomplish, if it was, indeed, granted. On the other hand, there was the equivalent possibility that the certification of Calderon as the president might well result in a

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weak presidency, given his extraordinarily small margin of victory. The entire matter augured the possibility of political instability in Mexico.

In early August 2006, Mexico's Federal Electoral Institute rejected Lopez Obrador's request for a full recount of the votes cast in July's disputed election. The electoral body did not outright reject a recount; instead, it ordered a partial recount of votes at 11,839 of the country's polling stations, which numbered over 130,000 in total.

Lopez Obrador decried the ruling and called on his supporters to demand a full recount. To this end, at a rally in Mexico City he said, "We don't want a portion of democracy. We want 100 percent democracy." Lopez Obrador also urged them to continue their protests, which had been ongoing for several days. His supporters appeared to heed the call for continued protest actions. Some blocked the entrance to the compound of the Federal Electoral Institute and chanted "Vote by vote!" while others warned that without a resolution, there could be a revolution. For his part, Lopez Obrador was urging his supporters to use "peaceful civic resistance" in their actions.

In late August 2006, Mexico's election court ruled to dismiss claims of election fraud levied by leftist presidential candidate Andres Manuel Lopez Obrador. The judges on the court also ruled that the partial recount of the votes cast in the election did not change the result that gave a miniscule victory to conservative presidential candidate Felipe Calderon. The ruling was final and set the stage for Calderon to be declared the official winner of the election.

Calderon expressed cautious optimism about the ruling while Lopez Obrador refused to endorse the verdict by the court. While he said that he intended to continue to fight for justice -- a fight that included months of popular resistance in Mexico City by thousands of his supporters -- he said that he would not endorse any violent rebellion.

Still, there were prevailing anxieties that Mexico's political landscape would be affected, given the conflicted and divided nature of the electorate and the controversial result of the election. Indeed, the decision by the electoral bloc, in conjunction with a passionate population base unaccepting of Calderon's slim victory, functioned together to complicate the political situation in Mexico, even destabilizing the landscape to some degree.

On Sept. 2, 2006, outgoing President Vicente Fox's attempt to deliver his final annual address to the Mexican nation was thwarted by left-wing legislator's in the country's Congress. Prior to President Fox's arrival in the chamber, legislators took to the podium and chanted slogans and brandished signs. As a result, Fox submitted a copy of his speech, as required by the constitution, and exited the building. He later gave his address via televised broadcast from his residence. He also chastised the legislators for disrespecting the nation and the law.

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The scenario laid bare the bitter political divide in Mexico following the contested presidential election, which gave Felipe Calderon of Fox's National Action Party (PAN) a very small advantage -- less than one percent -- over Manual Lopez Obrador of the Party of Democratic Revolution (PRD).

The rising level of political polarization, manifest in the action by legislators to disrupt Fox's speech, came just prior to the expected declaration by the country's electoral court that Calderon was the official winner of the election. That declaration, made on Sept. 5, 2006, set the stage for Calderon to be inaugurated as the new president.

In his first speech since that declaration, Calderon urged Mexican unity, saying, "I call on everyone to join forces to guide the life of Mexico based on the values that we Mexicans share." But unity was not likely to ensue in Mexico -- especially given Lopez Obrador's refusal to recognize Calderon as president-elect. To this end, Lopez Obrador addressed a crowd gathered in Mexico City Zocalo, asserting, "I do not recognize he who seeks to act as head of the executive branch without having legitimate or democratic representation." Lopez Obrador continued to maintain that the election outcome was not legitimate, even going so far as the establish a parallel government. Meanwhile, his supporters continued to stage frequent protests in the country's capital of Mexico City and the country itself remained bitterly divided.

In the hopes of avoiding unrest, outgoing Mexican President Vicente Fox handed power to incoming President Felipe Calderon in a rare midnight ceremony at the start of December 2006. The inauguration of President Calderon was, nonetheless, marred by a massive brawl among legislators in Mexico's Congress. Prior to Calderon's swearing in ceremony, anti-Calderon members of Congress took control of the Speaker's dais and barricaded the doors of the country's legislative chamber. Calderon was able to bypass the main doors and take the rather rushed oath of office anyway. The national anthem was then played, as anti-Calderon legislators -- among them, those belonging to the left-leaning Democratic Revolution Party -- loudly uttered their disapproval, and accusing the new president of coming to power via a fraudulent election (details discussed above).

Following this awkward inauguration, newly-installed President Calderon called for dialogue among the divided factions of Mexico. To this end, he said, "I will always be willing for dialogue, but I won't wait for dialogue before starting work." Although focused on the social and economic issues facing Mexico, Calderon's tenure as president promised to be a very difficult one, largely charactierized by the antagonism and intransigence of opposition forces who have come to believe -- rightly or wrongly -- that he is an illegitimate occupant of the country's highest office.

## Recent Developments

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Meanwhile, amidst the election fracas, riots took place in late October 2006 in Oaxaca. The uprising in Oaxaca resulted in strong police action, the death of one person, and an end to five months of demonstrations by leftist activists.

The state of unrest emerged several months prior with teachers going on strike to demand better salaries and working conditions. Students were unable to attend school as a result. Leftist activists joined the protests, which saw little resolution, and instead, devolving conditions on the ground. Now, the increasing throng of protestors were demanding the resignation of the old-style authoritarian Governor Ulises Ruiz, whom they accused of rigging elections, being highly corrupt, and using undue force against them, including his methods to deal with this particular case of unrest.

The situation took a particularly ominous turn for the worse on Oct. 27, 2006, when three people, including an American journalist, were killed as a result of gunfire during the unrest. These violent deaths propelled outgoing Mexican President Vicente Fox to order the aforementioned police action, which apparently ensued easily and without much resistance from the demonstrators. The Fox government also noted that it had carried out its actions because Governor Ruiz appeared unable to handle the situation.

By the start of November 2006, however, riots were ongoing in Oaxaca. The site of the riots was a university in Oaxaca and the protestors were again calling for the resignation of Governor Ruiz. Police used teargas and water cannons to disperse the crowds as protestors hurled petrol bombs.

For his part, Governor Ruiz refused to resign, despite calls from the Mexican Senate for him to exit the political scene.

In the first several months of 2007, Mexico was plagued by drug-related violence, resulting in the deaths of approximately 800 people. Despite Mexican officials' expressed determination to end the disturbing rise in narcotics-related crimes, as well as the growth of associated gangs, the situation continued unabated.

In the mid-May 2007, officials themselves were the targets of the violence. Indeed, two antinarcotics agents were shot to death in the town of Tijuana, on the border with the United States, and in the capital city of Mexico respectively. As well, four policemen were killed and another kidnapped by a cabal of 40 gunmen in the state of Sonora. Two other civilians were also abducted in the incident.

A year after President Felipe Calderon garnered a slim and contested victory in the Mexican presidential election, supporters of Andres Manuel Lopez Obrador were still carrying out election protests. For his part, Lopez Obrador never conceded to Calderon and his supporters continued to proclaim him to be the real winner, and a victim of electoral fraud. Still support for Lopez-

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Obrador was dwindling, as evidenced by a July 2007 rally in the Zocalo (the main square) of Mexico City, which attracted smaller participation when compared to the paralyzing and massive protests that followed the election.

On the other side of the equation, President Calderon was building support, despite coming to power in such a contentious election race. President Calderon hard-line stance against the illicit narcotics industry resulted in rising approval ratings -- as high as 65 percent.

By the start of 2008, however, Mexico was grappling with an astronomically rising rate of crime. Of particular concern was the increase in the number of murders and kidnappings related to narcotics and organized crime. To that end, it was reported that such murders numbered 1,400 in the first few months of 2008 alone, with a total of more than 4,000 people murdered since Calderon came to office. Among the dead were police, members of the military and prosecuted with much of the violence concentrated on the Mexican boundary area with the United States.

In May 2008, Mexican Attorney-General Eduardo Medina Mora linked these murders to President Calderon's declaration of war against the narcotics cartels. In August 2008, Mexicans took to the streets in demonstrations involving hundreds of thousands of people to protest the wave of narcotics-related criminality that has wracked the country.

In December 2008, nine decapitated bodies were found close to a highway in the southern part of Mexico. As well, in a gruesome discovery, nine heads were found with a note threatening of further killings to come in the future. Officials identified the victims as one policeman and eight soldiers while the media reported that the soldiers were likely to have been abducted from a military base close to the city of Chilpancingo. Just outside that very city, another three decapitated bodies were also discovered.

Officials surmised that the killings were the result of narcotics-related violence by drug gangs. Indeed, in 2008 alone, thousands of people have died in Mexico as a result of this crime wave plaguing the country.

For his part, President Felipe Calderon has dispatched 40,000 security forces across the country over the course of the last two years to deal with the drugs cartels. Yet even with such an effort, experts warned that violence, including horrific attacks such as decapitation, was likely to get worse rather than better in the forthcoming year as narcotics traffickers attempt to regain their foothold, fight with one another for turf, and will likely terrorize anyone who poses a threat.

At the start of April 2009, United States (U.S.) and Mexican officials agreed to work together to fight the drug cartels said to be responsible for a spate of brutal violence in Mexico close to the border with the United States. That brutal violence was taking on crisis proportions. United States Secretary of State Hillary Clinton had earlier acknowledged that her country was providing the

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market for the illegal sale of drugs, as well as the weapons used to carry out the violence by rival drug cartels. Since then, U.S. Homeland Security Secretary Janet Napolitano and U.S. Attorney General Eric Holder met with their counterparts, Interior Minister Fernando Gomez-Mont, Mexican Attorney General Eduardo Medina-Mora, as well as Public Safety Secretary Genaro Garcia Luna. The officials said they would soon name a group to develop strategies for stopping the cross-border flow of weapons and drugs. The two sides also hoped to advance an agreement that could potentially be signed when U.S. President Barack Obama visits Mexican President Felipe Calderon at the end of April 2009.

Mexicans went to the polls on July 5, 2009, to vote in legislative elections to the country's lower house of parliament, known as the Chamber of Deputies. At stake were the 500 seats in that lower congressional chamber. Voters were set to elect 300 deputies in a first-past-the-post system in 300 electoral districts and another 200 deputies via proportional representation spread across five electoral regions. The actual election was dominated by a collapsing economy, which was suffering from a sharp downturn in the tourism sector. That downturn was largely fueled by rising violence as a result of drug gangs, who were increasingly embroiled in fights with security forces, now charged with crushing them.

Ahead of the election, polling data indicated that Mexico's opposition Institutional Revolution Party (PRI) would expanded its lead over President Felipe Calderon's ruling National Action Party (PAN). Indeed, the survey firm, Consulta Mitofsky, said that PRI, which ruled Mexico from 1929 to 2000, could win 234 seats in the 500-seat Chamber of Deputies -- a marked increase over its pre-election tally of 104 seats. Meanwhile, the ruling PAN was projected to carry a maximum of 177 seats and a clear reduction from the 206 seats it held before the election. The Revolutionary Democratic Party (PRD) was not expected to win more than 92 seats.

As far as the election results were concerned, it was clear that pre-election polling data was correct and center-right PAN was going down to defeat. To that end, President Calderon conceded that his party would no longer dominate that Chamber of Deputies. As well, PRI appeared on track to win a significant victory.

### The Plague of Violence in Mexico

In 2010, crime on the border with the United States dominated the landscape. Notably, in March 2010, a couple from the United States and one Mexican national were killed in two separate incidents in Ciudad Juarez in Mexico, just across the border from El Paso in Texas. The killings occurred within minutes of one another, with the American couple being the victims in one case, and the Mexican citizen as the victim in the second case. Two of the three victims were affiliated with the United States Consulate in Ciudad JUarez. Lesley Enriquez was employed at the consulate while he husband was employed at the El Paso's Sheriff's Department across the border.

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The third victim was only identified as a Mexican citizen affiliated with the United States consulate. All three of the victims had attended a party at the home of another employee of the United States consulate.

United States President Barack Obama expressed "outrage" and "deep sadness" at the killings. A statement released by the White House read as follows: "The president is deeply saddened and outraged by the news of the brutal murders of three people associated with the United States Consulate General in Ciudad Juarez, Mexico, including a U.S. citizen employee, her U.S. citizen husband and the husband of a Mexican citizen employee. He extends his condolences to the families and condemns these attacks on consular and diplomatic personnel serving at our foreign missions. In concert with Mexican authorities, we will work tirelessly to bring their killers to justice."

On July 16, 2010, a car bombing ensued in Ciudad Juarez in northern Mexico. The area, located just across the border from the Texas city of El Paso on the United States side of the border, has long been regarded as a hotspot with rival drug gangs seeking supremacy over the drug smuggling routes. The authorities in Mexico said that suspected drug cartel members were likely behind the attack, which they suggested was detonated using a mobile phone. The Mexican authorities placed the blame on La Linea drug gang, whom they said was retaliating for the arrest of its leader, Jesus Acosta Guerrero.

The car bomb was believed to be the first attack of this type since President Felipe Calderon came to power in 2006 on a platform of battling the dangerous drug cartels plaguing the country. Accordingly, the use of terrorism tactics fueled anxieties that Mexico was following the negative path of Colombia, which for several years has similarly battled narcotics-linked violence.

In the early hours of July 18, 2010, a gun attack at a party in the northern Mexican city of Torreon, across the border from Texas, left 17 people dead and 10 injured. The gunmen stormed the walled garden of the party venue - a popular recreation center -- and opened fire on the revelers. Reports suggested that the attack was carried out by narcotics hit men, and that the gunmen were heard yelling "kill them all" just before the shooting commenced. Officials said that more than 200 bullet casings fired from automatic weapons were found at the scene.

At the close of July 2010, Rogelio Segovia Hernandez, a drug lieutenant at the head of the gang, La Linea, was detained in the Mexican state of Chihuahua where rival gangs have been carrying out a violent and brutal turf. Members of La Linea have acted as enforcers of the notorious Juarez cartel and have often been embroiled in power struggles with the Sonora cartel. Federal authorities said that Segovia Hernandez was responsible for planning kidnappings, killings, extortion and narcotics distribution for the JUarez cartel in Ciudad Juarez, just across the border from the Texas city of El Paso. They specifically accused Segovia Hernandez of participating in five killings at a ranch in Chihuahua state in 2008. This capture of Segovia Hernandez occurred at a time when police found

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three decapitated bodies in Ciudad Juarez, and when Antonio Sanchez, a police commander, was shot to death in the border city of Tijuana.

On Aug. 6, 2010, 14 inmates died at a prison in the Mexican city of Matamoros, across the border from the Brownsville, Texas. The violence was a consequence of clashes between rival gang members within the prison, with those involved being identified as inmates serving sentences ranging from drug trafficking and weapons possession to organized crime.

It was the latest manifestation of drug gang-related violence that has been plaguing Mexico and raising questions about the Mexican government's ability to adequately deal with rampaging drug gangs who have turned portions of the country into lawless enclaves. Indeed, in the first part of 2010 alone, more than 7,000 people have died in drug-related violence in Mexico, while approximately 25,000 people died in drug-related violence for the previous three and a half years, according to Mexico's Office of the Attorney General.

For his part, President Calderon interpreted the rising rate of bloodshed in the most favorable manner by saying it showed that the drug cartels were under pressure from his government's crackdown. To that end, he drew attention to the fact that in the same three and a half year period, thousands of troops had been deployed at key locations across the country, 75,000 weapons had been decommissioned, and 78,000 people had been detained on narcotics-associated operations. Nevertheless, President Calderon has simultaneously warned that drug gangs and cartels are intent on imposing their own authority in pockets across Mexico. Not surprisingly, anxiety was on the rise as Mexicans worried about the "Colombianization" of the ongoing drug war in their own country.

In the third week of August 2010, 72 migrants were found dead on a ranch in Tamaulipas state in the northern part of Mexico. President Calderon condemned these killings during an anti-crime round-table "Dialogue for Security" in Mexico City, accusing the notorious Zetas drug cartel of kidnapping the victims, who had been trying to reach the United States. President Calderon warned that narcotics trafficking gangs were using migrants from South America and Central America for financing and recruitment. One victim survived the ordeal with only bullet wounds; a native of Ecuador, the man was placed under federal protection but not before he was able to explain that he and the other 72 people had been kidnapped by an armed gang and the shot when they refused to work for the gang members. In this way, kidnapping, extortion and murder has become regularized fare for the narcotics gangs across the country. Amnesty International has warned that the situation of migrants from Central and South America crossing through Mexico constitutes a major human rights crisis.

The situation took on the air of terrorism only days later on Aug. 27, 2010, when two cars exploded in the very area where officials were investigating the killing of the 72 Central and South American migrants. Making matters even worse was the disappearance of Roberto Jaime Suarez -- the prosecutor investigating the massacre. These events indicated a disturbing turn of tactics in a

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country plagued by the escalating narcotics war.

On August 30, 2010, the alleged United States-born narcotics trafficker and "hitman," Edgar Valdez, was arrested in Mexico. Known as "Barbie," Valdez has been a principal within the notorious Beltran Leyva drug cartel in Mexico -- one of that country's most powerful and violent criminal organizations. While the arrest of Valdez was being hailed as a significant success in Mexico's efforts against the violence plaguing the country by criminal gangs and drug cartels, rampant violence in Mexico continued unabated.

Around the same period, at the popular Mexican resort city of Cancun, eight people were killed as a result of an attack on a bar. That drinking establishment was reportedly the target of extortion attempts by the Zeta drug cartel. Meanwhile, Marco Antonio Leal Garcia, the mayor of the Mexican town of Hidalgo, was killed in a gun attack, which also left his four-year-old daughter wounded. He was the second mayor to be killed in August 2010. Only weeks earlier, Edelmiro Cavazos, the mayor of the Mexican city of Santiago was kidnapped and then later murdered. Both the deaths of Mayor Garcia and Mayor Cavazos were deemed to be political assassination, with the blame being squarely placed on brutal drug gangs.

On September 20, 2010, the government of Mexico issued a statement saying that no element of society should negotiate with the violent drug cartels that have been destabilizing the country. Alejandro Poire, the security spokesman for President Felipe Calderon, said, "In no way should anyone promote a truce or negotiate with criminals who are precisely the ones causing anxiety for the public, kidnapping, extorting and killing." He continued, All sectors of society should fight them and bring them down in a definitive way." This call by the Mexican government came a day after El Diario de Juarez published a front-page editorial advocating a truce with the drug cartels in this violent border city. That call from the Ciudad Juarez newspaper came in the aftermath of the second killing of one its journalists in less than two years. To that end, Luis Carlos Santiago, an El Diario photographer, was gunned down while driving a car associated with a commision member of the office of Chihuahua state human rights. For its part, El Diario said that its editorial was focused on the drug cartels that now controlled Ciudad Juarez because the government was failing in its duty to protect citizens, including journalists. But Poire, the security spokesman for President Calderon, insisted that there was only one legitimate authority in Juarez, "constituted by law and the electoral process with the original responsibility to combat crime and safeguard the public."

On September 23, 2010, journalist, Jorge Luis Aguirre, was the target of several death threats by drug cartels, was granted asylum in the United States. The unusual case laid bare the campaign of violence, terror and brutality being waged by Mexico's drug cartels, effectively resulting in the granting of asylum to a Mexican journalist by a neighboring sovereign country. It should be noted that the United States receives thousands of asylum requests each year by Mexican nationals; the fact that this case of Aguirre ended as it did was illustrative of rising alarm over Mexico's security crisis. Carlos Spector, an El Paso attorney handling a number of asylum cases for journalists,

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said: "What has changed is the situation in Mexico, where it's now impossible to deny reality. It is an indication that the asylum office is now listening." According to Mexico's National Commission on Human Rights, a total of 65 journalists in Mexico have been killed in drug cartel-related violence in the last decade. Consequently, Mexico has the dubious distinction of being the most dangerous country in the world for journalists.

Also in the fall of 2010, Mexican officials said that about 10 percent of federal police officers in that country were being fired on the grounds of corruption, incompetence or links to criminals. As well, another 1,000 officers were facing disciplinary action and were also at risk of losing their jobs. This move appeared to be aimed at dealing with the violence plaguing the country, which has in part been blamed on complicity between criminals and corrupt police.

In February 2011, two United States Immigration and Customs Enforcement (ICE) agents were shot in an attack, allegedly by a drug cartel, in Mexico. Jaime Zapata died as a result of his gunshot wounds, while Victor Avila was seriously injured in the attack, which ensued at a phony security checkpoint on a highway in San Luis Potosi. The checkpoint apparently was established by the Zetas drug gang, which operates in the northern part of Mexico close to the border with the United States, with some suggestion that the two ICE agents were specifically targeted for attack. Indeed, the two agents traveling in a car identifying them as United States government agents were driving between Mexico City and Monterrey.

By Feb. 23, 2011, the Mexican army announced the arrest of a suspect in connection with the crime. A day later, it was revealed that the suspect, Julian Zapata Espinoza, told soldiers that the killing of Zapata was a case of mistaken identity. The suspect said that the gunmen erroneously identified the Chevrolet Suburban vehicle in which Zapata and Avila were traveling as that of a rival drug gang. Indeed, the area in which the attack took place has been a site of rivalry between the Zetas cartel and the Gulf cartel, which such drug gangs have a reputation for setting up phony roadblocks aimed at stealing certain vehicles, such as suburban vehicles and pick up trucks. On the other hand, Mexico has a record of claiming that certain politically sensitive killings in that country were the result of mistaken identity. Notably, the death of a United States citizen on Falcon Lake in 2010 was treated as such a case of mistaken identity by Mexican officials.

In yet another sign that the narcotics gang warfare was in full force in Mexico, on Feb. 26, 2011, four bodies with their heads severed were found in the city of Nuevo Laredo, close to the border with the United States. The decapitated bodies were audaciously deposited in full view of people walking through a central square. A written message was left with the bodies noting that the Gulf drug cartel was behind the gruesome killings. Only weeks earlier, the city of Nuevo Laredo was hit by drug gang related violence when the police chief, Manuel Farfa, was shot to death along with two of his bodyguards. As noted above, the region of northern Mexico close to the border with the United States has been the site of an ongoing territorial battle between the Gulf and Zetas drug cartels.

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In early April 2011, Mexico's landscape of dire insecurity at the hands of violent narcotics gangs was displayed when a collection of pits containing scores of dead bodies was found in the northern Tamaulipas state bordering the Texan city of Brownsville in the United States. The area was the same region where members of drug cartels killed more than 70 migrants from Central American and South American countries. In this case, the victims were reported to be Mexicans and they were believed to have been killed within the last previous weeks. The pits were found almost accidentally as state investigators Tamaulipas and federal authorities were looking into reports of passengers being forced off buses in the area by gunpoint. Several suspected kidnappers were detained during the operation. It was not yet known if the apparent kidnapping cases were linked with what could only be described as mass graves. Nevertheless, President Felipe Calderon issued a statement asserting that the discovery of the mass graves only served to show, "the cowardliness and total lack of scruples of the criminal organizations that cause violence in our country."

In mid-April 2011, Mexican investigators found even more bodies in pits close to the border with the United States, bringing the total body count to over 100. Mexican authorities said that several suspects with ties to the Zetas drug gang, which has been in a territorial war with the rival Gulf cartel in the same region, were detained in connection to the deaths in Tamaulipas. By the close of the month, Mexican police exhumed even more bodies from mass graves -- this time at a pit in the city of Durango. The number of corpses found in northern Mexico was now more than 180 in total.

Well into the month of May 2011, Durango remained at the forefront of the tragic news emanating from Mexico. First of all, further mass graves were being found in the northern state of Durango. Then, on May 12, 2011, Mexican police discovered eight decapitated bodies in Durango. Among the dead was Gerardo Galindo, the deputy governor of Durango's prison, who had been abducted days earlier. Months prior, the head of security at a Monterrey prison in the northern part of the country was murdered and his body was dismembered. These gruesome actions make it clear that prison officials were the new target of rival drug cartels.

At the start of June 2011, Mexican authorities said that they arrested the head of the notorious Zetas drug cartel's operations in the Quintana Roo state. According to the Mexican authorities, Victor Manuel Perez Izquierdo directed kidnappings, extortion, and killings on behalf of the Zetas in that state. Information from several other Zetas detainees in the resort city of Cancun -- located in Quintana Roo -- apparently led to the capture and arrest of Perez Izquierdo.

Meanwhile, across the border in the Guatemalan town of Coban, authorities there said that they had captured and arrested 15 individuals believed to be members of the Zetas drug cartel. The Guatemalan authorities said that the suspects were being held in connection with the killing and dismemberment of Guatemalan Prosecutor Allan Stwolinski, whom they said was likely murdered for his efforts in seizing a haul of cocaine from the Zetas. The suspects were also being investigated for the brutal massacre of 27 ranch workers in May 2011, which was linked with

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narcotics traffickers and drug cartels.

In recent times, the Zetas drug cartel has been blamed for a state of dire insecurity and crisis gripping Mexico, which was now being literally terrorized by drug-related violence. Clearly, the Zetas drug cartel was expanding beyond national boundaries. To this end, Guatemala was quickly becoming a major trans-shipment point for narcotics ultimately destined for the United States -- a clear trajectory of Mexico's unfolding drug war.

Note that on June 22, 2011, Mexican authorities were announcing that the leader of the "La Familia" drug cartel had been arrested and taken into custody. Jose de Jesus Mendez Vargas, also known as "the monkey," was reportedly captured in the city of Aguascalientes. A spokesperson for Mexican security, Alejandro Poire, said that the arrest of Mendez Vargas had "destroyed the chain of command" of the drug cartel, which was responsible for the transfer and trafficking of cocaine, marijuana, and crystal methamphetamine in Mexico and the United States. In addition to his involvement with these crimes, Mendez Vargas was also accused of having orchestrated the kidnappings and killings of rival gang members.

On Sept. 20, 2011, the bodies of 35 people believed to be involved in organized crime were discovered in the Mexican city of Veracruz in the eastern part of the country. The bodies were apparently dumped under a highway bridge close to a shopping center in Boca del Rio. According to state media, which reported on the gruesome discovery, the corpses of women and men were found with their hands bound and showing signs of torture. According to state prosecutor Reynaldo Escobar, those killed were "involved in organized crime" with some of them criminal records. The incident marked the ongoing escalation of violence plaguing Mexico as a result of narcotics gang-related and crime-oriented activities in that country.

In October 2011, United States law enforcement and intelligence agencies uncovered a conspiracy plot by Iranian agents working on behalf of the elite Iranian Quds Force. The plot included plans to assassinate the Saudi Arabian ambassador to the United States, and to bomb the Saudi and Israeli embassies in Washington D.C. and Buenos Aires. The White House has promised to hold Tehran responsibility for its involvement in this elaborate plot of assassination and terrorism. Meanwhile, a connection between the Iranian agents and Mexican drug cartels (whom the Iranian agents were hoping to hire to carry out the assassination) has been uncovered, effectively complicating the already-tangled web of complex geopolitics.

In mid-May 2012, approximately 50 mutilated bodies were discovered on the side of a road in the city of Monterrey in northern Mexico. The bodies were both dismembered and decapitated, with their heads and hands were cut off. Authorities believed that the victims, which included women, were Central American migrants. Only days before, 18 decapitated bodies were found in western Mexico. Earlier in the month, 23 dead bodies were found in the border city of Nuevo Laredo. Mexican authorities placed the blame for the gruesome killings on the conflict between rival drug

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gangs. They pointed to the note left with the bodies in Monterrey, which made it clear that the Zetas drug cartel claimed responsibility. At issue was the ongoing rivalry between the Zetas and the Gulf and Sinaloa over control of smuggling routes into the United States.

On May 20, 2012, the Mexican army said it had arrested the local leader of the notorious Zetas drug cartel, whom they believed to be responsible for ordering the brutal killings in Monterrey a week prior. A spokesperson for the army said that Daniel Jesus Elizondo -- also known as "El Loco" or "The Madman" -- was detained by Mexican forces. The arrest in Cadereyta actually took place two days before the actual announcement to the public.

In October 2012, outgoing Mexican President Felipe Calderon offered praise to the Mexican military for the killing of Heriberto Lazcano -- the leader of the notorious Zetas drug cartel. Speaking of this development, Calderon said, "With this, Mexico has neutralized, during my government, 25 out of 37 of the most wanted criminals in the country." Lazcano was killed on Oct. 7, 2012, during a shooting battle in the town of Progreso with Mexican marines as he tried to resist arrest. Fingerprint tests apparently confirmed that the individual killed was indeed Lazcano. His body was reportedly stolen from a funeral home; armed gangs were said to have absconded with the corpse of the Zetas leader. Presumably, the stealing of Lazcano's body would stimulate the rumor mill as to the truth of the elimination of the Zetas leader. Known as "The Executioner," Lazcano stood at the helm of the Zetas who used brutality and assassination to wield control over strategic drug-trafficking routes in northeastern Mexico. Among the most well-known victims of the Zetas cartel was newspaper editor, Francisco Ortiz Franco, who was murdered in 2004.

In November 2012, the former mayor of the Mexican town of Tiquicheo in western Michoacan state was killed in what appeared to be an assassination plot by a drug cartel. Days after she was reported missing, the body of Maria Santos Gorrostieta was found in a ditch. Media reports stated she was beaten to death. Santos Gorrostieta survived earlier attempts on her life by drug cartels, including one incident when she and her husband, Jose Sanchez, were ambushed by gunmen in 2009. Sanchez did not survive that encounter and died of gunshot wounds. At the time, the former mayor who served at the helm of Tiquicheo from 2008 until 2011 said that she did not know why she was the target of the drug cartels saying, "I have a clear conscience, I have never had any issues of any kind, be it money, family or crime related, and I have never had any fights with any neighbors or residents of my town, or any other town." That being said, the rival drug gangs now dominating the Mexican landscape have habitually targeted government officials as they engage in turf battles. Indeed, more than 20 mayors in Mexico have been assassinated since outgoing President Felipe Calderon launched an offensive operation against drug traffickers in 2006. To date, however, crime attributable to drug cartels has seen no reprieve, and incoming President Enrique Pena Nieto was under pressure to do more to deal with the manifold drugrelated violence and bloodshed plaguing Mexico.

Editor's Note ---

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Since the start of Mexico's drug war, broadly regarded as having commenced in late 2006 to early 2007, approximately 50,000 people have died in drug-related violence, according to Mexico's Office of the Attorney General. For his part, President Felipe Calderon has interpreted the rising rate of bloodshed in the most favorable manner by saying it showed that the drug cartels were under pressure from his government's crackdown. To that end, he drew attention to the fact that in the three and a half year period from late 2006 to 2010, thousands of troops had been deployed at key locations across the country, 75,000 weapons had been decommissioned, and 78,000 people had been detained on narcotics-associated operations. Nevertheless, President Calderon has simultaneously warned that drug gangs and cartels were intent on imposing their own authority in pockets across Mexico. Not surprisingly, anxiety was on the rise as Mexicans worried about the "Colombianization" of the ongoing drug war in their own country. As of 2012, Mexico remains one of the most unsafe places in the world for journalists; meanwhile, kidnapping, extortion, and murder remain rampant in Mexico and contribute to the overall picture of a country mired by violent crime and insecurity.

### Note on Pope Benedict's Visit to Mexico

In March 2012, Pope Benedict traveled to Mexico on an official visit. In Mexico -- the home to the second largest population of Catholics in the world, after Brazil -- the pope addressed a crowd of thousands in the city of Guanajuato. Pope Benedict was treated to music by traditional mariachis and gifted with a sombrero.

### Primer on Mexico's 2012 Presidential and Parliamentary Elections

July 1, 2012 --

General elections were scheduled to be held in Mexico on July 1, 2012. At stake on election day would be the presidency, as well as the composition of the bicameral "Congreso de la Unión" or National Congress, which itself consists of the "Cámara de Senadores" (Senate or upper house) and the "Cámara de Diputados" (Chamber of Deputies or lower house). In Mexico, the president is popularly elected for a six-year term. Meanwhile, in the "Cámara de Senadores" or Senate, there are 128 seats; 96 are elected by popular vote to serve six-year terms, and 32 are allocated on the basis of each party's popular vote. In the "Cámara de Diputados" (Chamber of Deputies), there are 500 seats; 300 deputies elected in a first-past-the-post system in 300 electoral districts and another 200 deputies via proportional representation spread across five electoral regions. Deputies are elected for three-year terms.

At the presidential level, the main candidates were: Enrique Pena Nieto of opposition Institutional

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Revolutionary Party (PRI), Andres Manuel Lopez Obrador of the center-left Partido de la Revolución Democrática (PRD), and Josefina Vazquez Mota of President Felipe Calderon's conservative National Action Party (PAN).

Public polling data by the Reforma newspaper at the close of March 2012 showed Enrique Pena Nieto as the presidential frontunner with 36 percent of support and a 1 percent lead over his closest rival. Josefina Vazquez Mota was in second place with 26 percent. Andres Manuel Lopez Obrador, who narrowly lost the 2006 election to outgoing President Calderon, trailed in third place with 18 percent. These findings were consistent with previous polling data that has consistently showed Pena Nieto with the lead. A month later at the close of April 2012, polling data gave Nieto a widened lead over his rivals for the presidency. According to pollster Consulta Mitofsky, Nieto now had 40.1 percent of support; Vazquez Mota dipped to 21.5 percent; Lopez Obrador was holding steady with about 18 percent of support. By June 2012, polling data by Consulta Mitofsky showed support for Pena Nieto of the opposition PRI holding onto a lead with 37.8 percent. Lopez Obrador of PRD was also seeing a rise in fortune to second place with 24 percent. Vazquez Mota dropped to third place with 21.6 percent. Ahead of the election, as the candidates ended their campaigns, polling data showed the same trend with Nieto in the lead. In fact, three polls showed him with a double-digit lead over his rivals. Those final polls gave Nieto a lead of between 10 and 17 points over Lopez Obrador, with the PAN's Vazquez Mota in third place.

The PRI, which was a dominant force in Mexican politics for seven decades until 2000, was hoping that Pena Nieto could reverse the party's recent political fortune. He would certainly be helped by his youthful telegenic presence while Vazquez Mota was dealing with internal party disputes on her end.

On July 1, 2012, Mexican voters went to the polls to cast their ballots. Late in the evening after the votes were counted, it was clear that Nieto had won the election and was set to become the country's new president. Preliminary results showed that Nieto had secured around 38 percent of the vote, several points ahead of his nearest rival. Lopez Obrador was expected to finish in second place with about 32 percent of the vote but refused to immediately conceding the election to Nieto. Vazquez Mota, who was in third place with about 26 percent, wasted no time in accepting defeat. Outside the headquarters of the PRI, supporters gathered the celebrate the landmark victory.

For his part, the new president will be faced with an economy suffering from slow growth, and a socio-political scene characterized by rampant violence at the hands of rival drug cartels. On the issue of the economy, Nieto has said that he would boost growth by reforming the tax system, and opening the state oil company, Pemex, to more private investment. Ironically, it was Nieto's own party, PRI, which nationalized Mexico's oil industry in the 1930s. Underlining his approach, Nieto had already said in a pre-election interview with the newspaper, El Universal, "There is a new PRI ... It's the others who have not changed. They are living in the past." On the matter of poverty

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alleviation, Nieto had said during a pre-election rally: "My priority will be to battle poverty in our country at its roots." As regards the drug war plaguing the country, Nieto made the following statement during his victory speech: "The fight against crime will continue, yes, with a new strategy to reduce violence and above all protect the lives of all Mexicans." He also dismissed the idea that the PRI might try to reach an arrangement with one or more of the drug cartels saying, "Let it be very clear: There will be no deal, no truce with organized crime."

At the parliamentary level, PRI emerged as the winner with pluralities in both chambers of the Mexican congress, albeit without majorities in either chamber. The Federal Electoral Institute of Mexico announced more than a week after the elections that the PRI would hold 207 out of the total 500 seats in the lower house of the congress, followed by the conservative National Action Party (PAN) with 114 seats, the leftist Democratic Revolution Party (PRD) with 101 seats, the Green Party (PVEM) with 33 seats. The Labor Party and the Citizens' Movement Party in the leftist coalition would carry 19 and 16 seats respectively, while the New Alliance Party had 10 seats. In the 128-seat Senate, the PRI would control 52 seats, PAN would control 38 seats, and the PRD taking would control 22 seats. The remaining 16 Senate seats would be held by the PVEM with nine seats, the Labor Party with four seats, the Citizens' Movement Party with two seats, and the New Alliance Party with a single Senate seat. Both the PRI and PRD would have strength beyond their own stated numbers in the two chambers, since they have alliances with minor parties. Nevertheless, the PRI would be hard-pressed to move forward with key structural reforms advocated by incoming President Nieto.

In another development, Lopez Obrador was demanding a recount of the election results, citing a number of irregularities as his rationale. Nevertheless, by July 6, following a vote recount, Nieto was declared to be the winner of the presidential contest. On July 7, 2012, Lopez Obrador was promising to mount a legal challenge to the presidential election result. By July 8, 2012, despite the fact that election officials were confirming Nieto's victory, thousands of Mexicans were taking to the streets in protest of the election results and alleging fraud. Then, on July 13, 2012, Lopez Obrador filed a legal challenge to the result of the presidential election. Lopez Obrador charged that he could prove that illicit money was used to buy votes and secure the victory of Nieto. In an interview with the media, Lopez Obrador said, "The purchase and manipulation of millions of votes cannot give certainty to any result nor to the overall electoral process." He continued, "Article 41 of the constitution, which states that elections must be free and fair, was violated." Meanwhile, the PRI dismissed such claims as "baseless."

On Dec. 1. 2012, Enrique Pena Nieto of the Institutional Revolutionary Party (PRI), was officially inaugurated into office as Mexico's new president. Pena Nieto succeeded Felipe Calderon as the new Mexican head of state. Although known for his personal charisma, Pena Nieto won victory on the basis of campaign promises to battle both poverty and drug cartels. Pena Nieto won the plurality of the vote share on election day and not an outright majority in a contested field of candidates. Accordingly, his governing mandate could well be compromised by the lack of

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consensus across the political field. Illustrating this reality was the fact that inauguration day saw many protests across Mexico City to register discontent over Pena Nieto's rise to power.

Note: Pena Nieto holds a Bachelor's degree from the Panamerican University and a Master's in business from the Monterrey Institute of Technology and Higher Education. His political career commenced in 1984 when he joined PRI. In 2003, Pena Nieto was nominated to be a deputy of the local legislature in his hometown of Atlacomulco. He was then elected governor of the State of Mexico in 2005 and held that position until 2011.

### Update (2013-2014)

On July 16, 2013, the head of the Mexican Zetas drug cartel, Miguel Angel Trevino Morales, was reported to have been captured in a raid close to the United States border. According to media reports, Trevino Morales was captured when two marines detained his truck close to Nuevo Laredo. He was discovered in the vehicle with eight guns and about two million dollars in cash.

As the leader of one of the world's most notorious narcotics cartels, with a record of extreme brutality, Trevino Morales was wanted on both sides of the United States-Mexican border for his global narcotics trafficking activities, as well as the bloody massacres that occurred at his behest. The torture and murder of 72 Central American migrants as punishment for their refusal to act as drugs mules in 2010 was believed to have been ordered by Trevino Morales. Likewise, the massacre of 200 immigrants on similar grounds a year later in 2011 was also attributed to him.

For his part, Trevino Morales -- who was also known as "Zeta-40" -- came to the helm of the Zetas when the gang founder, Heriberto Lazcano, was killed in 2012. Unlike other members of the Zetas who tend to have military backgrounds, Trevino Morales was a civilian who moved up the internal cartel ladder. With the arrest of Miguel Angel Trevino Morales, it was possible that his brother, Omar Trevino Morales, might position himself as the new leader.

By the last week of July 2013, despite the capture of Trevino Morales (discussed above), it was apparent that Mexico's bloody and violent drug war was ongoing. Clashes between police and armed gang members in the state of Michoacan left at least 20 people dead. The violence was sparked when gang members installed an unofficial roadblock and ambushed police patrols. The ensuing gun battle left two police officers and a score of the gunmen dead. In this area of Mexico, an entity called the Knights Templar was growing in strength and complicating the terrain of insecurity in Mexico, as it clashed with the rival criminal gang known as Nueva Generacion (New Generation). Clearly, the rise in criminal gang violence in Michoacan was related to the violence, kidnappings, and extortion by rival drug cartels in the region.

But the climate of insecurity was also sparking a backlash as citizens groups were being launched

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to defend communities, and thus created new battle lines between established drug cartels and vigilante groups trying to defend people tired of the violence. Of course, the establishment of such vigilante groups raised questions about the effectiveness of Mexico's military and police in addressing the rampant drug-related crime swamping Mexico.

Mote that the Zetas drug cartel found their origins as the enforcement wing of the powerful Gulf cartel in Mexico. The Zetas gained notoriety for their brutal tactics, as well as the composition of the group's membership as predominantly defectors from an elite military unit. But the Zetas-Gulf connection was fractured in 2010, and sparked a bloody and violent turf war across northern Mexico over the course of the next three years. By 2012, the Zetas was the biggest and most powerful drug cartel in Mexico. It was to be seen if the death of founder, Heriberto Lazcano, in 2012, and the arrest of the succeeding leader, Miguel Angel Trevino Morales, in 2013 would weaken the Zetas.

In February 2014, Joaquin Guzman Loera, the leader of the notorious Sinaloa drug cartel, was reported to have been arrested in Mexico. Nicknamed "El Chapo" or "Shorty," Guzman was regarded as the leader of a narcotics trafficking empire specializing in the sale of cocaine, marijuana, and methamphetamines, mostly to buyers in the United States. His arrest during an overnight raid at the Miramar beach resort in the Mexican town of Mazatlan on Mexico's Pacific coast was regarded as a major coup for the Mexican authorities. The operation was accomplished in a joint operation between the Mexican navy and United States forces. It should be noted that Guzman was actually jailed years in the early 1990s, but escaped prison in 2001 when his guards were bribed to help him escape in a laundry cart. He was on the run for the next 13 years and able to control his drug cartel. Now, however, as of February 2014, Guzman would face harsh drug trafficking charges in Mexico and the United States.

In November 2014, the Mexican landscape was dominated by an evolving crisis over 43 missing students. The students were reported to be missing in late September 2014 following clashes with local police in the town on Iguala. Since that time, the fate of the students has been a source of scandal, anger, and anxiety across the country. That scandal, anger, and anxiety reached new heights on Oct. 4, 2014, when mass graves were found close to Igaula although it was not known if they held the bodies of the missing students.

On Nov. 8, 2014, Mexican officials said that a narcotics gang, Guerreros Unidos (United Warriors), confessed to killing the students and burning their bodies in what could only be characterized as a massacre. Members of the gang reportedly told police they attacked the students thinking they were members of a rival gang.

Relatives of the victims insisted that they would not accept this explanation of the fate of the missing 43 students until the remains of the bodies were forensically tested by an independent entity. But even that demand was unlikely to be met with action as Mexico's Attorney General

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Jesus Murillo Karam soon suggested that the remains retrieved from the area where the students were apparently killed were so badly charred that tests were unlikely to yield conclusive test results.

Meanwhile, the Mexican citizenry was growing increasingly angry over the government's handling of the situation, with the governor of the state of Guerrero where Iguala is located, Angel Aguirre, resigning from office and with cries arising for the resignation of President Enrique Pena Nieto as well.

To date, the only action by authorities has involved the arrest of Iguala Mayor Jose Luis Abarca and his wife in Mexico City, due to suspicion that he ordered police to stop the protesting students, resulting in the clashes mentioned above. Since his arrest, Iguala's own police chief has been said to be missing. These developments have fueled the public's belief that there was a link between the police, the town's officials, and the gang that allegedly carried out the massacre.

On Nov. 11, 2014, public outrage over the government's failure to deal with the apparent massacre of the students and the desecration of their bodies reached new heights, as protests broke out at the airport in the western tourist city of Acapulco. Clashes between police and demonstrators resulted in the entrance to the airport being blocked for three hours. As well, protesters painted slogans on the walls of the airport, including a particularly incendiary one with the words, "Pena Nieto, murderer."

On Nov. Nov. 12, 2014, protesters set fire to the building housing the local legislature in the state of Guerrero, while also torching the vehicles and other government offices in the area. President Nieto's absence from Mexico as he traveled to China appeared to fuel the ire of already-enraged citizens demanding conclusive answers on the fate of the missing students.

### 2015 parliamentary elections in Mexico

Parliamentary elections were set to be held in Mexico on June 7, 2015.

In Mexico, the bicameral "Congreso de la Unión" or National Congress consists of the "Cámara de Senadores" (Senate or upper house) and the "Cámara de Diputados" (Chamber of Deputies or lower house). In the "Cámara de Senadores" or Senate, there are 128 seats; 96 are elected by popular vote to serve six-year terms, and 32 are allocated on the basis of each party's popular vote. In the "Cámara de Diputados" (Chamber of Deputies), there are 500 seats; 300 members are elected by popular vote while the remaining 200 members are allocated on the basis of each party's popular vote; members to serve three-year terms.

Since the last general elections (including the Senate and presidential contests) were held in 2012,

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these 2015 elections (to be regarded as "mid term elections") would concentrate on the "Cámara de Diputados" (Chamber of Deputies or lower house).

The main parties contesting the elections were likely to include President Enrique Pena Nieto's centrist Institutional Revolutionary Party (PRI), the conservative National Action Party (PAN), the leftist Democratic Revolution Party (PRD), the ecological Green Party (PVEM), the New Alliance party (PANAL), and the newly-formed Morena of former presidential candidate, Andres Manuel Lopez Obrador, among others.

Polling data ahead of the vote suggested that President Pena Nieto's ruling PRI had the advantage and could result in the president's party retaining its narrow contol over the lower house. Indeed, the polling outfit, Consulta Mitofsky, released its survey showing that that 32 percent of respondents intended to vote for Pena Nieto's PRI, with its closest competition coming from PAN, with 24 percent of respondents intending to vote for that party. Behind was PRD with 17 percent and Morena with 10 percent. It was to be seen if this polling data would prove to be predictive on election day.

Meanwhile, in the run-up to the election, Mexicans were reminded of the failure of the current leadership in government to stem the tide of narcotics gang-related violence in their country. At issue were the killings of at least seven congressional candidates and nine campaign officials, as well as the intimidation of at least 20 other candidates, effectively driving them to withdraw from the election contest. Set against this plague of violence at the hands of rival drug gangs was the more conventional sort of social unrest; disgruntled teachers opposed to educational reforms, such as teacher evaluations, warned they would disrupt voting in the southwestern part of Mexico. As such thousands of troops were deployed to polling stations in the region to protect the voting exercise.

Finally, on June 7, 2015, Mexicans went to the polls to cast their ballots. Regardless of prevailing accusations of corruption by the president, his wife, and his finance minister, and irrespective of his failure to arrest the gruesome violence plaguing the country at the hands of narcotics traffickers, Pena Nieto's ruling PRI appeared headed for re-election victory. Mexico's electoral institute indicated that PRI and its allied parties (specifically the Green Party and PANAL) were on track to capture a plurality of seats in the lower house -- between 246 and 263 seats in the 500-seat body and 30 percent of the vote share. It was yet to be seen if they would meet the majority threshold of 251 seats. The opposition PAN saw the next best performance with about 22 percent of the vote share and an unspecified number of seats. Official results were not available at the time of writing.

Mexican President Pena Nieto's approval ratings fall to new low after escape of drug lord "El Chapo"

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In July 2015, the leader of the notorious Sinaloa drug cartel, Joaquin Guzman Loera, known colloquially as "El Chapo," was reported to have escaped the maximum security Altiplano prison in Mexico using a system of tunnels measured to be about one mile long.

Guzman was actually jailed years in the early 1990s, but escaped prison in 2001 when his guards were bribed to help him escape in a laundry cart. He eluded capture for the next 13 years and able to control his drug cartel from the field. Guzman was then arrested again in early 2014 and subsequently jailed as a result of harsh drug trafficking charges in Mexico and the United States. He was able to escape from jail once again in mid-2015. See "Special Entry: El Chapo" for details related to the jailing, escapes, and recapture of Mexico's most notorious drug lord.

This jail break by El Chapo was a blow to government of Mexican President Enrique Pena Nieto, which claimed that a second prison escape by Guzman was impossible.

By the start of August 2015, President Pena Nieto's approval ratings had fallen to a new low as the country struggled with a sluggish economy and in the aftermath of the escape of "El Chapo." According to a survey undertaken by the daily newspaper, Reforma, Pena Nieto's already low approval rating had plummetted to a new nadir. A previous survey from Reforma in March 2015 showed the president sporting an approval rating of 39 percent, but almost five months later, the president had sunk to 34 percent approval. While the poll could not conclusively attribute the escape of the country's most notorious drug lord from jail as the reason for Pena Nieto's new low, it was certainly true that the downward slide occurred in the immediate aftermath of that incident.

Of note was the fact that there was now increased public pressure on President Pena Nieto to deal with Mexico's challenges of manifold corruption and an epidemic of drug gang-related violence. The president's handling of domestic crises had already evoked criticism.

Going back to 2014, the Mexican landscape was dominated by the case of 43 students in the town of Iguala, the discovery of mass graves in the area, and a claim of responsibility for a massacre of the missing 43 students by the narcotics gang, Guerreros Unidos (United Warriors). Members of the gang reportedly told police they attacked the students thinking they were members of a rival gang. Although the relatives of the victims demanded that the remains of the bodies be forensically tested by an independent entity, Mexico's Attorney General Jesus Murillo Karam dismissed the idea, saying that the remains were so badly charred that tests were unlikely to yield conclusive test results. The Mexican citizenry was outraged over the government's handling of the situation, with the governor of the state of Guerrero where Iguala is located, Angel Aguirre, resigning from office and with cries arising for the resignation of President Enrique Pena Nieto as well. Public outrage over the government's failure to deal with the apparent massacre of the students led to protests in the western tourist city of Acapulco at the close of 2014. Now, in 2015, the president of Mexico would have to deal with further outrage over his handling of another

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drug gang-related security crisis.

# Special Entry: "El Chapo"

The start of 2016 was marked by a national security victory for the Mexican authorities as they announced the recapture of the notorious drug lord, Joaquin Guzman Loera -- known colloquially as "El Chapo" and the head of the Sinaloa drug cartel. Approximately six months prior, the Mexican government was dealt a blow when El Chapo escaped from jail. There were high hopes that the recapture of the drug lord in January 2016 would help rehabilitate the tainted reputation of Mexico's security apparatus.

Going back to July 2015, the leader of the notorious Sinaloa drug cartel, Joaquin Guzman Loera, was reported to have escaped the maximum security Altiplano prison in Mexico using a system of tunnels measured to be about one mile long.

It should be noted that Guzman was actually jailed years in the early 1990s, but escaped prison in 2001 when his guards were bribed to help him escape in a laundry cart. He was on the run for the next 13 years and able to control his drug cartel from the field. Guzman was then arrested again in early 2014 and subsequently jailed as a result of harsh drug trafficking charges in Mexico and the United States.

Guzman's arrest in 2014 during an overnight raid at the Miramar beach resort in the Mexican town of Mazatlan on Mexico's Pacific coast was regarded as a major coup for the Mexican authorities. The operation was accomplished in a joint operation between the Mexican navy and United States forces. Now, however, in 2015, it was quite likely that either Guzman's connections or threats likely led to his second successful prison break. Several prison guards were being questioned in connection to Guzman's prison escape. Reports indicated that he likely received assistance from prison staff. It was unknown as to whether the staff were bribed into giving their assistance. Because Joaquin Guzman Loera -- known as "El Chapo" -- was something of a folk hero to some segments of the Mexican population, it was possible that prison staff were simply inspired to help him escape. A counter-theory was that prison staffers may have been intimidated into helping the Sinaloa drug cartel leader due the possible deleterious consequences for them and their families.

Nicknamed "El Chapo" or "Shorty," Guzman was regarded as the leader of a narcotics trafficking empire specializing in the sale of cocaine, marijuana, and methamphetamines, mostly to buyers in the United States. His second prison break in 2015 was sure to elevate Guzman's mystique in the drug trafficking world. It would also serve as a blow to government of Mexican President Enrique Pena Nieto, which claimed that a second prison escape by Guzman was impossible.

In January 2016, Mexican authorities announced the recapture of El Chapo following a gun battle

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with security forces in the northwestern coastal city of Los Mochis. Reports indicated that El Chapo was located due to his attempt to contact Mexican film directors regarding the possible production of a biographic depiction of his life. Mexican President Enrique Pena Nieto, whose approval ratings plummeted in recent months over his handling of narcotics trafficking and crime, declared: "Mission accomplished: We got him." President Pena Nieto cast El Chapo's detainment as a "victory against impunity" and said that it should give Mexicans confidence in the government's capacity to administer law and order as he added, "There is no group that it is impossible to confront."

-- January 2016

Written by Dr. Denise Youngblood Coleman, Editor in Chief, CountryWatch.com; see Bibliography for sources.

#### **Political Risk Index**

#### Political Risk Index

The **Political Risk Index** is a proprietary index measuring the level of risk posed to governments, corporations, and investors, based on a myriad of political and economic factors. The <u>Political Risk Index</u> is calculated using an established methodology by Country Watch's Editor-in-Chief and is based on varied criteria\* including the following consideration: political stability, political representation, democratic accountability, freedom of expression, security and crime, risk of conflict, human development, jurisprudence and regulatory transparency, economic risk, foreign investment considerations, possibility of sovereign default, and corruption. Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the highest political risk, while a score of 10 marks the lowest political risk. Stated differently, countries with the lowest scores pose the greatest political risk. A score of 0 marks the most dire level of political risk and an ultimate nadir, while a score of 10 marks the lowest possible level of political risk, according to this proprietary index. Rarely will there be scores of 0 or 10 due to the reality that countries contain complex landscapes; as such, the index offers a range of possibilities ranging from lesser to greater

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risk.

Country	Assessment
Afghanistan	2
Albania	4
Algeria	6
Andorra	9
Angola	4
Antigua	8
Argentina	4
Armenia	4-5
Australia	9.5
Austria	9.5
Azerbaijan	4
Bahamas	8.5
Bahrain	6
Bangladesh	3.5

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Barbados	8.5-9
Belarus	3
Belgium	9
Belize	8
Benin	5
Bhutan	5
Bolivia	5
Bosnia-Herzegovina	4
Botswana	7
Brazil	7
Brunei	7
Bulgaria	6
Burkina Faso	4
Burma (Myanmar)	4.5
Burundi	3
Cambodia	4
Cameroon	5
Canada	9.5

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Cape Verde	6
Central African Republic	3
Chad	4
Chile	9
China	7
China: Hong Kong	8
China: Taiwan	8
Colombia	7
Comoros	5
Congo DRC	3
Congo RC	4
Costa Rica	8
Cote d'Ivoire	4.5
Croatia	7
Cuba	4-4.5
Cyprus	5
Czech Republic	8
Denmark	9.5

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Djibouti	4.5
Dominica	7
Dominican Republic	6
East Timor	5
Ecuador	6
Egypt	5
El Salvador	7
Equatorial Guinea	4
Eritrea	3
Estonia	8
Ethiopia	4
Fiji	5
Finland	9
Fr.YugoslavRep.Macedonia	5
France	9
Gabon	5
Gambia	4
Georgia	5

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Germany	9.5
Ghana	6
Greece	4.5-5
Grenada	8
Guatemala	6
Guinea	3.5
Guinea-Bissau	3.5
Guyana	4.5
Haiti	3.5
Holy See (Vatican)	9
Honduras	4.5-5
Hungary	7
Iceland	8.5-9
India	7.5-8
Indonesia	6
Iran	3.5-4
Iraq	2.5-3
Ireland	8-8.5

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Israel	8
Italy	7.5
Jamaica	6.5-7
Japan	9
Jordan	6.5
Kazakhstan	6
Kenya	5
Kiribati	7
Korea, North	1
Korea, South	8
Kosovo	4
Kuwait	7
Kyrgyzstan	4.5
Laos	4.5
Latvia	7
Lebanon	5.5
Lesotho	6
Liberia	3.5

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Libya	2
Liechtenstein	9
Lithuania	7.5
Luxembourg	9
Madagascar	4
Malawi	4
Malaysia	8
Maldives	4.5
Mali	4
Malta	8
Marshall Islands	6
Mauritania	4.5-5
Mauritius	7
Mexico	6.5
Micronesia	7
Moldova	5
Monaco	9
Mongolia	5

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6.5
4.5-5
6.5-7
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9.5
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7.5
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6.5-7

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Peru	7
Philippines	6
Poland	8
Portugal	7.5
Qatar	7.5
Romania	5.5
Russia	5.5
Rwanda	5
Saint Kitts and Nevis	8
Saint Lucia	8
Saint Vincent and Grenadines	8
Samoa	7
San Marino	9
Sao Tome and Principe	5.5
Saudi Arabia	6
Senegal	6
Serbia	5
Seychelles	7

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Sierra Leone	4.5
Singapore	9
Slovak Republic (Slovakia)	8
Slovenia	8
Solomon Islands	6
Somalia	2
South Africa	7
Spain	7.5
Sri Lanka	5
Sudan	3.5
Suriname	5
Swaziland	5
Sweden	9.5
Switzerland	9.5
Syria	2
Tajikistan	4.5
Tanzania	6
Thailand	6.5

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Togo	4.5
Tonga	7
Trinidad and Tobago	8
Tunisia	6
Turkey	7
Turkmenistan	4.5
Tuvalu	7
Uganda	6
Ukraine	3.5-4
United Arab Emirates	7
United Kingdom	9
United States	9.5
Uruguay	8
Uzbekistan	4
Vanuatu	7
Venezuela	4
Vietnam	5
Yemen	3

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Zambia	4.5
Zimbabwe	3

### \*Methodology

The <u>Political Risk Index</u> is calculated by CountryWatch's Editor-in-Chief and is based on the combined scoring of varied criteria as follows --

- 1. political stability (record of peaceful transitions of power, ability of government to stay in office and carry out policies as a result of productive executive-legislative relationship, perhaps with popular support vis a vis risk of government collapse)
- 2. political representation (right of suffrage, free and fair elections, multi-party participation, and influence of foreign powers)
- 3. democratic accountability (record of respect for political rights, human rights, and civil liberties, backed by constitutional protections)
- 4. freedom of expression (media freedom and freedom of expression, right to dissent or express political opposition, backed by constitutional protections)
- 5. security and crime (the degree to which a country has security mechanisms that ensures safety of citizens and ensures law and order, without resorting to extra-judicial measures)
- 6. risk of conflict (the presence of conflict; record of coups or civil disturbances; threat of war; threats posed by internal or external tensions; threat or record of terrorism or insurgencies)
- 7. human development (quality of life; access to education; socio-economic conditions; systemic concern for the status of women and children)
- 8. jurisprudence and regulatory transparency (the impartiality of the legal system, the degree of transparency within the regulatory system of a country and the durability of that structure)
- 9. economic conditions (economic stability, investment climate, degree of nationalization of industries, property rights, labor force development)
- 10. corruption (the degree of corruption in a country and/or efforts by the government to address graft and other irregularities)

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#### Editor's Note:

As of 2015, the current climate of upheaval internationally -- both politically and economically -- has affected the ratings for several countries across the world.

North Korea, <u>Afghanistan</u>, <u>Somalia</u>, and <u>Zimbabwe</u> -- retain their low rankings.

Several Middle Eastern and North African countries, such as <u>Tunisia</u>, <u>Egypt</u>, <u>Libya</u>, <u>Syria</u>, <u>Iraq</u> and <u>Yemen</u> were downgraded in recent years due to political instability occurring in the "season of unrest" sweeping the region since 2011 and continuing today. The worst downgrades affected <u>Syria</u> where civil war is at play, along with the rampage of terror being carried out by Islamist terrorists who have also seized control over part of Syrian territory. <u>Iraq</u> has been further downgraded due to the rampage of Islamist terrorists and their takeover of wide swaths of Iraqi territory. <u>Libya</u> has also been downgraded further due to its slippage into failed state status; at issue in <u>Libya</u> have been an ongoing power struggle between rival militias. <u>Yemen</u> continues to hold steady with a poor ranking due to continued unrest at the hands of Houthi rebels, secessinionists, al-Qaida in the Arabian Peninsula, and Islamic State. Its landscape has been further complicated by the fact that it is now the site of a proxy war between <u>Iran</u> and <u>Saudi Arabia</u>. Conversely, <u>Tunisia</u> and <u>Egypt</u> have seen slight upgrades as these countries stabilize.

In Africa, Zimbabwe continues to be one of the bleak spots of the world with the Mugabe regime effectively destroying the country's once vibrant economy, and miring Zimbabwe with an exceedingly high rate of inflation, debilitating unemployment, devolving public services, and critical food shortages; rampant crime and political oppression round out the landscape. Somalia also sports a poor ranking due to the continuing influence of the terror group, al-Shabab, which was not operating across the border in Kenya. On the upside, Nigeria, which was ineffectively dealing with the threat posed by the terror group, Boko Haram, was making some strides on the national security front with its new president at the helm. Mali was slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. But the Central African Republic was downgraded due to the takeover of the government by Muslim Seleka rebels and a continued state of lawlessness in that country. South Sudan -- the world's newest nation state -- has not been officially included in this assessment; however, it can be unofficially assessed to be in the vicinity of "3" due to its manifold political and economic challenges. Burkina Faso, Burundi and Guinea have been downgraded due to political unrest, with Guinea also having to deal with the burgeoning Ebola crisis.

In Europe, <u>Ukraine</u> was downgraded due to the unrest facing that country following its Maidan revolution that triggered a pro-Russian uprising in the eastern part of the country. <u>Russia</u> was also implicated in the Ukrainian crisis due to its intervention on behalf of pro-Russian separatists, as

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well as its annexation of the Ukrainian territory of Crimea. Strains on the infrastructure of southern and eastern European countries, such as <u>Serbia</u>, <u>Croatia</u>, and <u>Hungary</u>, due to an influx of refugees was expected to pose social and economic challenges, and slight downgrades were made accordingly. So too, a corruption crisis for the Romanian prime minister has affected the ranking of that country. Meanwhile, the rankings for <u>Spain</u>, <u>Portugal</u>, <u>Ireland</u>, and <u>Italy</u> were maintained due to debt woes and the concomitant effect on the euro zone. <u>Greece</u>, another euro zone nation, was earlier downgraded due to its sovereign debt crisis; however, no further downgrade was added since the country was able to successfully forge a bailout rescue deal with creditor institutions. Cyprus' exposure to Greek banks yielded a downgrade in its case.

In Asia, <u>Nepal</u> was downgraded in response to continuous political instability and a constitutional crisis that prevails well after landmark elections were held. Both <u>India</u> and China retain their rankings; <u>India</u> holds a slightly higher ranking than <u>China</u> due to its record of democratic representation and accountability. Increasing violence and political instability in <u>Pakistan</u> resulted in a downgrade for this country's already low rating. Meanwhile, <u>Singapore</u> retained its strong rankings due to its continued effective stewardship of the economy and political stability.

In the Americas, ongoing political and economic woes, as well as crime and corruption have affected the rankings for <a href="Mexico">Mexico</a>, <a href="Guatemala">Guatemala</a>, and <a href="Brazil">Brazil</a>. <a href="Argentina">Argentina</a> was downgraded due to its default on debt following the failure of talks with bond holders. <a href="Venezuela">Venezuela</a> was downgraded due to its mix of market unfriendly policies and political oppression. For the moment, the <a href="United States">United States</a> maintains a strong ranking along with <a href="Canada">Canada</a>, and most of the English-speaking countries of the Caribbean; however, a renewed debt ceiling crisis could cause the <a href="United States">United States</a> to be downgraded in a future edition. Finally, a small but significant upgrade was attributed to <a href="Cuba">Cuba</a> due to its recent pro-business reforms and its normalization of ties with the United States.

#### Source:

Dr. Denise Youngblood Coleman, Editor in Chief, CountryWatch Inc. www.countrywatch.com

Updated:

2015

# **Political Stability**

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## Political Stability

The **Political Stability Index** is a proprietary index measuring a country's level of stability, standard of good governance, record of constitutional order, respect for human rights, and overall strength of democracy. The <u>Political Stability</u>Index is calculated using an established methodology\* by CountryWatch's Editor-in-Chief and is based on a given country's record of peaceful transitions of power, ability of a government to stay in office and carry out its policies vis a vis risk credible risks of government collapse. Threats include coups, domestic violence and instability, terrorism, etc. This index measures the dynamic between the quality of a country's government and the threats that can compromise and undermine stability. Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the lowest level of political stability and an ultimate nadir, while a score of 10 marks the highest level of political stability possible, according to this proprietary index. Rarely will there be scores of 0 or 10 due to the reality that countries contain complex landscapes; as such, the index offers a range of possibilities ranging from lesser to greater stability.

Country	Assessment
Afghanistan	2
Albania	4.5-5
Algeria	5
Andorra	9.5
Angola	4.5-5
Antigua	8.5-9
Argentina	7
Armenia	5.5
Australia	9.5

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Austria	9.5
Azerbaijan	5
Bahamas	9
Bahrain	6
Bangladesh	4.5
Barbados	9
Belarus	4
Belgium	9
Belize	8
Benin	5
Bhutan	5
Bolivia	6
Bosnia-Herzegovina	5
Botswana	8.5
Brazil	7
Brunei	8
Bulgaria	7.5
Burkina Faso	4

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Burma (Myanmar)	4.5
Burundi	4
Cambodia	4.5-5
Cameroon	6
Canada	9.5
Cape Verde	6
Central African Republic	3
Chad	4.5
Chile	9
China	7
China: Hong Kong	8
China: Taiwan	8
Colombia	7.5
Comoros	5
Congo DRC	3
Congo RC	5
Costa Rica	9.5
Cote d'Ivoire	3.5

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Croatia	7.5
Cuba	4.5
Cyprus	8
Czech Republic	8.5
Denmark	9.5
Djibouti	5
Dominica	8.5
Dominican Republic	7
East Timor	5
Ecuador	7
Egypt	4.5-5
El Salvador	7.5-8
Equatorial Guinea	4.5
Eritrea	4
Estonia	9
Ethiopia	4.5
Fiji	5
Finland	9

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Fr.YugoslavRep.Macedonia	6.5
France	9
Gabon	5
Gambia	4.5
Georgia	5
Germany	9.5
Ghana	7
Greece	6
Grenada	8.5
Guatemala	7
Guinea	3.5-4
Guinea-Bissau	4
Guyana	6
Haiti	3.5-4
Holy See (Vatican)	9.5
Honduras	6
Hungary	7.5
Iceland	9

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India	8
Indonesia	7
Iran	3.5
Iraq	2.5
Ireland	9.5
Israel	8
Italy	8.5-9
Jamaica	8
Japan	9
Jordan	6
Kazakhstan	6
Kenya	5
Kiribati	8
Korea, North	2
Korea, South	8.5
Kosovo	5.5
Kuwait	7
Kyrgyzstan	5

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Laos	5
Latvia	8.5
Lebanon	5.5
Lesotho	5
Liberia	3.5-4
Libya	2
Liechtenstein	9
Lithuania	9
Luxembourg	9.5
Madagascar	4
Malawi	5
Malaysia	8
Maldives	4.5-5
Mali	4.5-5
Malta	9
Marshall Islands	8
Mauritania	6
Mauritius	8

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Mexico	6.5-7
Micronesia	8
Moldova	5.5
Monaco	9.5
Mongolia	6.5-7
Montenegro	8
Morocco	7
Mozambique	5
Namibia	8.5
Nauru	8
Nepal	4.5
Netherlands	9.5
New Zealand	9.5
Nicaragua	6
Niger	4.5
Nigeria	4.5
Norway	9.5
Oman	7

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3
8
8.5
6
8
7.5
6
9
9
7
7
6
5
9
9
9
8
9.5

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Sao Tome and Principe	7
Saudi Arabia	6
Senegal	7.5
Serbia	6.5
Seychelles	8
Sierra Leone	4.5
Singapore	9.5
Slovak Republic (Slovakia)	8.5
Slovenia	9
Solomon Islands	6.5-7
Somalia	2
South Africa	7.5
Spain	9
Sri Lanka	5
Sudan	3
Suriname	5
Swaziland	5
Sweden	9.5

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Switzerland	9.5
Syria	2
Tajikistan	4.5
Tanzania	6
Thailand	6
Togo	5
Tonga	7
Trinidad and Tobago	8
Tunisia	5
Turkey	7.5
Turkmenistan	5
Tuvalu	8.5
Uganda	6
Ukraine	3.5-4
United Arab Emirates	7
United Kingdom	9
United States	9
Uruguay	8.5

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Uzbekistan	4
Vanuatu	8.5
Venezuela	4.5-5
Vietnam	4.5
Yemen	2.5
Zambia	5
Zimbabwe	3

## \*Methodology

The Political Stability Index is calculated by CountryWatch's Editor-in-Chief and is based on the combined scoring of varied criteria as follows --

- 1. record of peaceful transitions of power (free and fair elections; adherence to political accords)
- 2. record of democratic representation, presence of instruments of democracy; systemic accountability
- 3. respect for human rights; respect for civil rights
- 4. strength of the system of jurisprudence, adherence to constitutional order, and good governance
- 5. ability of a government to stay in office and carry out its policies vis a vis risk credible risks of government collapse (i.e. government stability versus a country being deemed "ungovernable")
- 6. threat of coups, insurgencies, and insurrection
- 7. level of unchecked crime and corruption
- 8. risk of terrorism and other threats to national security

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- 9. relationship with regional powers and international community; record of bilateral or multilateral cooperation
- 10. degree of economic strife (i.e. economic and financial challenges)

#### Editor's Note:

As of 2015, the current climate of upheaval internationally -- both politically and economically -- has affected the ratings for several countries across the world. The usual suspects -- North Korea, Afghanistan, and Somalia -- retain their low rankings. The reclusive and ultra-dictatorial North Korean regime, which has terrified the world with its nuclear threats, has exhibited internal instability. Of note was a cut-throat purge of hundreds of high ranking officials deemed to be a threat to Kim Jung-un. Despite their attempts to recover from years of lawlessness, war, and warlordism, both Afghanistan and Somalia continue to be beset by terrorism and turmoil. In Afghanistan, while international forces have seen success in the effort against the terror group, al-Qaida, the other Islamist extremist group, the Taliban, continues to carry out a vicious insurgency using terrorism. In Somalia, while the government attempts to do the nation's business, the terror group, al-Shabab continues to make its presence known not only in Somalia, but across the border into Kenya with devastating results/ Also in this category is Iraq, which continues to be rocked by horrific violence and terrorism at the hands of Islamic State, which has taken over wide swaths of Iraqi territory.

Syria, <u>Libya</u>, and <u>Yemen</u> have been added to this unfortunate echelon of the world's most politically unstable countries. <u>Syria</u> has been mired by the twin hazards of 1. a civil war as rebels oppose the Assad regime; and 2. the rampage of terror being carried out by Islamic State, which also seized control over vast portions of Syrian territory. Meanwhile, the post-Qaddhafi landscape of <u>Libya</u> has devolved into chaos as rival militias battle for control -- the elected government of the country notwithstanding. Rounding out this grim triad is <u>Yemen</u>, which was dealing with a Houthi rebellion, secesionists in the south, as well as the threat of terrorism from al-Qaida in the Arabian Peninsula as well as Islamic State, while also being the site of a proxy war between Shi'a <u>Iran</u> and Sunni <u>Saudi Arabia</u>.

Meanwhile, several Middle Eastern and North African countries, such as <u>Tunisia</u>, <u>Egypt</u>, and <u>Bahrain</u> were downgraded in recent years due to political instability occurring in the "season of unrest" sweeping the region since 2011 and continuing today. All three of these countries have stabilized in recent years and have been upgraded accordingly. In <u>Bahrain</u>, the landscape had calmed. In <u>Egypt</u>, the secular military-backed government has generated criticism for its crackdown on the Muslim Brotherhood; however, the country had ratified the presidency via democratic elections and were on track to hold parliamentary elections as the country moved along the path of democratization. Perhaps the most impressive story was coming out of <u>Tunisia</u> -- the

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country whose Jasmine Revolution sparked the entire Arab Spring -- and where after a few years of strife, a new progressive constitution was passed into law and a secular government had been elected to power. <u>Tunisia</u>, <u>Egypt</u>, and <u>Bahrain</u> have seen slight upgrades as these countries stabilize.

In Africa, the <u>Central African Republic</u> was downgraded the previous year due to the takeover of the government by Muslim Seleka rebels. Although the country has been trying to emerge from this crisis, the fact of the matter was that it was difficult to halt the precipitous decline into lawlessness in that country. Zimbabwe has maintained its consistently poor ranking due to the dictatorial regime of Mugabe, who continues to hold a tight grip on power, intimidates the opposition, squashes dissent, and oppresses the white farmer population of the country. Moving in a slightly improved direction is Nigeria, which has sported abysmal ratings due to the government's fecklessness in dealing with the threat posed by the Islamist terror group, Boko Haram. Under its newly-elected government, there appears to be more of a concerted effort to make national security a priority action item. Mali was also slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. Political instability has visited <u>Burkina Faso</u> and <u>Burundi</u> as the leaders of those countries attempted to side-step constitutional limits to hold onto power. In Burundi, an attempted coup ensued but quelled, and the president won a (questionable) new term in office; unrest has since punctuated the landscape. In <u>Burkina Faso</u>, the political climate has turned stormy as a result of a successful coup that ended the rule of the president, and then a putsch against the transitional government. These two African countries have been downgraded as a result.

It should be noted that the African country of South <u>Sudan</u> -- the world's newest nation state -- has not been officially included in this assessment; however, it can be unofficially assessed to be in the vicinity of "3" due to its manifold political and economic challenges. <u>Guinea</u> has endured poor rankings throughout, but was slightly downgraded further over fears of social unrest and the Ebola heath crisis.

In Europe, <u>Ukraine</u> was downgraded due to the unrest facing that country following its Maidan revolution that triggered a pro-Russian uprising in the eastern part of the country. <u>Russia</u> was also implicated in the Ukrainian crisis due to its intervention on behalf of pro-Russian separatists, as well as its annexation of the Ukrainian territory of Crimea. <u>Serbia</u> and <u>Albania</u> were slightly downgraded due to eruptions of unrest, while <u>Romania</u> was slightly downgraded on the basis of corruption charges against the prime minister. <u>Spain</u>, <u>Portugal</u>, <u>Ireland</u>, and <u>Italy</u> were downgraded due to debt woes and the concomitant effect on the euro zone. <u>Greece</u>, another euro zone nation, was downgraded the previous year due to its sovereign debt crisis; however, the country successfully forged a rescue deal with international creditors and stayed within the Euro zone. Greek voters rewarded the hitherto unknown upstart party at the polls for these efforts. As a result, <u>Greece</u> was actually upgraded slightly as it proved to the world that it could endure the political and economic storms. Meanwhile, <u>Germany</u>, <u>France</u>, <u>Switzerland</u>, the <u>United Kingdom</u>,

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the <u>Netherlands</u>, and the Scandinavian countries continue to post impressive ranking consistent with these countries' strong records of democracy, freedom, and peaceful transfers of power.

In Asia, Nepal was downgraded in response to continuous political instability well after landmark elections that prevails today. Cambodia was very slighly downgraded due to post-election instability that has resulted in occasional flares of violence. Despite the "trifecta of tragedy" in Japan in 2011 -- the earthquake, the ensuing tsunami, and the resulting nuclear crisis -- and the appreciable destabilization of the economic and political terrain therein, this country has only slightly been downgraded. Japan's challenges have been assessed to be transient, the government remains accountable, and there is little risk of default. Both India and China retain their rankings; India holds a slightly higher ranking than China due to its record of democratic representation and accountability. Increasing violence and political instability in Pakistan resulted in a downgrade for this country's already low rating.

In the Americas, Haiti retained its downgraded status due to ongoing political and economic woes. Mexico was downgraded due to its alarming rate of crime. Guatemala was downgraded due to charges of corruption, the arrest of the president, and uncertainty over the outcome of elections. Brazil was downgraded due to the corruption charges erupting on the political landscape, the stalling of the economy, and the increasingly loud calls for the impeachment of President Rousseff. Argentina was downgraded due to its default on debt following the failure of talks with bond holders. Venezuela was downgraded due to the fact that the country's post-Chavez government is every bit as autocratic and nationalistic, but even more inclined to oppress its political opponents. Colombia was upgraded slightly due to efforts aimed at securing a peace deal with the FARC insurgents. A small but significant upgrade was attributed to Cuba due to its recent pro-business reforms and its normalization of ties with the Unitd States. Meanwhile, the United States, Canada, Costa Rica, Panama, and most of the English-speaking countries of the Caribbean retain their strong rankings due to their records of stability and peaceful transfers of power.

In the Pacific, <u>Fiji</u> was upgraded due to its return to constitutional order and democracy with the holding of the first elections in eight years.

In Oceania, <u>Maldives</u> has been slightly downgraded due to the government's continued and rather relentless persecution of the country's former pro-democracy leader - former President Nasheed.

#### Source:

Dr. Denise Youngblood Coleman, Editor in Chief, Country Watch Inc. www.countrywatch.com

## <u>Updated:</u>

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## **Freedom Rankings**

## Freedom Rankings

#### Freedom in the World

Editor's Note: This ranking by Freedom House quantifies political freedom and civil liberties into a single combined index on each sovereign country's level of freedom and liberty. The initials "PR" and "CL" stand for Political Rights and Civil Liberties, respectively. The number 1 represents the most free countries and the number 7 represents the least free. Several countries fall in the continuum in between. The freedom ratings reflect an overall judgment based on survey results.

Country	PR	CL	Freedom Status	Trend Arrow
Afghanistan	6 ?	6	Not Free	
Albania*	3	3	Partly Free	
Algeria	6	5	Not Free	
Andorra*	1	1	Free	
Angola	6	5	Not Free	
Antigua and Barbuda*	3 ?	2	Free	

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Argentina*	2	2	Free
Armenia	6	4	Partly Free
Australia*	1	1	Free
Austria*	1	1	Free
Azerbaijan	6	5	Not Free
Bahamas*	1	1	Free
Bahrain	6?	5	Not Free?
Bangladesh*	3 ?	4	Partly Free
Barbados*	1	1	Free
Belarus	7	6	Not Free
Belgium*	1	1	Free
Belize*	1	2	Free
Benin*	2	2	Free
Bhutan	4	5	Partly Free
Bolivia*	3	3	Partly Free
Bosnia-Herzegovina*	4	3	Partly Free
Botswana*	3 ?	2	Free
Brazil*	2	2	Free

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Brunei	6	5	Not Free	
Bulgaria*	2	2	Free	
Burkina Faso	5	3	Partly Free	
Burma	7	7	Not Free	
Burundi*	4	5	Partly Free	<b>f</b>
Cambodia	6	5	Not Free	1
Cameroon	6	6	Not Free	
Canada*	1	1	Free	
Cape Verde*	1	1	Free	
Central African Republic	5	5	Partly Free	
Chad	7	6	Not Free	
Chile*	1	1	Free	
China	7	6	Not Free	
Colombia*	3	4	Partly Free	
Comoros*	3	4	Partly Free	
Congo (Brazzaville )	6	5	Not Free	1
Congo (Kinshasa)	6	6	Not Free	Ψ
Costa Rica*	1	1	Free	

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Cote d'Ivoire	6	5	Not Free	
Croatia*	1 ?	2	Free	
Cuba	7	6	Not Free	
Cyprus*	1	1	Free	
Czech Republic*	1	1	Free	
Denmark*	1	1	Free	
Djibouti	5	5	Partly Free	
Dominica*	1	1	Free	
Dominican Republic*	2	2	Free	<b>#</b>
East Timor*	3	4	Partly Free	
Ecuador*	3	3	Partly Free	
Egypt	6	5	Not Free	
El Salvador*	2	3	Free	
Equatorial Guinea	7	7	Not Free	
Eritrea	7	7 ?	Not Free	
Estonia*	1	1	Free	
Ethiopia	5	5	Partly Free	Ψ
Fiji	6	4	Partly Free	

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Finland*	1	1	Free
France*	1	1	Free
Gabon	6	5 ?	Not Free ?
The Gambia	5	5 ?	Partly Free
Georgia	4	4	Partly Free
Germany*	1	1	Free
Ghana*	1	2	Free
Greece*	1	2	Free
Grenada*	1	2	Free
Guatemala*	4 ?	4	Partly Free
Guinea	7	6?	Not Free
Guinea-Bissau*	4	4	Partly Free
Guyana*	2	3	Free
Haiti*	4	5	Partly Free
Honduras	4 ?	4 ?	Partly Free
Hungary*	1	1	Free
Iceland*	1	1	Free
India*	2	3	Free

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Indonesia*	2	3	Free	
Iran	6	6	Not Free	#
Iraq	5 ?	6	Not Free	
Ireland*	1	1	Free	
Israel*	1	2	Free	
Italy*	1	2	Free	
Jamaica*	2	3	Free	
Japan*	1	2	Free	
Jordan	6 ?	5	Not Free?	
Kazakhstan	6	5	Not Free	<b>\</b>
Kenya	4	4 ?	Partly Free	
Kiribati*	1	1	Free	
Kosovo	5 ?	4 ?	Partly Free ?	
Kuwait	4	4	Partly Free	
Kyrgyzstan	6 ?	5 ?	Not Free?	
Laos	7	6	Not Free	
Latvia*	2	1	Free	
Lebanon	5	3 ?	Partly Free	

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Lesotho*	3 ?	3	Partly Free ?	
Liberia*	3	4	Partly Free	
Libya	7	7	Not Free	
Liechtenstein*	1	1	Free	
Lithuania*	1	1	Free	
Luxembourg*	1	1	Free	
Macedonia*	3	3	Partly Free	Π
Madagascar	6 ?	4 ?	Partly Free	
Malawi*	3 ?	4	Partly Free	
Malaysia	4	4	Partly Free	
Maldives*	3 ?	4	Partly Free	
Mali*	2	3	Free	
Malta*	1	1	Free	<b>\</b>
Marshall Islands*	1	1	Free	
Mauritania	6	5	Not Free	
Mauritius*	1	2	Free	
Mexico*	2	3	Free	
Micronesia*	1	1	Free	

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Moldova*	3 ?	4	Partly Free	
Monaco*	2	1	Free	
Mongolia*	2	2	Free	ſΓ
Montenegro*	3	2 ?	Free ?	
Morocco	5	4	Partly Free	1
Mozambique	4 ?	3	Partly Free	
Namibia*	2	2	Free	
Nauru*	1	1	Free	
Nepal	4	4	Partly Free	
Netherlands*	1	1	Free	
New Zealand*	1	1	Free	
Nicaragua*	4	4 ?	Partly Free	
Niger	5 ?	4	Partly Free	
Nigeria	5	4	Partly Free	1
North Korea	7	7	Not Free	1
Norway*	1	1	Free	
Oman	6	5	Not Free	
Pakistan	4	5	Partly Free	

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Palau*	1	1	Free	
Panama*	1	2	Free	
Papua New Guinea*	4	3	Partly Free	
Paraguay*	3	3	Partly Free	
Peru*	2	3	Free	
Philippines	4	3	Partly Free	1
Poland*	1	1	Free	
Portugal*	1	1	Free	
Qatar	6	5	Not Free	
Romania*	2	2	Free	
Russia	6	5	Not Free	1
Rwanda	6	5	Not Free	
Saint Kitts and Nevis*	1	1	Free	
Saint Lucia*	1	1	Free	
Saint Vincent and Grenadines*	2	1	Free	
Samoa*	2	2	Free	
San Marino*	1	1	Free	
Sao Tome and Principe*	2	2	Free	

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Saudi Arabia	7	6	Not Free	
Senegal*	3	3	Partly Free	
Serbia*	2 ?	2	Free	
Seychelles*	3	3	Partly Free	
Sierra Leone*	3	3	Partly Free	
Singapore	5	4	Partly Free	
Slovakia*	1	1	Free	1
Slovenia*	1	1	Free	
Solomon Islands	4	3	Partly Free	
Somalia	7	7	Not Free	
South Africa*	2	2	Free	
South Korea*	1	2	Free	
Spain*	1	1	Free	
Sri Lanka*	4	4	Partly Free	
Sudan	7	7	Not Free	
Suriname*	2	2	Free	
Swaziland	7	5	Not Free	
Sweden*	1	1	Free	

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Switzerland*	1	1	Free	#
Syria	7	6	Not Free	
Taiwan*	1 ?	2 ?	Free	
Tajikistan	6	5	Not Free	
Tanzania	4	3	Partly Free	
Thailand	5	4	Partly Free	
Togo	5	4 ?	Partly Free	
Tonga	5	3	Partly Free	
Trinidad and Tobago*	2	2	Free	
Tunisia	7	5	Not Free	
Turkey*	3	3	Partly Free	<b>\</b>
Turkmenistan	7	7	Not Free	
Tuvalu*	1	1	Free	
Uganda	5	4	Partly Free	
Ukraine*	3	2	Free	
United Arab Emirates	6	5	Not Free	
United Kingdom*	1	1	Free	
United States*	1	1	Free	

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Uruguay*	1	1	Free	
Uzbekistan	7	7	Not Free	
Vanuatu*	2	2	Free	
Venezuela	5 ?	4	Partly Free	
Vietnam	7	5	Not Free	1
Yemen	6 ?	5	Not Free ?	
Zambia*	3	4 ?	Partly Free	
Zimbabwe	6 ?	6	Not Free	

## Methodology:

PR and CL stand for political rights and civil liberties, respectively; 1 represents the most free and 7 the least free rating. The ratings reflect an overall judgment based on survey results.

- ? ? up or down indicates a change in political rights, civil liberties, or status since the last survey.
- $\uparrow$   $\downarrow$  up or down indicates a trend of positive or negative changes that took place but that were not sufficient to result in a change in political rights or civil liberties ratings of 1-7.

#### Source:

This data is derived from the latest edition of Freedom House's Freedom in the World 2010 edition.

Available at URL: <a href="http://www.freedomhouse.org">http://www.freedomhouse.org</a>

## **Updated**:

Reviewed in 2015

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<sup>\*</sup> indicates a country's status as an electoral democracy.

# **Human Rights**

## Overview of Human Rights in Mexico

The United Mexican States is a federal republic. Recent elections resulted in a contested result with the officially sanctioned incoming president, Felipe Calderon, being challenged by the shadow presidency of Manuel Lopez Obrador. At the time, the situation promised to evoke political instability. The harsh measures taken by the governor of Oaxaca resulted in mass protests that remained ongoing at the time of writing and also contributed to a climate of instability. Years earlier, protests in Chiapas as a result of socio-economic inequity gained international attention. Today, Mexico is plagued by rampant violence at the hands of narcotics traffickers and drug gangs. See "Political Conditions" for details.

The political climate aside, the government of former President Vicente Fox Quesada took steps to improve the respect for human rights in Mexico. Nevertheless, corruption and impunity are so imbedded in Mexican society that they upset most efforts.

Torture and police brutality are problems Mexico has made attempts to address. In 2004, President Fox put forth a package of reforms which, among other things, would work to bar all evidence obtained illegally (through torture or coercion) and allow confessions to be entered onto the record only when given in front of a judge and defense counsel.

Corruption, impunity, lack of political will, and lack of resources are also issues which both the criminal justice system and the government must contend. Security forces in Mexico are known to participate in unlawful killings and kidnappings. There is also police involvement in narcotics related crime throughout the nation. These are increasingly reaching crises of sorts, given the alarming rate of gang-related and narcotics-related crime in Mexico, as discussed above. To this end, current President Calderon's attention has been on the country's security situation and the human rights of common citizens who are often the victims of alarming criminal activity.

Meanwhile, the judicial system is inefficient and lack of due process is becoming an issue. Journalists practice self-censorship due to criminal intimidation. In recent years, at least three journalists were murdered, apparently for having investigated drug trafficking organizations or having been critical of the state governments. Human trafficking and drug trade are huge problem areas which the government cannot control. Societal discrimination against indigenous people is also widespread.

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12,000

Human rights defenders suffer threats and intimidation. In two states where the Human Rights Commissions exposed blatant human rights violations recently, the Commission presidents were verbally harassed and eventually removed from office.

## **Human Development Index (HDI) Rank:**

See full listing of the Human Development Index located in the Social Overview of this report for this country's current rank.

# **Human Poverty Index Rank:** 13th out of 103 **Gini Index:** 54.6 Life Expectancy at Birth (years): 75.84 years of age (73.05 years for males and 78.78 years for females). **Unemployment Rate:** 3.6% Note- this does not take into consideration the 25% of the population which is underemployed Population living on \$1 a day (%): 9.9% Population living on \$2 a day (%): 26.3% Population living beneath the Poverty Line (%): 40% **Internally Displaced People:**

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#### **Total Crime Rate (%):**

N/A

#### **Health Expenditure (% of GDP):**

Public: 2.7%

#### % of GDP Spent on Education:

5.3%

#### **Human Rights Conventions Party to:**

- International Convention on the Prevention and Punishment and Punishment of the Crime of Genocide
- International Convention on the Elimination of All Forms of Racial Discrimination
- International Covenant on Civil and Political Rights
- International Covenant on Economic, Social and Cultural Rights
- Convention on the Elimination of All Forms of Discrimination against Women
- Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment
- Conventions on the Rights of the Child
- Convention relating to the Status of Refugees
- International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families
- Rome Statute of the International Criminal Court (Signed but not yet ratified)
- \*Human Development Index (HDI) is a composite index that measures the level of well-being in 177 nations in the world. It uses factors such as poverty, literacy, life-expectancy, education, gross domestic product, and purchasing power parity to assess the average achievements in each nation. It has been used in the United Nation's Human Development Report since 1993.
- \*Human Poverty Index Ranking is based on certain indicators used to calculate the Human Poverty Index. Probability at birth of not surviving to age 40, adult literacy rate, population without sustainable access to an improved water source, and population below income poverty line are the indicators assessed in this measure.
- \*The Gini Index measures inequality based on the distribution of family income or consumption. A value of 0 represents perfect equality (income being distributed equally), and a value of 100 perfect inequality (income all going to one individual).

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\*The calculation of the total crime rate is the % of the total population which has been effected by property crime, robbery, sexual assault, assault, or bribery (corruption) related occurrences.

# **Government Functions**

#### Constitution

The 1917 Mexican Constitution provides for a federal republic with powers separated into independent executive, legislative and judicial branches.

## **Executive Authority**

In practice, the executive is the dominant branch, with power vested in the president, who is head of state and head of government. The president promulgates and executes the laws of the Congress. The president also legislates by executive decree in certain economic and financial fields, using powers delegated from the Congress. The president is elected by universal adult suffrage for a six-year term and may not hold office a second time. There is no vice president; in the event of the removal or death of the president, Congress elects a provisional president.

## **Legislative Authority**

Legislative authority is vested in the bicameral bicameral National Congress or "Congreso de la Union" consists of the Senate or "Camara de Senadores" (128 seats; 96 are elected by popular vote to serve six-year terms, and 32 are allocated on the basis of each party's popular vote) and the Federal Chamber of Deputies or "Camara Federal de Diputados" (500 seats; 300 members are directly elected by popular vote to serve three-year terms; remaining 200 members are allocated on the basis of each party's popular vote, also for three-year terms).

## **Judiciary**

The judiciary is divided into federal and state court systems, with federal courts having jurisdiction

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over most civil cases and those involving major felonies. Trial is by judge, not by jury, in most criminal cases. Defendants have a right to counsel, and public defenders are available. Other rights include defense against self-incrimination, the right to confront one's accusers, and the right to a public trial. At the highest level, there is a Supreme Court of Justice or Suprema Corte de Justicia Nacional (justices or ministros are appointed by the president with consent of the Senate).

## **Government Structure**

#### Names:

conventional long form:
United Mexican States
conventional short form:
Mexico
local long form:
Estados Unidos Mexicanos
local short form:
Mexico

## **Type:**

Federal republic; presidential system

#### **Executive Branch:**

#### Chief of state and head of government:

President Enrique PENA NIETO (since December 2012). The president is popularly elected for a six-year term; see 2012 Elections Primer below for details.

#### Cabinet:

Appointed by the president with the consent of the Senate

#### 2012 Elections Primer:

General elections were scheduled to be held in Mexico on July 1, 2012. At stake on election day would be the presidency, as well as the composition of the bicameral "Congreso de la Unión" or National Congress, which itself consists of the "Cámara de Senadores" (Senate or upper house) and the "Cámara de Diputados" (Chamber of Deputies or lower house). In Mexico, the president is popularly elected for a six-year term. Meanwhile, in the "Cámara de Senadores" or Senate,

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there are 128 seats; 96 are elected by popular vote to serve six-year terms, and 32 are allocated on the basis of each party's popular vote. In the "Cámara de Diputados" (Chamber of Deputies), there are 500 seats; 300 deputies elected in a first-past-the-post system in 300 electoral districts and another 200 deputies via proportional representation spread across five electoral regions. Deputies are elected for three-year terms.

At the presidential level, the main candidates were: Enrique Pena Nieto of opposition Institutional Revolutionary Party (PRI), Andres Manuel Lopez Obrador of the center-left Partido de la Revolución Democrática (PRD), and Josefina Vazquez Mota of President Felipe Calderon's conservative National Action Party (PAN).

Public polling data by the Reforma newspaper at the close of March 2012 showed Enrique Pena Nieto as the presidential frontunner with 36 percent of support and a 1 percent lead over his closest rival. Josefina Vazquez Mota was in second place with 26 percent. Andres Manuel Lopez Obrador, who narrowly lost the 2006 election to outgoing President Calderon, trailed in third place with 18 percent. These findings were consistent with previous polling data that has consistently showed Pena Nieto with the lead. A month later at the close of April 2012, polling data gave Nieto a widened lead over his rivals for the presidency. According to pollster Consulta Mitofsky, Nieto now had 40.1 percent of support; Vazquez Mota dipped to 21.5 percent; Lopez Obrador was holding steady with about 18 percent of support. By June 2012, polling data by Consulta Mitofsky showed support for Pena Nieto of the opposition PRI holding onto a lead with 37.8 percent. Lopez Obrador of PRD was also seeing a rise in fortune to second place with 24 percent. Vazquez Mota dropped to third place with 21.6 percent. Ahead of the election, as the candidates ended their campaigns, polling data showed the same trend with Nieto in the lead. In fact, three polls showed him with a double-digit lead over his rivals. Those final polls gave Nieto a lead of between 10 and 17 points over Lopez Obrador, with the PAN's Vazquez Mota in third place.

The PRI, which was a dominant force in Mexican politics for seven decades until 2000, was hoping that Pena Nieto could reverse the party's recent political fortune. He would certainly be helped by his youthful telegenic presence while Vazquez Mota was dealing with internal party disputes on her end.

On July 1, 2012, Mexican voters went to the polls to cast their ballots. Late in the evening after the votes were counted, it was clear that Nieto had won the election and was set to become the country's new president. Preliminary results showed that Nieto had secured around 38 percent of the vote, several points ahead of his nearest rival. Lopez Obrador was expected to finish in second place with about 32 percent of the vote but refused to immediately conceding the election to Nieto. Vazquez Mota, who was in third place with about 26 percent, wasted no time in accepting defeat. Outside the headquarters of the PRI, supporters gathered the celebrate the landmark victory.

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For his part, the new president will be faced with an economy suffering from slow growth, and a socio-political scene characterized by rampant violence at the hands of rival drug cartels. On the issue of the economy, Nieto has said that he would boost growth by reforming the tax system, and opening the state oil company, Pemex, to more private investment. Ironically, it was Nieto's own party, PRI, which nationalized Mexico's oil industry in the 1930s. Underlining his approach, Nieto had already said in a pre-election interview with the newspaper, El Universal, "There is a new PRI ... It's the others who have not changed. They are living in the past." On the matter of poverty alleviation, Nieto had said during a pre-election rally: "My priority will be to battle poverty in our country at its roots." As regards the drug war plaguing the country, Nieto made the following statement during his victory speech: "The fight against crime will continue, yes, with a new strategy to reduce violence and above all protect the lives of all Mexicans." He also dismissed the idea that the PRI might try to reach an arrangement with one or more of the drug cartels saying, "Let it be very clear: There will be no deal, no truce with organized crime."

At the parliamentary level, PRI emerged as the winner with pluralities in both chambers of the Mexican congress, albeit without majorities in either chamber. The Federal Electoral Institute of Mexico announced more than a week after the elections that the PRI would hold 207 out of the total 500 seats in the lower house of the congress, followed by the conservative National Action Party (PAN) with 114 seats, the leftist Democratic Revolution Party (PRD) with 101 seats, the Green Party (PVEM) with 33 seats. The Labor Party and the Citizens' Movement Party in the leftist coalition would carry 19 and 16 seats respectively, while the New Alliance Party had 10 seats. In the 128-seat Senate, the PRI would control 52 seats, PAN would control 38 seats, and the PRD taking would control 22 seats. The remaining 16 Senate seats would be held by the PVEM with nine seats, the Labor Party with four seats, the Citizens' Movement Party with two seats, and the New Alliance Party with a single Senate seat. Both the PRI and PRD would have strength beyond their own stated numbers in the two chambers, since they have alliances with minor parties. Nevertheless, the PRI would be hard-pressed to move forward with key structural reforms advocated by incoming President Nieto.

In another development, Lopez Obrador was demanding a recount of the election results, citing a number of irregularities as his rationale. Nevertheless, by July 6, following a vote recount, Nieto was declared to be the winner of the presidential contest. On July 7, 2012, Lopez Obrador was promising to mount a legal challenge to the presidential election result. By July 8, 2012, despite the fact that election officials were confirming Nieto's victory, thousands of Mexicans were taking to the streets in protest of the election results and alleging fraud. Then, on July 13, 2012, Lopez Obrador filed a legal challenge to the result of the presidential election. Lopez Obrador charged that he could prove that illicit money was used to buy votes and secure the victory of Nieto. In an interview with the media, Lopez Obrador said, "The purchase and manipulation of millions of votes cannot give certainty to any result nor to the overall electoral process." He continued, "Article 41 of the constitution, which states that elections must be free and fair, was violated." Meanwhile, the PRI dismissed such claims as "baseless."

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On Dec. 1. 2012, Enrique Pena Nieto of the Institutional Revolutionary Party (PRI), was officially inaugurated into office as Mexico's new president. Pena Nieto succeeded Felipe Calderon as the new Mexican head of state. Although known for his personal charisma, Pena Nieto won victory on the basis of campaign promises to battle both poverty and drug cartels. Pena Nieto won the plurality of the vote share on election day and not an outright majority in a contested field of candidates. Accordingly, his governing mandate could well be compromised by the lack of consensus across the political field. Illustrating this reality was the fact that inauguration day saw many protests across Mexico City to register discontent over Pena Nieto's rise to power.

#### **Legislative Branch:**

## Bicameral "Congreso de la Unión" (National Congress):

Consists of the "Cámara de Senadores" (Senate) and the "Cámara de Diputados" (Chamber of Deputies)

#### "Cámara de Senadores" (Senate):

128 seats; 96 are elected by popular vote to serve six-year terms, and 32 are allocated on the basis of each party's popular vote

#### 2012 Elections:

See Elections Primer above for full report on 2012 elections; see 2012 Elections Note below for information on the 2012 parliamentary vote.

## "Cámara de Diputados" (Chamber of Deputies):

500 seats; 300 members are elected by popular vote; remaining 200 members are allocated on the basis of each party's popular vote; members to serve three-year terms

#### 2012 Elections:

See Elections Primer above for full report on 2012 elections; see 2012 Elections Note below for information on the 2012 parliamentary vote.

#### 2015 Elections:

See Elections Primer below for information on on 2015 elections

## Primer on Mexico's 2012 parliamentary elections

General elections were scheduled to be held in Mexico on July 1, 2012. At stake on election day would be the presidency (as discussed above), as well as the composition of the bicameral "Congreso de la Unión" or National Congress, which itself consists of the "Cámara de Senadores" (Senate or upper house) and the "Cámara de Diputados" (Chamber of Deputies or lower house). In the "Cámara de Senadores" or Senate, there are 128 seats; 96 are elected by popular

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vote to serve six-year terms, and 32 are allocated on the basis of each party's popular vote. In the "Cámara de Diputados" (Chamber of Deputies), there are 500 seats; 300 deputies elected in a first-past-the-post system in 300 electoral districts and another 200 deputies via proportional representation spread across five electoral regions. Deputies elected for three-year terms.

At the parliamentary level, PRI emerged as the winner with pluralities in both chambers of the Mexican congress, albeit without majorities in either chamber. The Federal Electoral Institute of Mexico announced more than a week after the elections that the PRI would hold 207 out of the total 500 seats in the lower house of the congress, followed by the conservative National Action Party (PAN) with 114 seats, the leftist Democratic Revolution Party (PRD) with 101 seats, the Green Party (PVEM) with 33 seats. The Labor Party and the Citizens' Movement Party in the leftist coalition would carry 19 and 16 seats respectively, while the New Alliance Party had 10 seats. In the 128-seat Senate, the PRI would control 52 seats, PAN would control 38 seats, and the PRD taking would control 22 seats. The remaining 16 Senate seats would be held by the PVEM with nine seats, the Labor Party with four seats, the Citizens' Movement Party with two seats, and the New Alliance Party with a single Senate seat. Both the PRI and PRD would have strength beyond their own stated numbers in the two chambers, since they have alliances with minor parties. Nevertheless, the PRI would be hard-pressed to move forward with key structural reforms advocated by incoming President Nieto.

## Primer on 2015 parliamentary elections in Mexico

Parliamentary elections were set to be held in Mexico on June 7, 2015.

In Mexico, the bicameral "Congreso de la Unión" or National Congress consists of the "Cámara de Senadores" (Senate or upper house) and the "Cámara de Diputados" (Chamber of Deputies or lower house). In the "Cámara de Senadores" or Senate, there are 128 seats; 96 are elected by popular vote to serve six-year terms, and 32 are allocated on the basis of each party's popular vote. In the "Cámara de Diputados" (Chamber of Deputies), there are 500 seats; 300 members are elected by popular vote while the remaining 200 members are allocated on the basis of each party's popular vote; members to serve three-year terms.

Since the last general elections (including the Senate and presidential contests) were held in 2012, these 2015 elections (to be regarded as "mid term elections") would concentrate on the "Cámara de Diputados" (Chamber of Deputies or lower house).

The main parties contesting the elections were likely to include President Enrique Pena Nieto's centrist Institutional Revolutionary Party (PRI), the conservative National Action Party (PAN), the leftist Democratic Revolution Party (PRD), the ecological Green Party (PVEM), the New Alliance party (PANAL), and the newly-formed Morena of former presidential candidate, Andres Manuel Lopez Obrador, among others.

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Polling data ahead of the vote suggested that President Pena Nieto's ruling PRI had the advantage and could result in the president's party retaining its narrow contol over the lower house. Indeed, the polling outfit, Consulta Mitofsky, released its survey showing that that 32 percent of respondents intended to vote for Pena Nieto's PRI, with its closest competition coming from PAN, with 24 percent of respondents intending to vote for that party. Behind was PRD with 17 percent and Morena with 10 percent. It was to be seen if this polling data would prove to be predictive on election day.

Meanwhile, in the run-up to the election, Mexicans were reminded of the failure of the current leadership in government to stem the tide of narcotics gang-related violence in their country. At issue were the killings of at least seven congressional candidates and nine campaign officials, as well as the intimidation of at least 20 other candidates, effectively driving them to withdraw from the election contest. Set against this plague of violence at the hands of rival drug gangs was the more conventional sort of social unrest; disgruntled teachers opposed to educational reforms, such as teacher evaluations, warned they would disrupt voting in the southwestern part of Mexico. As such thousands of troops were deployed to polling stations in the region to protect the voting exercise.

Finally, on June 7, 2015, Mexicans went to the polls to cast their ballots. Regardless of prevailing accusations of corruption by the president, his wife, and his finance minister, and irrespective of his failure to arrest the gruesome violence plaguing the country at the hands of narcotics traffickers, Pena Nieto's ruling PRI appeared headed for re-election victory. Mexico's electoral institute indicated that PRI and its allied parties (specifically the Green Party and PANAL) were on track to capture a plurality of seats in the lower house -- between 246 and 263 seats in the 500-seat body and 30 percent of the vote share. It was yet to be seen if they would meet the majority threshold of 251 seats. The opposition PAN saw the next best performance with about 22 percent of the vote share and an unspecified number of seats. Official results were not available at the time of writing.

#### **Judicial Branch:**

Corte Suprema de Justicia (Supreme Court of Justice); judges appointed by the president with the consent of the Senate

#### **Constitution:**

Feb. 5, 1917, subsequent amendments

## **Legal System:**

Mixture of United States constitutional theory and civil law system; judicial review of legislative

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acts; accepts compulsory ICJ jurisdiction, with reservations

#### **Political Parties and Leaders:**

Citizen's Movement (Movimiento Ciudadano) or MC [Dante DELGADO Rannaoro] Institutional Revolutionary Party (Partido Revolucionario Institucional) or PRI [Cesar CAMACHO

Quiroz]

Labor Party (Partido del Trabajo) or PT [Alberto ANAYA Gutierrez]

Mexican Green Ecological Party (Partido Verde Ecologista de Mexico) or PVEM [Jorge Emilio GONZALEZ Torres]

Movement for National Regeneration (Movimiento Regeneracion Nacional) or MORENA [Marti BATRES]

National Action Party (Partido Accion Nacional) or PAN [Gustavo MADERO Munoz]

New Alliance Party (Partido Nueva Alianza) or PNA/PANAL [Luis CASTRO Obregon]

Party of the Democratic Revolution (Partido de la Revolucion Democratica) or PRD [Jesus ZAMBRANO Grijalva]

Social Encounter Party (Partido Encuentro Social) or PES [Hugo Eric FLORES Cervantes]

#### **Suffrage:**

18 years of age; universal and compulsory (but not enforced)

#### **Administrative Divisions:**

31 states (estados, singular - estado) and one federal district\* (distrito federal): Aguascalientes, Baja California, Baja California Sur, Campeche, Chiapas, Chihuahua, Coahuila de Zaragoza, Colima, Distrito Federal\*, Durango, Guanajuato, Guerrero, Hidalgo, Jalisco, Mexico, Michoacan de Ocampo, Morelos, Nayarit, Nuevo Leon, Oaxaca, Puebla, Queretaro de Arteaga, Quintana Roo, San Luis Potosi, Sinaloa, Sonora, Tabasco, Tamaulipas, Tlaxcala, Veracruz-Llave, Yucatan, Zacatecas

# **Principal Government Officials**

#### **Government of Mexico**

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Pres. Enrique PENA NIETO

Sec. of Agrarian Reform Maria Del Rosario ROBLES Berlanga

Sec. of Communications & Transport Gerardo RUIZ Esparza

Sec. of Economy Ildefonso GUAJARDO Villarreal

Sec. of Energy Pedro JOAQUIN COLDWELL

Sec. of Environment & Natural Resources Rafael PACCHIANO Alaman

Sec. of Finance & Public Credit Luis VIDEGARAY Caso

Sec. of Foreign Relations Claudia RUIZ MASSIEU Salinas

Sec. of Govt. Miguel Angel OSORIO Chong

Sec. of Health Mercedes JUAN LOPEZ

Sec. of Labor & Social Welfare Alfonso NAVARRETE Prida

Sec. of National Defense Salvador CIENFUEGOS Zepeda, Gen.

Sec. of the Navy Vidal Francisco SOBERON Sanz, Adm.

Sec. of Public Education Aurelio NUNO Mayer

Sec. of Public Service Virgilio ANDRADE Martinez

Sec. of Tourism Enrique DE LA MADRID Cordero

Attorney Gen. Arely GOMEZ Gonzalez

Governor, Bank of Mexico Agustin CARSTENS Carstens

Ambassador to the US

Permanent Representative to the UN, New York Jorge MONTANO Martinez

-- as of 2015

## **Leader Biography**

# Leader Biography

#### **Executive Branch:**

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## Chief of state and head of government:

The president is popularly elected for a six-year term; see 2012 Elections Primer below for details.

### Cabinet:

Appointed by the president with the consent of the Senate

### 2012 Elections Primer:

General elections were scheduled to be held in Mexico on July 1, 2012. At stake on election day would be the presidency, as well as the composition of the bicameral "Congreso de la Unión" or National Congress, which itself consists of the "Cámara de Senadores" (Senate or upper house) and the "Cámara de Diputados" (Chamber of Deputies or lower house). In Mexico, the president is popularly elected for a six-year term. Meanwhile, in the "Cámara de Senadores" or Senate, there are 128 seats; 96 are elected by popular vote to serve six-year terms, and 32 are allocated on the basis of each party's popular vote. In the "Cámara de Diputados" (Chamber of Deputies), there are 500 seats; 300 deputies elected in a first-past-the-post system in 300 electoral districts and another 200 deputies via proportional representation spread across five electoral regions. Deputies are elected for three-year terms.

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For his part, the new president will be faced with an economy suffering from slow growth, and a socio-political scene characterized by rampant violence at the hands of rival drug cartels. On the

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issue of the economy, Nieto has said that he would boost growth by reforming the tax system, and opening the state oil company, Pemex, to more private investment. Ironically, it was Nieto's own party, PRI, which nationalized Mexico's oil industry in the 1930s. Underlining his approach, Nieto had already said in a pre-election interview with the newspaper, El Universal, "There is a new PRI ... It's the others who have not changed. They are living in the past." On the matter of poverty alleviation, Nieto had said during a pre-election rally: "My priority will be to battle poverty in our country at its roots." As regards the drug war plaguing the country, Nieto made the following statement during his victory speech: "The fight against crime will continue, yes, with a new strategy to reduce violence and above all protect the lives of all Mexicans." He also dismissed the idea that the PRI might try to reach an arrangement with one or more of the drug cartels saying, "Let it be very clear: There will be no deal, no truce with organized crime."

At the parliamentary level, PRI emerged as the winner with pluralities in both chambers of the Mexican congress, albeit without majorities in either chamber. The Federal Electoral Institute of Mexico announced more than a week after the elections that the PRI would hold 207 out of the total 500 seats in the lower house of the congress, followed by the conservative National Action Party (PAN) with 114 seats, the leftist Democratic Revolution Party (PRD) with 101 seats, the Green Party (PVEM) with 33 seats. The Labor Party and the Citizens' Movement Party in the leftist coalition would carry 19 and 16 seats respectively, while the New Alliance Party had 10 seats. In the 128-seat Senate, the PRI would control 52 seats, PAN would control 38 seats, and the PRD taking would control 22 seats. The remaining 16 Senate seats would be held by the PVEM with nine seats, the Labor Party with four seats, the Citizens' Movement Party with two seats, and the New Alliance Party with a single Senate seat. Both the PRI and PRD would have strength beyond their own stated numbers in the two chambers, since they have alliances with minor parties. Nevertheless, the PRI would be hard-pressed to move forward with key structural reforms advocated by incoming President Nieto.

In another development, Lopez Obrador was demanding a recount of the election results, citing a number of irregularities as his rationale. Nevertheless, by July 6, following a vote recount, Nieto was declared to be the winner of the presidential contest. On July 7, 2012, Lopez Obrador was

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promising to mount a legal challenge to the presidential election result. By July 8, 2012, despite the fact that election officials were confirming Nieto's victory, thousands of Mexicans were taking to the streets in protest of the election results and alleging fraud. Then, on July 13, 2012, Lopez Obrador filed a legal challenge to the result of the presidential election. Lopez Obrador charged that he could prove that illicit money was used to buy votes and secure the victory of Nieto. In an interview with the media, Lopez Obrador said, "The purchase and manipulation of millions of votes cannot give certainty to any result nor to the overall electoral process." He continued, "Article 41 of the constitution, which states that elections must be free and fair, was violated." Meanwhile, the PRI dismissed such claims as "baseless."

On Dec. 1. 2012, Enrique Pena Nieto of the Institutional Revolutionary Party (PRI), was officially inaugurated into office as Mexico's new president. Pena Nieto succeeded Felipe Calderon as the new Mexican head of state. Although known for his personal charisma, Pena Nieto won victory on the basis of campaign promises to battle both poverty and drug cartels. Pena Nieto won the plurality of the vote share on election day and not an outright majority in a contested field of candidates. Accordingly, his governing mandate could well be compromised by the lack of consensus across the political field. Illustrating this reality was the fact that inauguration day saw many protests across Mexico City to register discontent over Pena Nieto's rise to power.

Note: Pena Nieto holds a Bachelor's degree from the Panamerican University and a Master's in business from the Monterrey Institute of Technology and Higher Education. His political career commences in 1984 when he joined PRI. In 2003, Pena Nieto was nominated to be a deputy of the local legislature in his hometown of Atlacomulco. He was then elected governor of the State of Mexico from 2005 to 2011.

## **Foreign Relations**

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### **General Relations**

The government of Mexico has sought to maintain its interests abroad and project its influence largely through moral persuasion. In particular, Mexico has championed the principles of non-intervention and self-determination, although President Vicente Fox has spoken of plans for pro-actively defending human rights in the world, possibly even through taking part in international peacekeeping missions. In its efforts to revitalize its economy and open up to international competition, Mexico has sought closer relations with the United States, Western Europe and the Pacific Basin.

Mexico actively participates in several international organizations. It is a supporter of the United Nations and Organization of American States systems, and President Fox pledged in January 2001 to submit a bid for a permanent seat on the United Nations Security Council. Although Mexico pursues its interests through a number of additional ad hoc international bodies, it has, in general, been selective in its membership in international organizations. It declined, for example, to become a member of the Organization of Petroleum Exporting Countries (OPEC).

Nevertheless, Mexico does seek to diversify its diplomatic and economic relations. It acceded to the General Agreement on Tariffs and Trade (GATT) in 1986 and joined the Asia Pacific Economic Cooperation forum (APEC) in 1993. Mexico became the first Latin American member of the Organization for Economic Cooperation and Development (OECD) in April 1994, and a founding member of the World Trade Organization (WTO) in 1996.

On July 1, 2000, Mexico signed a free-trade agreement with the European Union (EU) aimed at gradually reducing tariffs between the two regions until 2007, as well as cooperating in the promotion of democratic principles, respect for human rights, environmental issues, and antinarcotic efforts.

## **Regional Relations**

Mexico attended the 1994 Summit of the Americas, held in Miami, and coordinated the education policy agenda for the 1998 Summit of the Americas in Santiago. Mexico is an observer of the Caribbean Economic Community (CARICOM) and a member of several Latin American trade associations.

A free trade pact between Mexico, Guatemala, Honduras and El Salvador was signed on in June 29, 2000. The pact, which aims to boost regional integration and economies through the promotion

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of small and mid-sized companies, went into effect on Jan. 1, 2001.

Relations between Mexico and Cuba were slightly strained in 2002 when Mexican President Fox asked Cuban President Fidel Castro to excercise retraint at an international aid summit. Castro, upset at Mexico's support for United Nation's condemnation of Cuba's human rights record, taped and publicized a conversation he shared with Fox. In the conversation, Fox was clearly recorded as he pressured Castro to leave the conference early, and also to refrain from criticizing either United States President George Bush or the United States. The publicization of the tape caused a temporary strian between the two countries, which usually share close and cordial ties; however, relations were normalized soon thereafter.

In 2005, relations between Mexico and Venezuela deteriorated in the aftermath of the Organization of American states summit in Argentina. The diplomatic imbroglio was sparked by the United States-backed effort to launch the Free Trade of the Americas and Mexico's support therein. Venezuelan President Hugo Chavez claimed that Mexican President Vicente Fox had violated normal protocol by trying to force agreement on the contentious free trade deal, even when it was not on the agenda. While giving an address to business people and political supporters in the Venezuelan capital city of Caracas after the summit, Chavez said: "How sad that the president of a people like the Mexicans lets himself become the puppy dog of the empire." By "empire" he was referring to the United States. The Mexican government responded to the characterization by demanding an apology, and noted that the Venezuelan leader's words struck at "the dignity of the Mexican people." Foreign ministers from both two countries met to discuss the dispute but no resolution was immediately forthcoming.

### Other Significant Relations

While the United States (U.S.) and Mexico are often in agreement on foreign policy issues, some differences remain, in particular, regarding relations with Cuba. The U.S. and Mexico agree on the ultimate goal of establishing a democratic, free-market regime in Cuba, but disagree on the tactics to reach that goal.

The scope of Mexican-U.S. relations goes far beyond diplomatic and official contacts; it entails extensive commercial, cultural, and educational ties, as demonstrated by the annual figure of nearly 290 million legal crossings from Mexico to the United States. In addition, more than a half-million American citizens live in Mexico. More than 2,600 U.S. companies have operations there, and the U.S. accounts for 60 percent of all foreign direct investment in Mexico. Along the 2,000-mile shared border, state and local governments interact closely.

In January 2001, it was estimated that 8.2 legal and illegal Mexican immigrants live in the United States, a number equaling eight percent of the total Mexican population and three percent of the

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U.S. population. The majority of migrants come from the poverty-stricken Mexican states of Guanajuato, Michoacan, Zacatecas and Oaxaca, motivated by the high demand for workers in the U.S. industrial, agricultural and service sectors, and by the prospect of higher wages. It is estimated that in 2000, Mexican residents in the United States sent more than \$6 billion to their relatives in Mexico.

Since 1981, the management of the broad array of Mexican-U.S. issues has been formalized in the U.S.-Mexico Bi-National Commission, composed of numerous U.S. cabinet members and their Mexican counterparts. The commission holds annual plenary meetings, and many sub-groups meet during the course of the year to discuss numerous issues including: trade and investment opportunities, financial cooperation, consular issues and migration, legal affairs and anti-narcotics cooperation, cultural relations, education, energy, border affairs, environment and natural resources, labor, agriculture, health, housing and urban development, transportation, fisheries, tourism, and science and technology.

The commission met on June 10 and 11, 1998, in Washington D.C., during which the two governments signed new agreements on border affairs, the environment, public health, transportation safety, energy, education and cultural heritage. On June 3 and 4, 1999, the commission met in Mexico City and continued its work in the many fields making up the broad bilateral relationship.

In 1992, Mexico's President Carlos Salinas and President Bill Clinton signed the North American Free Trade Agreement (NAFTA), which went into effect in 1994. NAFTA, which encompasses a market of approximately 400 million people and has a \$6 billion potential, eliminated constraints on trade between the United States, Mexico, and Canada, and placed limits on European and Asian investments. The agreement promised benefits to Mexico such as the modernization of the production system, the creation of jobs, and salary increases, which so far have not been met. President Vicente Fox pledged to continue to promote NAFTA, by urging U.S. President George W. Bush to completely open the border between the two countries to people and services for the long term.

A strong partnership with Mexico is critical to controlling the flow of illicit drugs into the United States. The U.S. has certified Mexico as fully cooperating in this effort based on significant counter-narcotics progress in 1998 and a number of new and significant Mexican initiatives in fighting drug trafficking.

During 1996, the U.S. and Mexico established a High-Level Contact Group (HLCG) on narcotics control to explore joint solutions to the shared drug threat, to coordinate the full range of narcotics issues, and to promote closer law enforcement coordination. Former President Zedillo formalized his government's commitment to counter-narcotics cooperation with the United States by signing the "Declaration of the Mexican-U.S. Alliance Against Drugs" with President Clinton in May 1997.

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The bi-national alliance worked throughout 1997 to produce a "U.S.-Mexico Binational Drug Strategy," a document which contains 16 alliance objectives, ranging from drug shipment interdiction to extradition of drug traffickers. Following the controversy in 1998 over a U.S. money laundering investigation of Mexican banks and individuals (Operation Casablanca), the two governments agreed on procedures to improve communication and coordination in cases of sensitive law enforcement investigations.

During their February 1999 meeting in Mexico, Presidents Clinton and Zedillo adopted comprehensive benchmarks (Performance Measures of Effectiveness) that both governments now use to assess how well the two countries are meeting the goals and objectives of the joint strategy.

President Vicente Fox has combined efforts with the attorney general's office, the Defense Department, and other security agencies in Mexico to continue combating drug trafficking.

Cooperation between the United States and Mexico along their 2,000-mile common border includes state and local problem-solving mechanisms, transportation planning, and institutions to address resource and environment issues. In 1993, the Border Liaison Mechanism (BLM) was established, and now eight BLMs chaired by U.S. and Mexican consuls operate in "border pair" cities. BLMs have proven to be an effective means of dealing with a variety of local issues ranging from accidental violation of sovereignty by law enforcement officials and charges of mistreatment of foreign nationals to coordination of port security and cooperation in public health matters such as tuberculosis. In conjunction with the 1998 New Border Vision, the United States and Mexico agreed that each BLM would establish three working subgroups: Economic and Social Development, Protection/Migration and Border Crossing Facilitation, and Border Public Safety.

As the number of people and the volume of cargo crossing the Mexico-U.S. border increases, so too does the need for coordinated infrastructure development. The multi-agency U.S.-Mexico Binational Group on Bridges and Border Crossings meets twice yearly to improve the efficiency of existing crossings and coordinate planning for new ones. The group also conducts an annual "Border Walk" to gain a first-hand impression of how border crossings work.

The United States and Mexico have a long history of cooperation on environmental and natural resource issues, particularly in the border area, where there are serious environmental problems caused by rapid population growth, urbanization, and industrialization. Cooperative activities between the U.S. and Mexico take place under a number of agreements such as:

An 1889 convention establishing the International Boundary Commission, reconstituted by the Water Treaty of 1944 as the International Boundary and Water Commission, United States and Mexico (IBWC). The IBWC has settled many difficult U.S.-Mexico boundary and water problems, including the regularization of the Rio Grande near El Paso through the 1967 Chamizal

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settlement. The IBWC divides the use of international waters, builds and operates water conservation and flood control projects, and constructs and maintains boundary markers on the land boundary and on international bridges. In recent years, the IBWC has worked to resolve long-standing border sanitation problems, to monitor the quantity and quality of border groundwater, and to address water delivery and sedimentation problems of the Colorado River.

- · A series of agreements on border health (since 1942), wildlife and migratory birds (since 1936), national parks, forests, marine and atmospheric resources.
- The 1983 La Paz Agreement to protect and improve the border environment and Border XXI, a bi-national, interagency planning program, begun in 1996, to address environmental, natural resource, and environmental health concerns in the border area by identifying and addressing long-term objectives and goals.
- The 1993 North American Agreement on Environmental Cooperation (NAAEC), creating the North American Commission on Environmental Cooperation under NAFTA by the U.S., Mexico, and Canada, to strengthen environmental laws and address common environmental concerns.
- · A November 1993 agreement between the U.S. and Mexico, also under NAFTA, that established the Border Environment Cooperation Commission (BECC) and the North American Development Bank (NADBank). The BECC works with local communities to build or upgrade environmental infrastructure such as wastewater treatment plants, drinking water systems, and solid waste disposal facilities. The North American Development Bank (NADBank) leverages private sector capital to finance border environmental infrastructure projects certified by the BECC.

President Fox's relations with U.S. President George W. Bush were close and amiable in 2001, and Fox seemed to be making progress on bilateral migration issues. Amid statements by George Bush that the United States' relations with Mexico were a top priority, Mexico's aspirations for guest-worker programs and migrant amnesties were looking hopeful. Following the Sept. 11 terrorist attacks in New York and Washington D.C., however, the focus of U.S. foreign policy shifted to the Middle East, Mexico's bilateral agenda was put on the backburner.

In response to the Sept. 11 attacks, the Fox administration declared full support of the United States, short of sending troops. Border controls were increased to maximum security, and in an American-directed search for terrorists, Mexico detained and questioned hundreds of people of Middle Eastern origin. Government officials professed solidarity with the United States in response to the disaster. In an act unprecedented by a Mexican president, Fox offered a plan in October for a trilateral security zone that would enlist Mexico and Canada as the first line of defense of U.S. borders. The proposed plan would involve the exchange of intelligence between the customs and immigration agencies of the three countries regarding the movements of potential terrorists, as well as the stepping up of intelligence and security within Mexico. In offering such an

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uncharacteristically active role for Mexico in U.S. affairs, Fox hoped to position himself such that he could urge the United States to ease its new controls on legal crossings, while still maintaining an extremely high level of security.

In 2003, United States-Mexico relations were strained when Mexico called for a stays of execution in the cases of 51 Mexican nationals on death row in the United States. The Mexican government stated that the individuals on death row had not be provided with information about their right to assistance from Mexican consular offices. Bilateral relations were further strained when Mexico did not offer outright support for the United States-led war in Iraq and, indeed, Mexican President Vicente Fox expressed a clear objection to the war, especially without sanction from the United Nations. Mexico held a seat at the United Nations Security Council and did not support the United States' call for an additional resolution expressly authorizing the use of force against Iraq.

The war in Iraq in 2003 also added to the strained bilateral relations. Mexico did not support the war by offering troops while the Mexican public expressed outrage at the war itself. To date, Mexicans largely have protested United States policy in regard to Iraq.

In 2005, one of the most contentious issues related to bilateral relations concerns the illegal immigration of Mexicans across the border into the United States. It has continued to be a politically-charged issue. In 2006, the immigration issue was also a significant concern with many conservative politicians in the United States foregrounding the matter in the mid-term elections.

In 2007, the issue continued to occur in the political purview. Ironically, Republican President Bush and the Democrats shared some common ideas for carving legislation that would include both enforcement of the border, as well as a guest worker program, and the possibility of offering undocumented foreign workers a path to legal status. Such a plan was in direct contravention to Republicans' preference for a strong enforcement regime, which would criminalize undocumented workers. Bush and the Democrats never made any progress on the issue of immigration reform in the final year of the Republican president's administration.

By 2008, Barack Obama had been elected the new president of the United States and made clear that immigration reform that embraced both border control and humane treatment of illegal immigrants would be part of the policy changes to be implemented.

At the start of April 2009, United States and Mexican officials agreed to work together to fight the drug cartels said to be responsible for a spate of brutal violence in Mexico close to the border with the United States. That brutal violence was taking on crisis proportions. United States Secretary of State Hillary Clinton had earlier acknowledged that her country was providing the market for the illegal sale of drugs, as well as the weapons used to carry out the violence by rival drug cartels. Since then, U.S. Homeland Security Secretary Janet Napolitano and U.S. Attorney General Eric Holder met with their counterparts, Interior Minister Fernando Gomez-Mont, Mexican Attorney

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General Eduardo Medina-Mora, as well as Public Safety Secretary Genaro Garcia Luna. The officials said they would soon name a group to develop strategies for stopping the cross-border flow of weapons and drugs. The two sides also hoped to advance an agreement that could potentially be signed when U.S. President Barack Obama visits Mexican President Felipe Calderon at the end of April 2009.

In March 2010, a couple from the United States and one Mexican national were killed in two separate incidents in Ciudad Juarez in Mexico, just across the border from El Paso in Texas. The killings occurred within minutes of one another, with the American couple being the victims in one case, and the Mexican citizen as the victim in the second case. Two of the three victims were affiliated with the United States Consulate in Ciudad JUarez. Lesley Enriquez was employed at the consulate while he husband was employed at the El Paso's Sheriff's Department across the border. The third victim was only identified as a Mexican citizen affiliated with the United States consulate. All three of the victims had attended a party at the home of another employee of the United States consulate.

United States President Barack Obama expressed "outrage" and "deep sadness" at the killings. A statement released by the White House read as follows: "The president is deeply saddened and outraged by the news of the brutal murders of three people associated with the United States Consulate General in Ciudad Juarez, Mexico, including a U.S. citizen employee, her U.S. citizen husband and the husband of a Mexican citizen employee. He extends his condolences to the families and condemns these attacks on consular and diplomatic personnel serving at our foreign missions. In concert with Mexican authorities, we will work tirelessly to bring their killers to justice."

Well into 2011, narcotics-oriented and gang-related violence continued to plague Mexico and affect cross-border security. See "Political Conditions" for details.

Also, in October 2011, United States law enforcement and intelligence agencies uncovered a conspiracy plot by Iranian agents working on behalf of the elite Iranian Quds Force. The plot included plans to assassinate the Saudi Arabian ambassador to the United States, and to bomb the Saudi and Israeli embassies in Washington D.C. and Buenos Aires. The White House has promised to hold Tehran responsibility for its involvement in this elaborate plot of assassination and terrorism. Meanwhile, a connection between the Iranian agents and Mexican drug cartels (whom the Iranian agents were hoping to hire to carry out the assassination) has been uncovered, effectively complicating the already-tangled web of complex geopolitics.

Positive relations between Mexico and the United States was expected to continue from 2012 with the election of President Enrique Pena Nieto.

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### Special Note

U.S. spying on allies causes bilateral tensions

In late October 2013, the German publication, Der Spiegel, reported that according to leaked clandestine documents from the National Security Agency (NSA), the United States had been spying on Germany. Of primary interest was the suggestion that that United States had been spying on Angela Merkel -- the German head of government -- via her mobile phone. The report indicated that the United States' surveillance of Merkel dated back to 2002 -- before she became Chancellor of Germany.

The revelations have spurred outrage in Germany and even caused Chancellor Merkel to call United States President Obama to register her disapproval. There was also an announcement that German intelligence officials would be sent to the United States to seek answers on the news of spying. President Obama reportedly apologized to Chancellor Merkel for the phone monitoring but assured his German counterpart that he would have stopped the practice, had he known about it. Another German publication, Bild, disputed this claim by the United States president, citing intelligence sources who said President Obama had been briefed about the operation that included monitoring of Merkel. However, the National Security Agency in the United States issued a statement maintaining that the matter was never discussed with President Obama. Regardless, the issue has soured bilateral relations between the two countries.

Diplomatic relations between the United States and other countries have already been compromised as result of NSA revelations. Indeed, Spain was demanding answers about the news that millions of Spanish phone calls were intercepted by the NSA. As well, the Spanish government summoned the United States ambassador to Spain to answer questions about the United States' espionage practices. Already, the governments of Brazil and Mexico had reacted in anger over news that the United States' espionage targets involved their countries.

Written by Dr. Denise Youngblood Coleman, Editor in Chief at CountryWatch.com; see Bibliography for research sources.

# **National Security**

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### **External Threats**

No foreign power poses an immediate threat to Mexico. Differences over a water-sharing agreement have periodically precipitated tension between the governments of Mexico and the United States (U.S.), however. Likewise, matters pertaining to the illegal immigration from Central America into Mexico and from Mexico into the U.S.have led to disagreements between the Mexican government and those of its neighbors.

### Crime

Mexico plays host to a range of illicit enterprises, most notably narcotics trafficking. It serves as the primary conduit of South American cocaine to the United States. Roughly 70 percent of all the cocaine that enters the U.S. transits Mexico, as do significant amounts of heroin, marijuana, and methamphetamine. Poppy and cannabis are cultivated there. Criminal elements in Mexicoare also engaged in the production and distribution of the drug ecstasy. Drug trafficking has precipitated the rise of large, influential crime syndicates in Mexico. It has also contributed to the emergence of another burgeoning illicit industry there: money laundering. Outside of the trafficking in illicit substances and related crimes, theft and armed robbery are prevalent in Mexico, as is kidnapping for ransom. These are especially worrisome in the larger metropolitan areas of Mexico City, Tijuana, Ciudad Juarez, Nuevo Laredo, and the state of Sinaloa.

Note that in recent years, Mexico has plagued by rampant violence and crime at the hands of narcotics traffickers and cartels, as well as drug gangs. The degree of criminality affecting broad swaths of Mexico has raised questions about the Mexican government's ability to adequately deal with rampaging drug gangs who have turned portions of the country into lawless enclaves.

Since the start of Mexico's drug war, broadly regarded as having commenced in late 2006 to early 2007, approximately 50,000 people have died in drug-related violence, according to Mexico's Office of the Attorney General. For his part, former President Felipe Calderon interpreted the rising rate of bloodshed in the most favorable manner by saying it showed that the drug cartels were under pressure from his government's crackdown. To that end, he drew attention to the fact that in the three and a half year period from late 2006 to 2010, thousands of troops had been deployed at key locations across the country, 75,000 weapons had been decommissioned, and 78,000 people had been detained on narcotics-associated operations. Nevertheless, then-President Calderon simultaneously warned that drug gangs and cartels were intent on imposing their own authority in pockets across Mexico. Not surprisingly, anxiety was on the rise as Mexicans worried about the "Colombianization" of the ongoing drug war in their own country.

One of the main narcotics gangs in Mexico was known as the "Zetas." The Zetas drug cartel found their origins as the enforcement wing of the powerful Gulf cartel in Mexico. The Zetas

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gained notoriety for their brutal tactics, as well as the composition of the group's membership as predominantly defectors from an elite military unit. But the Zetas-Gulf connection was fractured in 2010, and sparked a bloody and violent turf war across northern Mexico over the course of the next three years. By 2012, the Zetas was the biggest and most powerful drug cartel in Mexico. It was to be seen if the death of founder, Heriberto Lazcano, in 2012, and the arrest of the succeeding leader, Miguel Angel Trevino Morales, in 2013 would weaken the Zetas. As the leader of one of the world's most notorious narcotics cartels, with a record of extreme brutality, Trevino Morales was wanted on both sides of the United States-Mexican border for his global narcotics trafficking activities, as well as the bloody massacres that occurred at his behest.

By mid-2013, despite the capture of Trevino Morales (discussed above), it was apparent that Mexico's bloody and violent drug war was ongoing. Clashes between police and armed gang members in the state of Michoacan left dozens of people dead. The violence was sparked when gang members installed an unofficial roadblock and ambushed police patrols. The ensuing gun battle left two police officers and a score of the gunmen dead. In this area of Mexico, an entity called the Knights Templar was growing in strength and complicating the terrain of insecurity in Mexico, as it clashed with the rival criminal gang known as Nueva Generacion (New Generation). Clearly, the rise in criminal gang violence in Michoacan was related to the violence, kidnappings, and extortion by rival drug cartels in the region.

But the climate of insecurity was also sparking a backlash as citizens groups were being launched to defend communities, and thus created new battle lines between established drug cartels and vigilante groups trying to defend people tired of the violence. Of course, the establishment of such vigilante groups raised questions about the effectiveness of Mexico's military and police in addressing the rampant drug-related crime swamping Mexico.

In February 2014, Joaquin Guzman Loera, the leader of the notorious Sinaloa drug cartel, was reported to have been arrested in Mexico. Nicknamed "El Chapo" or "Shorty," Guzman was regarded as the leader of a narcotics trafficking empire specializing in the sale of cocaine, marijuana, and methamphetamines, mostly to buyers in the United States. His arrest during an overnight raid at the Miramar beach resort in the Mexican town of Mazatlan on Mexico's Pacific coast was regarded as a major coup for the Mexican authorities. The operation was accomplished in a joint operation between the Mexican navy and United States forces. It should be noted that Guzman was actually jailed years in the early 1990s, but escaped prison in 2001 when his guards were bribed to help him escape in a laundry cart. He was on the run for the next 13 years and able to control his drug cartel. Now, however, as of February 2014, Guzman would face harsh drug trafficking charges in Mexico and the United States.

NOTE: At the time of writing, Mexico remained one of the most unsafe places in the world for journalists; meanwhile, kidnapping, extortion, and murder remain rampant in Mexico and contribute to the overall picture of a country mired by violent crime and insecurity.

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## **Insurgencies**

In January 1994, militants in the southern Mexican state of Chiapasstaged a brief insurgency against the government. The rampant poverty that afflicts much of the region's largely indigenous population and the government's alleged indifference to it sparked the violence. After only twelve days of fighting, the rebels and the central government negotiated a ceasefire that remained in effect through mid-2004. Sporadic clashes between armed civilian groups have continued to occur in Chiapas, however, since 1994. True to his campaign promise, President Vicente Fox has taken steps to improve conditions in Chiapassince being elected in December 2000. His six year term ended in 2006; at that time, Fox was succeeded by Felipe Calderon. Meanwhile, in 2007, harsh measures taken by the governor of Oaxaca resulted in mass protests and also contributed to a climate of instability.

### **Terrorism**

There is no specific threat of a terrorist attack against any targets in Mexicoor Mexican interests abroad. In July 2003, however, Mexican officials arrested six Spanish nationals and three citizens of Mexico, all allegedly affiliated with the Spanish terrorist organization, the Basque Fatherland and Liberty (ETA). The individuals taken into custody reportedly laundered money and forged documents in support of ETA. Mexicois party to all twelve of the international protocols and conventions pertaining to terrorism.

Mexico is party to all twelve of the international conventions pertaining to the subject of international terrorism.

## **Defense Forces**

## **Military Data**

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### **Military Branches:**

Secretariat of National Defense (Secretaria de Defensa Nacional, Sedena): Army (Ejercito), Mexican Air Force (Fuerza Aerea Mexicana, FAM); Secretariat of the Navy (Secretaria de Marina, Semar): Mexican Navy (Armada de Mexico (ARM); includes Naval Air Force (FAN), Mexican Naval Infantry Corps (Cuerpo de Infanteria de Marina, Mexmar or CIM)

## Eligible age to enter service

18 years of age for compulsory military service; 16 years of age with consent for voluntary enlistment; conscripts serve only in the Army; Navy and Air Force service is all voluntary; women are eligible for voluntary military service; cadets enrolled in military schools from the age of 15 are considered members of the armed forces

## **Mandatory Service Terms:**

1 year for conscripted service

## Manpower in general population-fit for military service:

males age 16-49: 23,239,866

females age 16-49: 25,642,549

### Manpower reaching eligible age annually:

males: 1,105,371

females: 1,067,007

### **Military Expenditures-Percent of GDP:**

0.59%

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# Chapter 3 Economic Overview

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## **Economic Overview**

### **Overview**

Mexico has undergone a profound economic transformation since the mid-1990s as a result of economic liberalization and its joining the North American Free Trade Agreement (a free trade bloc with the U.S. and Canada also known as NAFTA). There has been rapid and impressive progress in building a modern, diversified economy, improving infrastructure, and tackling poverty. Today, the country enjoys a more open economic and political system and is more integrated with the world economy.

Mexico is endowed with substantial natural resources, and is a major oil producer and exporter. Oil and gas revenues provide about one-third of the total government revenue. The Mexican economy is highly dependent on exports to the United States, which account for about 80 percent of its total exports. Reflecting close linkages with the U.S. economy, Mexico experienced a rapid decline in manufacturing exports in the first half of 2009 as a result of the global economic crisis, while the H1N1 virus outbreak in mid-2009 put an additional drag on economic activity. As such, following a slowdown in 2008, Mexico's economy contracted largely in 2009. Nevertheless, Mexico today is in a much stronger position than it was a decade ago, thanks to the significant improvements in its macroeconomic policies, including the flexible exchange rate and rules-based fiscal and monetary policies, and the strengthened public, corporate and banking sector balance sheets. As a result, for the first time in many years, the strong fundamentals enabled the government to take an effective counter-cyclical macro policy response and helped preserve stability during the crisis.

Economic growth resumed in 2010 on the back of strong policy measures and increased manufacturing export demand. Meanwhile, the country continued to suffer from sluggish domestic demand into 2011. Worries about a slowdown in the global economy in September of 2011 pushed investors to drop emerging market assets and drove the Mexican peso to its lowest in more than two years. GDP growth was still positive in 2011, but at a slower rate than the prior year. Because of depressed local activity, it was expected that the country's policy makers would have to adjust monetary policy in the first quarter of 2012.

By the third quarter of 2012, Mexico's economic growth had slowed by 0.5 percent (compared to the second quarter) to 3.3 percent - its weakest rate of growth since the first quarter of 2011 –as the nation's manufacturing expansion slowed on lower demand from the U.S., its dominant export market. Still, analysts estimated that Mexico would record growth of about 4 percent for 2012, more than double that was expected for rival Brazil. "If the manufacturing sector continues to hold

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its own, I don't think we're looking at a major slowdown," UBS economist Rafael De La Fuente was quoted by Reuters as saying. In November 2012, Mexican lawmakers approved a labor reform bill after 15 years of gridlock over major economic reforms and no change to interest rates was expected in the short-term. President-elect Enrique Pena Nieto promised to push for tax and energy reforms after he took office in December.

In December 2012, the International Monetary Fund's executive board approved the renewal of Mexico's Flexible Credit Line for \$73 billion for another two years, noting that the country's growth had remained resilient on the heels of strong fundamentals and sound policy frameworks and management. For 2012 as a whole, growth only slightly recovered. Looking ahead, it was expected to decline slightly in 2013.

In the second quarter of 2013, the Mexican economy contracted for the first time in four years on the heels of low government spending and a weakening construction sector. Still, policymakers were optimistic about an economic recovery. By November 2013, Mexico's ruling party was close to agreeing on a plan that had the potential to weaken the presidency and strengthen Congress in order to win votes for a significant energy reform that would entail altering the constitution to allow more private capital into the state-controlled oil industry. Meanwhile, also in November 2013, Mexican industrial output dropped to its lowest level in nine months due to weakness in the manufacturing, construction and utilities industries.

Overall, in 2013, two-way merchandise trade in Mexico reached nearly \$507 billion. Growth was slow, the least since the 2009 recession, amid debt defaults by the nation's largest homebuilders and a lag in public spending due to the presidential transition.

Mexico's current government, led by President Enrique Pena Nieto, emphasized economic reforms during its first year in office, passing education, energy, financial, fiscal and telecommunications reform legislation. The three-party "Pact for Mexico" reform agenda aims to improve competitiveness and economic growth across the Mexican economy.

In August 2014, Bloomberg reported that Mexico's economy expanded more than forecast in the second quarter as a rebound in U.S. demand boosted exports. This followed six months of disappointing growth. GDP climbed 1 percent from the previous three months, faster than first-quarter growth that was revised up to 0.4 percent, according the national statistics institute. Growth was forecast to accelerate in the second half of 2014 after the government increased public spending and the central bank cut its key rate to a record-low 3 percent.

"We should rotate from an externally-driven recovery towards a services-led expansion in the second half of the year," Gabriel Lozano, chief Mexico economist at JPMorgan Chase & Co., was quoted by Bloomberg as saying. "The data published today should confirm that there is no further space for Banxico to cut rates."

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Meanwhile, the government also reaffirmed its forecast for growth of 2.7 percent for the year. It also predicted growth would continue to accelerate after President Nieto ended the state oil production monopoly and opened the telecommunications industry to more competition. These moves were aimed at helping boost growth to nearly 5 percent by the time President Nieto leaves office in 2018. Economists slashed their 2014 growth and inflation estimates since the start of the year after consumer spending proved weaker than expected following tax increases.

Policymakers lowered their 2014 growth forecast in September 2014 for the third time, saying GDP would climb by 2 percent to 2.8 percent, down from the previous estimate of 2.3 percent to 3.3 percent. The government was predicting a 2.7 percent expansion after reducing its estimate in May from 3.9 percent.

In 2014, two-way trade in goods and services exceeded \$550 billion. Although the economy was expected to experience stronger growth in 2015 as a result of increased investment and stronger demand for Mexican exports, growth was predicted to remain below potential for reasons of inefficiencies, with a large portion of the economy and workforce in the informal sector and corruption.

In late October 2015, Reuters reported that Mexico's economy expanded at a slightly faster pace in the third quarter as industrial output recovered, according to Arturo Blancas, the country's director of economic data at the national statistics institute.

Blancas said the economy likely expanded 2.4 percent in the third quarter compared to the same quarter a year earlier. Previously reported data showed the economy posted an annual rate of 2.2 percent in the second quarter.

Still, economists were scaling back their 2015 economic growth forecasts to 2.22 percent from more than 3 percent earlier in the year, according to a poll from Banamex. Meanwhile, the central bank also said in October the outlook for growth had worsened since its last policy meeting in September. Despite a lack of major growth, Mexico was being viewed by some as Latin America's biggest success story considering Brazil had fallen into recession, according to CNN Money. Observers noted that Mexico's economy was at least growing, unemployment falling (it stood at an estimated 4.3 percent in September 2015) and its debt had been upgraded earlier in the year.

"Every problem and every headwind that you think of with Brazil, the reverse is happening in Mexico," Neil Shearing, chief emerging market economist at Capital Economics, was quoted as saying in a CNN Money article.

### Economic Performance

Following growth from 2004 to 2007, Mexico's economy decelerated in 2008, and recorded a large contraction in 2009 as a result of the global economic crisis. By 2010, growth had rebounded

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before slowing again in 2011 and 2012.

According to CountryWatch estimated calculations for 2014:

Real GDP growth rate was: 3.4 percent

The fiscal deficit/surplus as percent of GDP (%) was: -3.5 percent

Inflation was measured at: 5.2 percent

Updated in 2015

\*Please note that the figures in our Economic Performance section are estimates or forecasts based on IMF-based data that are formulated using CountryWatch models of analysis.

Supplementary Sources: Roubini Global Economics, International Monetary Fund, CNN Money, Bloomberg and Reuters

## **Nominal GDP and Components**

Nominal GDP and	Components				
	2011	2012	2013	2014	2015
Nominal GDP (LCU billions)	14,550.01	15,627.71	16,121.44	17,050.56	18,314.08
Nominal GDP Growth Rate (%)	9.546	7.407	3.159	5.763	7.410
Consumption (LCU billions)	9,808.92	10,352.08	10,810.36	11,377.03	12,117.92
Government Expenditure (LCU billions)	1,683.83	1,849.07	1,962.75	2,093.32	2,229.64
Gross Capital					

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	2011	2012	2013	2014	2015
Formation (LCU billions)	3,238.84	3,602.17	3,491.91	3,739.04	4,047.41
Exports of Goods & Services (LCU billions)	4,548.96	5,100.57	5,116.96	5,580.85	6,337.32
Imports of Goods & Services (LCU billions)	4,730.53	5,276.17	5,260.55	5,739.68	6,418.22

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# Population and GDP Per Capita

Population an	Population and GDP Per Capita										
	2011	2012	2013	2014	2015						
Population, total (million)	115.685	117.055	118.397	119.715	121.087						
Population growth (%)	1.219	1.184	1.146	1.113	1.146						
Nominal GDP per Capita (LCU 1000s)	125,772.69	133,507.43	136,164.28	142,426.22	151,247.29						

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## **Real GDP and Inflation**

Real GDP and Inflation									
	2011	2012	2013	2014	2015				
Real Gross Domestic Product (LCU billions 2005 base)	12,774.26	13,288.19	13,475.97	13,671.29	14,078.33				
Real GDP Growth Rate (%)	4.045	4.023	1.413	1.449	2.977				
GDP Deflator (2005=100.0)	113.901	117.606	119.631	124.718	130.087				
Inflation, GDP Deflator (%)	5.287	3.253	1.722	4.252	4.305				

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## **Government Spending and Taxation**

### Government Spending and Taxation 2011 2012 2013 2014 2015 Government Fiscal 3,939.34 4,324.27 4,515.78 4,816.87 5,139.14 Budget (billions) Fiscal Budget Growth 9.771 6.667 10.989 4.429 6.690 Rate (percentage) National Tax Rate 23.680 23.897 24.270 23.632 24.061 Net of Transfers (%) Government Revenues Net of 3,445.50 3,734.50 3,912.68 4,029.35 4,406.58 Transfers (LCU billions) Government Surplus(-) Deficit(+) -493.8460 -589.7730 -603.0990 -787.5240 -732.5630 (LCU billions) Government Surplus(+) Deficit(-) -3.3941 -3.7739 -3.7410 -4.6188 -4.0000 (%GDP)

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# **Money Supply, Interest Rates and Unemployment**

Money Supply, Interest Rates and Unemployment									
	2011	2012	2013	2014	2015				
Money and Quasi-Money (M2) (LCU billions)	4,502.27	4,956.27	5,366.63	6,020.97	6,467.15				
Money Supply Growth Rate (%)	9.979	10.084	8.280	12.193	7.410				
Lending Interest Rate (%)	4.916	4.731	4.248	3.552	11.161				
Unemployment Rate (%)	5.172	4.893	4.908	4.750	4.250				

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# Foreign Trade and the Exchange Rate

Foreign Trade and the Exchange Rate										
	2011	2012	2013	2014	2015					
Official Exchange Rate (LCU/\$US)	12.423	13.170	12.776	13.207	15.768					
Trade Balance NIPA (\$US billions)	-14.6147	-13.3334	-11.2389	-12.0266	-5.1302					
Trade Balance % of GDP	-1.2479	-1.1237	-0.8907	-0.9315	-0.4417					
Total Foreign Exchange Reserves (\$US billions)	149.208	167.076	180.200	195.682	153.961					

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## **Data in US Dollars**

Data in US Dollars					
	2011	2012	2013	2014	2015
Nominal GDP (\$US billions)	1,171.18	1,186.60	1,261.86	1,291.06	1,161.48
Exports (\$US billions)	366.163	387.283	400.514	422.580	401.915
Imports (\$US billions)	380.778	400.616	411.753	434.606	407.045

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# **Energy Consumption and Production Standard Units**

Energy Cons	Energy Consumption and Production Standard Units									
	2011	2012	2013	2014	2015					
Petroleum Consumption (TBPD)	2,112.56	2,101.68	2,091.58	2,007.76	2,046.63					
Petroleum Production (TBPD)	2,960.34	2,920.85	2,905.70	2,749.04	2,767.62					
Petroleum Net Exports (TBPD)	847.787	819.170	814.119	741.283	720.982					
Natural Gas Consumption (bcf)	2,356.43	2,421.58	2,280.64	2,587.14	2,763.54					
Natural Gas Production (bcf)	1,746.05	1,676.16	1,643.15	1,580.74	1,656.51					
Natural Gas Net Exports (bcf)	-610.3783	-745.4263	-637.4924	-1006.3990	-1107.0356					
Coal Consumption (1000s st)	20,961.55	20,676.05	20,922.02	22,028.70	22,523.21					
Coal Production	17,041.77	15,773.23	16,206.27	15,523.80	14,797.01					

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	2011	2012	2013	2013 2014	
(1000s st)					
Coal Net Exports (1000s st)	-3919.7810	-4902.8208	-4715.7501	-6504.9042	-7726.2007
Nuclear Production (bil kwh)	9.313	8.412	11.319	9.283	9.272
Hydroelectric Production (bil kwh)	35.903	31.536	27.678	38.470	39.366
Renewables Production (bil kwh)	10.433	12.321	14.932	16.313	17.944

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# **Energy Consumption and Production QUADS**

Energy Consumption and Production QUADS								
	2011	2012	2013	2014	2015			
Petroleum Consumption (Quads)	4.511	4.488	4.466	4.287	4.370			
Petroleum Production (Quads)	6.320	6.279	6.224	6.004	4.723			
Petroleum Net Exports (Quads)	1.810	1.792	1.758	1.717	0.3533			
Natural Gas Consumption (Quads)	2.404	2.470	2.326	2.639	2.819			
Natural Gas Production (Quads)	1.779	1.704	1.673	1.635	1.446			
Natural Gas Net Exports (Quads)	-0.6243	-0.7659	-0.6537	-1.0034	-1.3727			
Coal Consumption (Quads)	0.4192	0.4135	0.4184	0.4406	0.4505			
Coal Production (Quads)	0.3475	0.3349	0.3407	0.3105	0.2668			
Coal Net Exports (Quads)	-0.0718	-0.0787	-0.0777	-0.1301	-0.1836			
Nuclear Production (Quads)	0.0931	0.0841	0.1132	0.0928	0.0927			
Hydroelectric Production (Quads)	0.3590	0.3154	0.2768	0.3847	0.3937			
Renewables Production (Quads)	0.1043	0.1232	0.1493	0.1631	0.1794			

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## **World Energy Price Summary**

#### World Energy Price Summary 2011 2014 2015 2012 2013 Petroleum-WTI (\$/bbl) 97.943 48.709 95.054 94.159 93.112 Natural Gas-Henry Hub (\$/mmbtu) 2.752 3.729 4.369 3.999 2.614 Coal Thermal-Australian (\$/mt) 84.562 121.448 96.364 70.130 57.511

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## **CO2** Emissions

CO2 Emissions					
	2011	2012	2013	2014	2015
Petroleum Based (mm mt C)	100.777	100.258	99.776	95.777	97.632
Natural Gas Based (mm mt C)	38.231	39.288	37.001	41.974	44.836
Coal Based (mm mt C)	12.013	11.849	11.990	12.625	12.908
Total CO2 Emissions (mm mt C)	151.021	151.395	148.768	150.376	155.376

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## **Agriculture Consumption and Production**

# Agriculture Consumption and Production

	2011	2012	2013	2014	2015
Corn Total Consumption (1000 metric tons)	27,010.57	30,811.42	29,234.32	29,617.39	27,236.96
Corn Production (1000 metric tons)	17,602.73	22,002.14	22,571.61	23,629.28	22,022.65
Corn Net Exports (1000 metric tons)	-9407.8400	-8809.2846	-6662.7109	-5988.1094	-5214.3112
Soybeans Total Consumption (1000 metric tons)	3,545.52	3,724.70	3,851.67	3,948.03	3,535.58
Soybeans Production (1000 metric tons)	205.503	247.051	237.797	381.099	359.040
Soybeans Net Exports (1000 metric tons)	-3340.0219	-3477.6487	-3613.8708	-3566.9334	-3176.5430

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	2011	2012	2013	2014	2015
Rice Total Consumption (1000 metric tons)	973.000	877.028	917.988	829.539	743.055
Rice Production (1000 metric tons)	173.578	178.784	179.697	232.068	228.573
Rice Net Exports (1000 metric tons)	-799.4222	-698.2443	-738.2907	-597.4708	-514.4816
Coffee Total Consumption (metric tons)	136,239.00	91,245.00	99,659.00	79,762.22	75,168.94
Coffee Production (metric tons)	229,374.61	237,934.17	226,794.45	224,963.92	208,061.70
Coffee Net Exports (metric tons)	93,135.61	146,689.17	127,135.45	145,201.70	132,892.76
Cocoa Beans Total Consumption (metric tons)	101,684.00	95,313.00	102,707.00	112,288.40	114,347.26
Cocoa Beans Production (metric tons)	83,921.62	85,115.82	86,991.20	94,391.75	95,639.04
Cocoa Beans Net Exports	-17762.3825	-10197.1814	-15715.7999	-17896.6530	-18708.2170

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	2011	2012	2013	2014	2015
(metric tons)					
Wheat Total Consumption (1000 metric tons)	6,839.44	7,303.56	6,791.32	7,217.32	6,084.18
Wheat Production (1000 metric tons)	3,619.45	3,291.67	3,352.05	3,681.91	3,165.29
Wheat Net Exports (1000 metric tons)	-3219.9824	-4011.8858	-3439.2665	-3535.4043	-2918.8892

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# **World Agriculture Pricing Summary**

#### World Agriculture Pricing Summary 2011 2012 2013 2014 2015 **Corn Pricing Summary** 291.684 298.417 259.389 169.750 192.881 (\$/metric ton) Soybeans Pricing Summary 540.667 591.417 538.417 491.771 390.417 (\$/metric ton) Rice Pricing Summary (\$/metric 458.558 525.071 473.989 386.033 425.148 ton) **Coffee Pricing Summary** 5.976 4.111 3.076 4.424 3.526 (\$/kilogram) Cocoa Beans Pricing Summary 2.980 2.392 2.439 3.062 3.135 (\$/kilogram) Wheat Pricing Summary 316.264 313.242 312.248 284.895 203.177 (\$/metric ton)

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# **Metals Consumption and Production**

Metals Consumption and Production									
	2011	2012	2013	2014	2015				
Copper Consumption (1000 mt)	545,794.99	531,473.28	528,879.92	535,382.73	535,382				
Copper Production (1000 mt)	650,945.80	586,418.03	541,006.59	632,279.90	546,400				
Copper Net Exports (1000 mt)	105,150.81	54,944.75	12,126.67	96,897.17	11,017.				
Zinc Consumption (1000 mt)	676,787.64	333,574.38	147,620.44	145,336.30	131,251				
Zinc Production (1000 mt)	319,618.36	320,449.72	321,023.76	318,235.20	310,339				
Zinc Exports (1000 mt)	-357169.2811	-13124.6572	173,403.32	172,898.90	179,088				
Lead Consumption (1000 mt)	184,893.71	310,718.05	270,516.61	314,942.55	266,223				
Lead Production (1000 mt)	315,549.95	411,513.90	397,798.96	461,305.63	450,690				

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	2011	2012	2013	2014	2015
Lead Exports (1000 mt)	130,656.24	100,795.85	127,282.35	146,363.08	184,467
Tin Consumption (1000 mt)	3,608.52	3,309.47	3,332.01	3,460.48	3,222.1
Tin Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Tin Exports (1000 mt)	-3608.5210	-3309.4670	-3332.0110	-3460.4801	-3222.16
Nickel Consumption (1000 mt)	2,213.39	2,595.09	2,547.71	3,153.99	2,545.2
Nickel Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Nickel Exports (1000 mt)	-2213.3940	-2595.0900	-2547.7090	-3153.9870	-2545.19
Gold Consumption (kg)	0.0000	0.0000	0.0000	0.0000	0.0000
Gold Production (kg)	111,621.26	124,765.07	127,408.20	139,948.35	139,475
Gold Exports (kg)	111,621.26	124,765.07	127,408.20	139,948.35	139,475

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	2011	2012	2013	2014	2015
Silver Consumption (mt)	2,634,271.00	3,976,183.75	3,467,226.00	3,896,904.82	3,229,35
Silver Production (mt)	5,025,606.34	5,606,405.49	5,137,814.41	5,282,006.04	4,890,519
Silver Exports (mt)	2,391,335.34	1,630,221.74	1,670,588.41	1,385,101.22	1,661,168

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# **World Metals Pricing Summary**

#### World Metals Pricing Summary 2012 2013 2014 2011 2015 Copper (\$/mt) 8,828.19 7,962.35 6,863.40 7,332.10 5,510.46 Zinc (\$/mt) 2,193.90 1,950.41 1,910.26 1,931.68 2,160.97 Tin (\$/mt) 26,053.68 21,898.87 16,066.63 21,125.99 22,282.80 1,787.82 Lead (\$/mt) 2,400.81 2,064.64 2,139.79 2,095.46 Nickel (\$/mt) 22,910.36 17,547.55 15,031.80 16,893.38 11,862.64 Gold (\$/oz) 1,569.21 1,669.52 1,411.46 1,265.58 1,160.66 Silver (\$/oz) 35.224 31.137 23.850 19.071 15.721

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#### **Economic Performance Index**

## **Economic Performance Index**

The Economic Performance rankings are calculated by CountryWatch's editorial team, and are based on criteria including sustained economic growth, monetary stability, current account deficits, budget surplus, unemployment and structural imbalances. Scores are assessed from 0 to 100 using this aforementioned criteria as well as CountryWatch's proprietary economic research data and models.

	Bank stability risk	Monetary/ Currency stability	Government Finances	Empl./ Unempl.	Econ.GNP growth or decline/ forecast
	0 - 100	0 - 100	0 - 100	0 - 100	%
North Americas					
Canada	92	69	35	38	3.14%
United States	94	76	4	29	3.01%
Western Europe					
Austria	90	27	30	63	1.33%
Belgium	88	27	19	23	1.15%
Cyprus	81	91	16	80	-0.69%
Denmark	97	70	45	78	1.20%
Finland	89	27	41	33	1.25%

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France	87	27	18	27	1.52%
Germany	86	27	22	21	1.25%
Greece	79	27	5	24	-2.00%
Iceland	90	17	2	34	-3.04%
Italy	85	27	37	24	0.84%
Ireland	92	27	11	10	-1.55%
Luxembourg	99	27	28	66	2.08%
Malta	77	27	41	51	0.54%
Netherlands	91	27	26	74	1.30%
Norway	98	44	10	76	1.08%
Portugal	77	27	13	20	0.29%
Spain	83	27	9	3	-0.41%
Sweden	94	72	54	32	1.23%
Switzerland	97	86	55	77	1.53%
United Kingdom	85	12	9	37	1.34%
Central and Eastern Europe					
Albania	44	60	33	6	2.30%
Armenia	45	59	49	30	1.80%

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Azerbaijan	56	4	84	99	2.68%
Belarus	59	21	83	98	2.41%
Bosnia and Herzegovina	34	68	69	N/A	0.50%
Bulgaria	58	75	88	49	0.20%
Croatia	69	68	94	9	0.18%
Czech Republic	80	89	29	70	1.67%
Estonia	72	90	66	92	0.80%
Georgia	36	60	53	56	2.00%
Hungary	70	66	26	54	-0.16%
Latvia	67	100	65	44	-3.97%
Lithuania	65	91	87	79	-1.65%
Macedonia (FYR)	53	69	56	2	2.03%
Moldova	23	36	81	67	2.50%
Poland	74	74	38	12	2.72%
Romania	62	56	70	62	0.75%
Russia	73	18	90	8	4.00%
Serbia	48	49	52	5	1.97%

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Montenegro	39	27	73	1	-1.70%
Slovak Republic	80	62	30	14	4.06%
Slovenia	81	27	36	65	1.12%
Ukraine	41	11	57	N/A	3.68%
Africa					
Algeria	57	18	96	7	4.55%
Angola	49	1	97	N/A	7.05%
Benin	19	91	20	N/A	3.22%
Botswana	68	58	76	N/A	6.33%
Burkina Faso	16	91	13	N/A	4.41%
Burundi	2	91	6	N/A	3.85%
Cameroon	26	91	91	N/A	2.58%
Cape Verde	52	87	4	N/A	4.96%
Central African Republic	9	91	32	N/A	3.18%
Chad	22	91	89	N/A	4.42%
Congo	52	87	87	N/A	12.13%
Côte d'Ivoire	25	91	82	28	2.98%
Dem. Republic					

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Congo	4	91	47	N/A	5.44%
Djibouti	31	76	50	N/A	4.47%
Egypt	37	20	24	69	5.01%
Equatorial Guinea	82	91	85	N/A	0.94%
Eritrea	1	3	1	18	1.81%
Ethiopia	6	45	8	N/A	6.96%
Gabon	64	91	96	N/A	5.36%
Gambia	8	48	86	N/A	4.82%
Ghana	9	11	69	N/A	4.50%
Guinea	10	7	91	N/A	3.03%
Guinea-Bissau	5	91	46	N/A	3.47%
Kenya	20	41	59	N/A	4.11%
Lesotho	13	40	12	N/A	2.98%
Liberia	12	73	74	N/A	5.92%
Libya	73	2	94	N/A	5.22%
Madagascar	4	22	24	N/A	-1.02%
Malawi	7	25	55	N/A	5.96%
Mali	20	91	82	N/A	5.12%

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Mauritania	15	13	93	N/A	4.58%
Mauritius	65	52	56	55	4.10%
Morocco	37	72	48	26	3.23%
Mozambique	12	23	71	N/A	6.45%
Namibia	40	39	62	N/A	1.70%
Niger	10	91	21	N/A	4.41%
Nigeria	30	6	61	N/A	6.98%
Rwanda	21	40	68	N/A	5.39%
Sao Tome & Principe	1	61	100	N/A	3.40%
Senegal	24	91	63	N/A	3.44%
Seychelles	60	67	97	N/A	4.01%
Sierra Leone	5	10	39	N/A	4.77%
Somalia	2	38	59	N/A	3.19%
South Africa	61	37	70	N/A	2.59%
Sudan	16	5	73	N/A	5.52%
Swaziland	32	44	79	N/A	1.09%
Tanzania	15	45	32	N/A	6.17%
Togo	8	91	92	N/A	2.56%

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Tunisia	50	61	44	39	4.00%
Uganda	11	17	54	N/A	5.59%
Zambia	29	20	49	N/A	5.84%
Zimbabwe	0	8	16	N/A	2.24%
South and Central America					
Argentina	66	3	80	36	3.50%
Belize	47	76	80	N/A	1.00%
Bolivia	32	51	61	81	3.99%
Brazil	71	47	78	11	5.50%
Chile	78	25	92	73	4.72%
Columbia	47	52	34	47	2.25%
Costa Rica	60	42	39	57	3.45%
Ecuador	43	76	75	64	2.51%
El Salvador	35	76	67	N/A	1.04%
Guatemala	46	59	58	N/A	2.52%
Honduras	27	47	58	N/A	2.00%
Mexico	69	42	52	61	4.07%
Nicaragua	23	49	42	N/A	1.75%

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Panama	66	76	72	45	5.00%
Paraguay	35	46	66	16	5.27%
Peru	59	66	75	22	6.33%
Suriname	58	26	81	59	4.02%
Uruguay	70	26	27	N/A	5.71%
Venezuela	55	1	28	13	-2.63%
Caribbean					
Antigua & Barbuda	72	76	15	N/A	-2.01%
Bahamas	74	76	45	87	-0.50%
Barbados	67	76	33	15	-0.50%
Bermuda	N/A	N/A	N/A	N/A	N/A
Cuba	45	76	18	95	0.25%
Dominica	53	76	65	N/A	1.40%
Dominican Republic	54	39	43	4	3.50%
Grenada	63	76	48	N/A	0.80%
Guyana	28	56	17	N/A	4.36%
Haiti	11	27	89	N/A	-8.50%
Jamaica	42	9	85	19	-0.28%

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St Lucia	55	76	67	N/A	1.14%
St Vincent & Grenadines	49	76	95	N/A	0.50%
Trinidad & Tobago	82	37	77	72	2.13%
Middle East					
Bahrain	84	76	62	91	3.48%
Iran	51	19	40	58	3.01%
Iraq	48	9	8	N/A	7.27%
Israel	87	62	12	48	3.20%
Jordan	41	51	3	N/A	4.10%
Kuwait	96	4	99	N/A	3.10%
Lebanon	63	54	2	N/A	6.00%
Oman	76	16	88	N/A	4.71%
Qatar	99	16	83	N/A	18.54%
Saudi Arabia	76	8	98	N/A	3.70%
Syria	61	24	40	N/A	5.00%
Turkey	75	23	27	60	5.20%
United Arab Emirates	96	24	98	94	1.29%

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Yemen	28	2	78	N/A	7.78%
Asia					
Afghanistan	17	70	74	N/A	8.64%
Bangladesh	13	43	25	N/A	5.38%
Bhutan	24	55	5	N/A	6.85%
Brunei	78	19	99	75	0.48%
Cambodia	18	67	42	N/A	4.77%
China	54	90	19	68	11.03%
Hong Kong	89	76	14	82	5.02%
India	31	38	34	35	8.78%
Indonesia	42	46	37	31	6.00%
Japan	88	89	6	71	1.90%
Kazakhstan	62	13	76	42	2.40%
Korea North	18	65	23	N/A	1.50%
Korea South	83	63	22	85	4.44%
Kyrgyz Republic	24	15	84	88	4.61%
Laos	17	54	7	N/A	7.22%
Macao	91	76	14	82	3.00%

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Malaysia	68	65	44	90	4.72%
Maldives	44	55	17	N/A	3.45%
Mongolia	33	5	77	93	7.22%
Myanmar	3	41	72	N/A	5.26%
Nepal	3	14	25	N/A	2.97%
Pakistan	19	15	31	41	3.00%
Papua New Guinea	75	50	11	N/A	7.96%
Philippines	30	48	53	43	3.63%
Singapore	93	75	63	40	5.68%
Sri Lanka	38	22	10	N/A	5.50%
Taiwan	84	88	35	89	6.50%
Tajikistan	6	6	60	97	4.00%
Thailand	56	64	90	96	5.46%
Turkmenistan	51	53	68	N/A	12.00%
Uzbekistan	40	10	60	100	8.00%
Vietnam	25	12	20	N/A	6.04%
Pacific					
Australia	96	63	31	46	2.96%

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Fiji	46	53	3	N/A	2.06%
Marshall Islands	27	76	46	N/A	1.08%
Micronesia (Fed. States)	N/A	N/A	N/A	N/A	N/A
New Caledonia	96	73	51	52	2.00%
New Zealand	98	73	51	52	2.00%
Samoa	34	88	64	N/A	-2.77%
Solomon Islands	14	71	1	N/A	3.36%
Tonga	26	57	38	N/A	0.60%
Vanuatu	33	58	47	N/A	3.80%

# Source:

CountryWatch Inc. www.countrywatch.com

# <u>Updated</u>:

This material was produced in 2010; it is subject to updating in 2012.

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# **Chapter 4**

# **Investment Overview**

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# **Foreign Investment Climate**

### **Background**

Mexico has a free market economy in the trillion dollar class. It contains a mixture of modern and outmoded industry and agriculture, increasingly dominated by the private sector. Recent administrations have expanded competition in seaports, railroads, telecommunications, electricity generation, natural gas distribution, and airports. Per capita income is roughly one-third that of the US; income distribution remains highly unequal. Since the implementation of the North American Free Trade Agreement (NAFTA) in 1994, Mexico's share of US imports has increased from 7% to 12%, and its share of Canadian imports has doubled to 5%. Mexico has free trade agreements with over 50 countries including, Guatemala, Honduras, El Salvador, the European Free Trade Area, and Japan, putting more than 90% of trade under free trade agreements. In 2007, during its first year in office, the Felipe CALDERON administration was able to garner support from the opposition to successfully pass pension and fiscal reforms. The administration passed an energy reform measure in 2008 and another fiscal reform in 2009. Mexico's GDP plunged in 2009 as world demand for exports dropped, asset prices tumbled, and remittances and investment declined. GDP posted positive growth in 2010, with exports - particularly to the United States - leading the way, while domestic consumption and investment lagged. The administration continues to face many economic challenges, including improving the public education system, upgrading infrastructure, modernizing labor laws, and fostering private investment in the energy sector. CALDERON has stated that his top economic priorities remain reducing poverty and creating jobs.

# **Foreign Investment Assessment**

# Openness to Foreign Investment

In December 1993, the Mexican government passed a foreign investment law replacing a restrictive 1973 statute. The law is consistent with the foreign investment chapter of the NAFTA and has opened more areas of the economy to foreign ownership. It has also provided national treatment for most foreign investment, eliminated all performance requirements for foreign investment projects, and liberalized criteria for automatic approval of foreign investment proposals.

U.S. and Canadian investors generally receive national and most-favored-nation treatment in setting up operations or acquiring firms. Exceptions exist for investments for which the government of Mexico recorded its intent in the NAFTA to restrict certain industries to Mexican nationals. U.S.

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and Canadian companies have the right under NAFTA to international arbitration and the right to transfer funds without restrictions. The NAFTA also eliminated some barriers to investment in Mexico such as trade balancing and domestic content requirements.

Mexico has implemented its commitment under NAFTA to allow the private ownership and operation of electric power generating plants for self-generation, co-generation, and independent power production. In 1995, Mexico issued regulations for the first time allowing private sector participation in the transportation, distribution, and storage of natural gas. In 1999 Mexico removed its tariff on natural gas in advance of its NAFTA commitment and published open access regulations for Pemex's natural gas transportation network. These two measures leveled the playing field for U.S. natural gas companies. States, provinces, and local governments must accord national treatment to investors from any of The NAFTA countries. Some of Mexico's local and state governmental authorities have impeded a few foreign investments by not granting national treatment or by engaging investors in disputes.

In all sectors not subject to restrictions, foreign investment applications are automatically approved unless they exceed US\$25 million. In the latter case they require approval of the national foreign investment commission. The commission must act on applications within 45 working days. Criteria for approval include employment and training considerations, technological contributions, and contributions to productivity and competitiveness. The commission may reject applications to acquire Mexican companies for national security reasons. In addition, the secretariat of foreign relations must issue a permit for foreigners to establish or change the nature of Mexican companies. The country's constitution and foreign investment law reserve certain sectors to the state and a range of activities to Mexican nationals.

Despite these restrictions, the foreign investment law of 1993 greatly liberalized foreign investment by eliminating the requirement for government approval on about 95 percent of all foreign investments. In 1999 the Mexican government proposed constitutional amendments to remove restrictions on electric power generation and distribution, but the Mexican congress has not approved these measures.

The constitution was amended in 1995 to allow foreign investment in railroads, satellite transmission, and telecommunications. Privatization of the country's secondary petrochemical complexes might also be allowed, but in 1999 the Zedillo administration abandoned efforts to sell only 49 percent of existing facilities. Further attempts at privatization of this sub-sector will likely be deferred until the next administration, which will take office in December 2000. Meanwhile, foreign investors can wholly own new secondary petrochemical plants.

Investment restrictions still prohibit foreigners from acquiring title to residential real estate within 50 kilometers of the nation's coasts and 100 kilometers of the borders. Nonetheless, foreigners may acquire the effective use of residential property in the restricted zones via a trust arrangement

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through a Mexican bank. While Mexico is actively seeking and approving foreign investment in natural gas transportation, distribution and storage systems, Mexico continues to exclude foreign investors from owning assets in other important sectors open to its own citizens, including passenger and cargo transportation, selected educational services, newspapers, gas stations and agricultural land.

As noted above, the Mexican government passed legislation to privatize the national railroad system. Mexico allows up to 49 percent foreign control of 50-year concessions to operate parts of the railroad system, renewable for a second 50-year period. The concessions for the Northeast, Southeast and Northern Pacific Railroads as well as concessions for two independent and one concession-linked short line have been awarded. Similarly, an airport law passed in December 1995 provides for renewable 50- year airport operation concessions to private investors. Foreign ownership is generally limited to 49 percent, but waivers are available. The first group (out of four groups) consisting of nine airports was concessioned in December 1998, and two more groups have since been privatized.

Under the World Trade Organization (WTO) agreement on basic telecommunications services, Mexico made market access and national treatment commitments on all basic telecommunication services. Mexico also adopted the pro-competitive regulatory commitments set forth in the reference paper associated with the WTO agreement. However, Mexico requires providers of domestic satellite service to use solely its services (other than cellular) to 49 percent.

The NAFTA eliminated investment and cross-border service restrictions in enhanced or value-added telecommunications services and private communications networks, most as of Jan. 1, 1994. The remaining restrictions, limited to enhanced packet switching services and videotext, were eliminated on July 1, 1995. Mexico's weak regulation of its telecommunications market results in the cost of terminating international traffic in Mexico being higher than it should be, and exacerbates the long-standing problem of high settlement rates since competitive forces cannot be easily brought to bear on these rates. The settlement rate for U.S.-Mexico international traffic was more than 19 cents per minute in 1999, compared to U.S.-Canada rates of about seven cents per minute.

The government of Mexico has given one carrier, Telmex, a de facto monopoly right to negotiate settlement rates that prevents other Mexican carriers from negotiating lower rates. On Jan. 1, 1999, Mexico removed a 58 percent surcharge on the settlement rate on inbound international traffic paid to Telmex. The government of Mexico does not permit resale, i.e., the reselling of the long-distance public network in Mexico. Long-distance telephone carriers therefore cannot engage in "international simple resale," a form of resale using leased lines that are not subject to settlement rates. This practice reinforces Telmex's market dominance and seriously erodes the basis for effective competition in Mexico's telecommunications market.

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The Mexican government has not indicated when it will implement regulations to enable resale of domestic services. U.S.-affiliated carriers remain dissatisfied by the government of Mexico's inability or unwillingness to regulate its domestic telecommunications market to prevent anti-competitive behavior, and to ensure fair interconnection. USTR is reviewing these and other aspects of Mexico's regulatory regime under section 1377 of the omnibus trade and competitiveness act of 1988. Mexico's licensing arrangements for earth station operators using U.S.-licensed satellites also appear to be unduly cumbersome. We continue to monitor implementation of these standards in the NAFTA telecommunications standards subcommittee.

### Transparency of Regulatory System

The Mexican government recognizes the need to reform its regulatory system and to provide for a more stable and attractive investment environment. In 1995 the government enacted legislation to reduce the regulations on business activity. An economic deregulation council was established and it is implementing a systematic deregulatory process that amends or repeals outdated regulations, curbs the creation of new regulations and ensures the quality thereof, and places the burden of proof on the institutions that introduce and administer them. The program is carried out in conjunction with the secretariat of trade and industrial development.

According to the new standards, all rules and regulations must meet the following criteria:

- There must be a clear justification for government involvement.
- Regulations must be maintained or issued only on evidence that their potential benefits exceed their potential costs.
- There must not exist regulatory alternatives that would cost less.
- Regulations must minimize the negative impact they have on businesses, especially small and medium firms.
- Regulations must be backed by sufficient budgetary and administrative resources to ensure their effective administration and enforcement.

The Economic Deregulation Council is reviewing all existing business regulations. Under the council's guidance hundreds of unnecessary business requirements have been eliminated.

The Federal Law of Administrative Procedures represents another significant investment policy accomplishment. The law requires all regulatory agencies to prepare an impact statement for new regulations, which must include detailed information on the problem being addressed, the proposed solutions, the alternatives considered, and the quantitative and qualitative costs and benefits and any changes in the amount of paperwork businesses would face if a proposed regulation is to be implemented.

Despite these measures, many difficulties remain. Foreign firms continue to identify bureaucracy,

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slow government decision making, and lack of transparency as among the principal negative factors inhibiting investment in Mexico. Other factors listed include the tax burden and labor difficulties.

There is a large surplus of labor in the formal economy, but much of that surplus is composed of low-skilled or unskilled workers. On the other hand, there is a shortage of technically-skilled workers and engineers, which leads to raiding of companies for such personnel. Labor-management relations are uneven, depending upon the unions holding contracts and the industry concerned. In the past several years the number of strikes has decreased. Due to the surplus of low-skilled or semi-skilled workers, low technology industries (such as garments manufacturing and agricultural production) are attracted to Mexico.

#### **Labor Force**

Total: 34.73 million

By occupation: agriculture 18%, industry 24%, services 58%

# **Agriculture and Industry**

Agriculture products: corn, wheat, soybeans, rice, beans, cotton, coffee, fruit, tomatoes; beef, poultry, dairy products; wood products

Industries: food and beverages, tobacco, chemicals, iron and steel, petroleum, mining, textiles, clothing, motor vehicles, consumer durables, tourism

#### **Import Commodities and Partners**

Commodities: metalworking machines, steel mill products, agricultural machinery, electrical equipment, car parts for assembly, repair parts for motor vehicles, aircraft, and aircraft parts

Partners: U.S. 61.8%, China 5.5%, Japan 4.5%

## **Export Commodities and Partners**

Commodities: manufactured goods, oil and oil products, silver, fruits, vegetables, coffee, cotton

Partners: U.S. 87.6%, Canada 1.8%, Germany 1.2%

#### **Telephone System**

Telephones- main lines in use: 15.958 million

Telephones- mobile cellular: 28.125 million

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General Assessment: low telephone density with about 15.2 main lines per 100 persons; privatized in December 1990; the opening to competition in January 1997 improved prospects for development, but Telmex remains dominant

*Domestic:* adequate telephone service for business and government, but the population is poorly served; mobile subscribers far outnumber fixed-line subscribers; domestic satellite system with 120 earth stations; extensive microwave radio relay network; considerable use of fiber-optic cable and coaxial cable

*International:* country code - 52; satellite earth stations - 32 Intelsat, 2 Solidaridad (giving Mexico improved access to South America, Central America, and much of the US as well as enhancing domestic communications), numerous Inmarsat mobile earth stations; linked to Central American Microwave System of trunk connections; high capacity Columbus-2 fiber-optic submarine cable with access to the US, Virgin Islands, Canary Islands, Morocco, Spain, and Italy

#### **Internet**

Internet Hosts: 1,333,406

Internet users: 10.033 million

# Roads, Airports, Ports and Harbors

Railways: 19,510 km

Highways: 329,532 km

Ports and harbors: Acapulco, Altamira, Bahias de Huatulco, Cabo San Lucas, Coatzacoalcos, Dos Bocas, Ensenada, Guaymas, Lazaro Cardenas, Manzanillo, Mazatlan, Puerto Progreso, Puerto Madero, Puerto Vallarta, Salina Cruz, Tampico, Topolobampo, Tuxpan, Veracruz

Airports: 1,833; with paved runways: 233

# **Legal System and Considerations**

A mixture of U.S. constitutional theory and civil law system; judicial review of legislative acts; accepts compulsory ICJ jurisdiction, with reservations

# **Dispute Settlement**

The Mexican government has a good record of handling investment disputes. Despite the large volume of trade between the United States and Mexico, the embassy is aware of only eight unresolved investment disputes: three involving Mexican municipalities, two with the federal

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government of Mexico, one with Mexican states, one with a government bank, and one with a government controlled company.

Both the WTO, which governs Mexico's trade with other WTO member nations, and NAFTA provide a mechanism for dispute settlement. If a dispute can be addressed under either NAFTA or the WTO, an investor may choose to use either forum.

Under NAFTA, the first step in dispute settlement is consultations. When consultations fail to resolve an issue within 30 to 45 days, any member country may call a meeting of the NAFTA trade commission. Absent a satisfactory solution there, a balanced and mutually agreed five-member panel of experts resolves disputes. Panel members are chosen from a roster of trade, legal, and other experts, including experts from countries outside NAFTA. A panel issues its initial report within ninety days and a final report 30 days later.

Once a panel decision has been made, either country may request the establishment of a three-member extraordinary challenge committee, comprising judges or former judges from the two countries. If any of the grounds for the extra- ordinary challenge are met, the panel decision may be overturned and a new panel set up.

In addition, a NAFTA investor may have recourse to the World Bank's international center for the settlement of investment disputes. In December 1998, the Mexican senate approved four bilateral investment treaties that allow for resolution of commercial disputes in an international court of arbitration. The four agreements are with Austria, Belgium, Germany and the Netherlands.

A few U.S. multinational firms involved in commercial disputes in Mexico reported in the last year that some of their local executives had been threatened with lawsuits involving potential arrest and detention. In none of these cases were the local executives ever detained, however, Investors should understand that, under Mexican law, many commercial disputes that would be treated as civil cases in their home country can also be treated as criminal proceedings in Mexico. Based upon the evidence presented, a judge may or may not decide to issue arrest warrants. In such cases, Mexican law also provides for judicial officials to issue an "amparo" to shield defendants from arrest. Investors involved in commercial disputes therefore are advised to obtain competent Mexican legal counsel, and to inform the U.S. Embassy if arrest warrants are issued.

## **Corruption Perception Ranking**

See current rank, as reported by Transparency International, elsewhere in this Country Review.

#### **Cultural Considerations**

In Mexico, a firm handshake with direct eye contact is the customary form of greeting. Men will

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need to wait for a woman to extend her hand first if she wants her hand shaken. Friends and relatives will often greet each other with a kiss and/or a hug -- called the *embrazo* in Spanish. Men, however, do not usually hug other men. A pat on the shoulder is a sign of friendship.

#### For more information see:

United States' State Department Commercial Guide

# **Foreign Investment Index**

# Foreign Investment Index

The Foreign Investment Index is a proprietary index measuring attractiveness to international investment flows. The Foreign Investment Index is calculated using an established methodology by CountryWatch's Editor-in-Chief and is based on a given country's economic stability (sustained economic growth, monetary stability, current account deficits, budget surplus), economic risk (risk of non-servicing of payments for goods or services, loans and trade-related finance, risk of sovereign default), business and investment climate (property rights, labor force and laws, regulatory transparency, openness to foreign investment, market conditions, and stability of government). Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the lowest level of foreign investment viability, while a score of 10 marks the highest level of foreign investment viability, according to this proprietary index.

Country	Assessment
Afghanistan	2
Albania	4.5

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Algeria	6
Andorra	9
Angola	4.5-5
Antigua	8.5
Argentina	5
Armenia	5
Australia	9.5
Austria	9-9.5
Azerbaijan	5
Bahamas	9
Bahrain	7.5
Bangladesh	4.5
Barbados	9
Belarus	4
Belgium	9
Belize	7.5
Benin	5.5
Bhutan	4.5

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Bolivia	4.5
Bosnia-Herzegovina	5
Botswana	7.5-8
Brazil	8
Brunei	7
Bulgaria	5.5
Burkina Faso	4
Burma (Myanmar)	4.5
Burundi	4
Cambodia	4.5
Cameroon	5
Canada	9.5
Cape Verde	6
Central African Republic	3
Chad	4
Chile	9
China	7.5
China: Hong Kong	8.5

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China: Taiwan	8.5
Colombia	7
Comoros	4
Congo DRC	4
Congo RC	5
Costa Rica	8
Cote d'Ivoire	4.5
Croatia	7
Cuba	4.5
Cyprus	7
Czech Republic	8.5
Denmark	9.5
Djibouti	4.5
Dominica	6
Dominican Republic	6.5
East Timor	4.5
Ecuador	5.5
Egypt	4.5-5

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El Salvador	6
Equatorial Guinea	4.5
Eritrea	3.5
Estonia	8
Ethiopia	4.5
Fiji	5
Finland	9
Former Yugoslav Rep. of Macedonia	5
France	9-9.5
Gabon	5.5
Gambia	5
Georgia	5
Germany	9-9.5
Ghana	5.5
Greece	5
Grenada	7.5
Guatemala	5.5
Guinea	3.5

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Guinea-Bissau	3.5
Guyana	4.5
Haiti	4
Holy See (Vatican)	n/a
Hong Kong (China)	8.5
Honduras	5.5
Hungary	8
Iceland	8-8.5
India	8
Indonesia	5.5
Iran	4
Iraq	3
Ireland	8
Israel	8.5
Italy	8
Jamaica	5.5
Japan	9.5
Jordan	6

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Kazakhstan	6
Kenya	5
Kiribati	5.5
Korea, North	1
Korea, South	9
Kosovo	4.5
Kuwait	8.5
Kyrgyzstan	4.5
Laos	4
Latvia	7
Lebanon	5
Lesotho	5.5
Liberia	3.5
Libya	3
Liechtenstein	9
Lithuania	7.5
Luxembourg	9-9.5
Madagascar	4.5

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Malawi	4.5
Malaysia	8.5
Maldives	6.5
Mali	5
Malta	9
Marshall Islands	5
Mauritania	4.5
Mauritius	7.5-8
Mexico	6.5-7
Micronesia	5
Moldova	4.5-5
Monaco	9
Mongolia	5
Montenegro	5.5
Morocco	7.5
Mozambique	5
Namibia	7.5
Nauru	4.5

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Nepal	4
Netherlands	9-9.5
New Zealand	9.5
Nicaragua	5
Niger	4.5
Nigeria	4.5
Norway	9-9.5
Oman	8
Pakistan	4
Palau	4.5-5
Panama	7
Papua New Guinea	5
Paraguay	6
Peru	6
Philippines	6
Poland	8
Portugal	7.5-8
Qatar	9

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Romania	6-6.5
Russia	6
Rwanda	4
Saint Kitts and Nevis	8
Saint Lucia	8
Saint Vincent and Grenadines	7
Samoa	7
San Marino	8.5
Sao Tome and Principe	4.5-5
Saudi Arabia	7
Senegal	6
Serbia	6
Seychelles	5
Sierra Leone	4
Singapore	9.5
Slovak Republic (Slovakia)	8.5
Slovenia	8.5-9
Solomon Islands	5

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Somalia	2
South Africa	8
Spain	7.5-8
Sri Lanka	5.5
Sudan	4
Suriname	5
Swaziland	4.5
Sweden	9.5
Switzerland	9.5
Syria	2.5
Tajikistan	4
Taiwan (China)	8.5
Tanzania	5
Thailand	7.5-8
Togo	4.5-5
Tonga	5.5-6
Trinidad and Tobago	8-8.5
Tunisia	6

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Turkey	6.5-7
Turkmenistan	4
Tuvalu	7
Uganda	5
Ukraine	4.5-5
United Arab Emirates	8.5
United Kingdom	9
United States	9
Uruguay	6.5-7
Uzbekistan	4
Vanuatu	6
Venezuela	5
Vietnam	5.5
Yemen	3
Zambia	4.5-5
Zimbabwe	3.5

# Editor's Note:

As of 2015, the global economic crisis (emerging in 2008) had affected many countries across the

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world, resulting in changes to their rankings. Among those countries affected were top tier economies, such as the <u>United Kingdom</u>, <u>Iceland</u>, <u>Switzerland</u> and <u>Austria</u>. However, in all these cases, their rankings have moved back upward in the last couple of years as anxieties have eased. Other top tier countries, such as <u>Spain</u>, <u>Portugal</u>, <u>Ireland</u>, and <u>Italy</u>, suffered some effects due to debt woes and the concomitant effect on the euro zone. Greece, another euro zone nation, was also downgraded due to its sovereign debt crisis; however, Greece's position on the precipice of default incurred a sharper downgrade than the other four euro zone countries mentioned above. Cyprus' exposure to Greek bank yielded a downgrade in its case. Slovenia and <u>Latvia</u> have been slightly downgraded due to a mix of economic and political concerns but could easily be upgraded in a future assessment, should these concerns abate. Meanwhile, the crisis in eastern <u>Ukraine</u> fueled downgrades in that country and neighboring <u>Russia</u>.

Despite the "trifecta of tragedy" in <u>Japan</u> in 2011 -- the earthquake, the ensuing tsunami, and the resulting nuclear crisis -- and the appreciable destabilization of the economic and political terrain therein, this country has only slightly been downgraded. Japan's challenges have been assessed to be transient, the government remains accountable, and there is little risk of default. Both <u>India</u> and China retain their rankings; <u>India</u> holds a slightly higher ranking than <u>China</u> due to its record of democratic representation and accountability.

There were shifts in opposite directions for Mali and Nigeria versus the Central African Republic, Burkina Faso, and Burundi. Mali was slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. Likewise, a new government in Nigeria generated a slight upgrade as the country attempts to confront corruption, crime, and terrorism. But the Central African Republic was downgraded due to the takeover of the government by Seleka rebels and the continued decline into lawlessness in that country. Likewise, the attempts by the leaders of Burundi and Burkina Faso to hold onto power by by-passing the constitution raised eybrows and resulted in downgrades.

Political unrest in <u>Libya</u> and <u>Algeria</u> have contributed to a decision to marginally downgrade these countries as well. <u>Syria</u> incurred a sharper downgrade due to the devolution into de facto civil war and the dire security threat posed by Islamist terrorists. <u>Iraq</u> saw a similar downgrade as a result of the takeover of wide swaths of territory and the threat of genocide at the hands of Islamist terrorists. <u>Yemen</u>, likewise, has been downgraded due to political instability at the hands of secessionists, terrorists, Houthi rebels, and the intervention of external parties. Conversely, <u>Egypt</u> and <u>Tunisia</u> saw slight upgrades as their political environments stabilize.

At the low end of the spectrum, devolving security conditions and/or economic crisis have resulted in countries like <u>Pakistan</u>, <u>Afghanistan</u>, <u>Somalia</u>, and <u>Zimbabwe</u> maintaining their low ratings.

The <u>United States</u> continues to retain its previous slight downgrade due to the enduring threat of default surrounding the debt ceiling in that country, matched by a conflict-ridden political climate.

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In the case of <u>Mexico</u>, there is limited concern about default, but increasing alarm over the security situation in that country and the government's ability to contain it. In <u>Argentina</u>, a default to bond holders resulted in a downgrade to that country. Finally, a small but significant upgrade was attributed to <u>Cuba</u> due to its recent pro-business reforms and its normalization of ties with the Unitd States.

Source:

CountryWatch Inc. www.countrywatch.com

**Updated**:

2015

# **Corruption Perceptions Index**

**Corruption Perceptions Index** 

Transparency International: Corruption Perceptions Index

### Editor's Note:

Transparency International's <u>Corruption Perceptions Index</u> is a composite index which ranks countries in terms of the degree to which corruption is perceived to exist among public officials. This index indicates the views of national and international business people and analysts about the levels of corruption in each country. The highest (and best) level of transparency is indicated by the number, 10. The lower (and worse) levels of transparency are indicated by lower numbers.

Rank	Country/Territory	CPI 2009 Score	Surveys Used	Confidence Range
1	New Zealand	9.4	6	9.1 - 9.5
2	Denmark	9.3	6	9.1 - 9.5
3	Singapore	9.2	9	9.0 - 9.4

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3	Sweden	9.2	6	9.0 - 9.3
5	Switzerland	9.0	6	8.9 - 9.1
6	Finland	8.9	6	8.4 - 9.4
6	Netherlands	8.9	6	8.7 - 9.0
8	Australia	8.7	8	8.3 - 9.0
8	Canada	8.7	6	8.5 - 9.0
8	Iceland	8.7	4	7.5 - 9.4
11	Norway	8.6	6	8.2 - 9.1
12	Hong Kong	8.2	8	7.9 - 8.5
12	Luxembourg	8.2	6	7.6 - 8.8
14	Germany	8.0	6	7.7 - 8.3
14	Ireland	8.0	6	7.8 - 8.4
16	Austria	7.9	6	7.4 - 8.3
17	Japan	7.7	8	7.4 - 8.0
17	United Kingdom	7.7	6	7.3 - 8.2
19	United States	7.5	8	6.9 - 8.0
20	Barbados	7.4	4	6.6 - 8.2
21	Belgium	7.1	6	6.9 - 7.3

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22	Qatar	7.0	6	5.8 - 8.1
22	Saint Lucia	7.0	3	6.7 - 7.5
24	France	6.9	6	6.5 - 7.3
25	Chile	6.7	7	6.5 - 6.9
25	Uruguay	6.7	5	6.4 - 7.1
27	Cyprus	6.6	4	6.1 - 7.1
27	Estonia	6.6	8	6.1 - 6.9
27	Slovenia	6.6	8	6.3 - 6.9
30	United Arab Emirates	6.5	5	5.5 - 7.5
31	Saint Vincent and the Grenadines	6.4	3	4.9 - 7.5
32	Israel	6.1	6	5.4 - 6.7
32	Spain	6.1	6	5.5 - 6.6
34	Dominica	5.9	3	4.9 - 6.7
35	Portugal	5.8	6	5.5 - 6.2
35	Puerto Rico	5.8	4	5.2 - 6.3
37	Botswana	5.6	6	5.1 - 6.3
37	Taiwan	5.6	9	5.4 - 5.9

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39	Brunei Darussalam	5.5	4	4.7 - 6.4
39	Oman	5.5	5	4.4 - 6.5
39	Korea (South)	5.5	9	5.3 - 5.7
42	Mauritius	5.4	6	5.0 - 5.9
43	Costa Rica	5.3	5	4.7 - 5.9
43	Macau	5.3	3	3.3 - 6.9
45	Malta	5.2	4	4.0 - 6.2
46	Bahrain	5.1	5	4.2 - 5.8
46	Cape Verde	5.1	3	3.3 - 7.0
46	Hungary	5.1	8	4.6 - 5.7
49	Bhutan	5.0	4	4.3 - 5.6
49	Jordan	5.0	7	3.9 - 6.1
49	Poland	5.0	8	4.5 - 5.5
52	Czech Republic	4.9	8	4.3 - 5.6
52	Lithuania	4.9	8	4.4 - 5.4
54	Seychelles	4.8	3	3.0 - 6.7
55	South Africa	4.7	8	4.3 - 4.9
56	Latvia	4.5	6	4.1 - 4.9

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56	Malaysia	4.5	9	4.0 - 5.1
56	Namibia	4.5	6	3.9 - 5.1
56	Samoa	4.5	3	3.3 - 5.3
56	Slovakia	4.5	8	4.1 - 4.9
61	Cuba	4.4	3	3.5 - 5.1
61	Turkey	4.4	7	3.9 - 4.9
63	Italy	4.3	6	3.8 - 4.9
63	Saudi Arabia	4.3	5	3.1 - 5.3
65	Tunisia	4.2	6	3.0 - 5.5
66	Croatia	4.1	8	3.7 - 4.5
66	Georgia	4.1	7	3.4 - 4.7
66	Kuwait	4.1	5	3.2 - 5.1
69	Ghana	3.9	7	3.2 - 4.6
69	Montenegro	3.9	5	3.5 - 4.4
71	Bulgaria	3.8	8	3.2 - 4.5
71	FYR Macedonia	3.8	6	3.4 - 4.2
71	Greece	3.8	6	3.2 - 4.3
71	Romania	3.8	8	3.2 - 4.3

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75	Brazil	3.7	7	3.3 - 4.3
75	Colombia	3.7	7	3.1 - 4.3
75	Peru	3.7	7	3.4 - 4.1
75	Suriname	3.7	3	3.0 - 4.7
79	Burkina Faso	3.6	7	2.8 - 4.4
79	China	3.6	9	3.0 - 4.2
79	Swaziland	3.6	3	3.0 - 4.7
79	Trinidad and Tobago	3.6	4	3.0 - 4.3
83	Serbia	3.5	6	3.3 - 3.9
84	El Salvador	3.4	5	3.0 - 3.8
84	Guatemala	3.4	5	3.0 - 3.9
84	India	3.4	10	3.2 - 3.6
84	Panama	3.4	5	3.1 - 3.7
84	Thailand	3.4	9	3.0 - 3.8
89	Lesotho	3.3	6	2.8 - 3.8
89	Malawi	3.3	7	2.7 - 3.9
89	Mexico	3.3	7	3.2 - 3.5
89	Moldova	3.3	6	2.7 - 4.0

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89	Morocco	3.3	6	2.8 - 3.9
89	Rwanda	3.3	4	2.9 - 3.7
95	Albania	3.2	6	3.0 - 3.3
95	Vanuatu	3.2	3	2.3 - 4.7
97	Liberia	3.1	3	1.9 - 3.8
97	Sri Lanka	3.1	7	2.8 - 3.4
99	Bosnia and Herzegovina	3.0	7	2.6 - 3.4
99	Dominican Republic	3.0	5	2.9 - 3.2
99	Jamaica	3.0	5	2.8 - 3.3
99	Madagascar	3.0	7	2.8 - 3.2
99	Senegal	3.0	7	2.5 - 3.6
99	Tonga	3.0	3	2.6 - 3.3
99	Zambia	3.0	7	2.8 - 3.2
106	Argentina	2.9	7	2.6 - 3.1
106	Benin	2.9	6	2.3 - 3.4
106	Gabon	2.9	3	2.6 - 3.1
106	Gambia	2.9	5	1.6 - 4.0
106	Niger	2.9	5	2.7 - 3.0

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111	Algeria	2.8	6	2.5 - 3.1
111	Djibouti	2.8	4	2.3 - 3.2
111	Egypt	2.8	6	2.6 - 3.1
111	Indonesia	2.8	9	2.4 - 3.2
111	Kiribati	2.8	3	2.3 - 3.3
111	Mali	2.8	6	2.4 - 3.2
111	Sao Tome and Principe	2.8	3	2.4 - 3.3
111	Solomon Islands	2.8	3	2.3 - 3.3
111	Togo	2.8	5	1.9 - 3.9
120	Armenia	2.7	7	2.6 - 2.8
120	Bolivia	2.7	6	2.4 - 3.1
120	Ethiopia	2.7	7	2.4 - 2.9
120	Kazakhstan	2.7	7	2.1 - 3.3
120	Mongolia	2.7	7	2.4 - 3.0
120	Vietnam	2.7	9	2.4 - 3.1
126	Eritrea	2.6	4	1.6 - 3.8
126	Guyana	2.6	4	2.5 - 2.7
126	Syria	2.6	5	2.2 - 2.9

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126	Tanzania	2.6	7	2.4 - 2.9
130	Honduras	2.5	6	2.2 - 2.8
130	Lebanon	2.5	3	1.9 - 3.1
130	Libya	2.5	6	2.2 - 2.8
130	Maldives	2.5	4	1.8 - 3.2
130	Mauritania	2.5	7	2.0 - 3.3
130	Mozambique	2.5	7	2.3 - 2.8
130	Nicaragua	2.5	6	2.3 - 2.7
130	Nigeria	2.5	7	2.2 - 2.7
130	Uganda	2.5	7	2.1 - 2.8
139	Bangladesh	2.4	7	2.0 - 2.8
139	Belarus	2.4	4	2.0 - 2.8
139	Pakistan	2.4	7	2.1 - 2.7
139	Philippines	2.4	9	2.1 - 2.7
143	Azerbaijan	2.3	7	2.0 - 2.6
143	Comoros	2.3	3	1.6 - 3.3
143	Nepal	2.3	6	2.0 - 2.6
146	Cameroon	2.2	7	1.9 - 2.6

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146	Ecuador	2.2	5	2.0 - 2.5
146	Kenya	2.2	7	1.9 - 2.5
146	Russia	2.2	8	1.9 - 2.4
146	Sierra Leone	2.2	5	1.9 - 2.4
146	Timor-Leste	2.2	5	1.8 - 2.6
146	Ukraine	2.2	8	2.0 - 2.6
146	Zimbabwe	2.2	7	1.7 - 2.8
154	Côte d'Ivoire	2.1	7	1.8 - 2.4
154	Papua New Guinea	2.1	5	1.7 - 2.5
154	Paraguay	2.1	5	1.7 - 2.5
154	Yemen	2.1	4	1.6 - 2.5
158	Cambodia	2.0	8	1.8 - 2.2
158	Central African Republic	2.0	4	1.9 - 2.2
158	Laos	2.0	4	1.6 - 2.6
158	Tajikistan	2.0	8	1.6 - 2.5
162	Angola	1.9	5	1.8 - 1.9
162	Congo Brazzaville	1.9	5	1.6 - 2.1
162	Democratic Republic of Congo	1.9	5	1.7 - 2.1

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162	Guinea-Bissau	1.9	3	1.8 - 2.0
162	Kyrgyzstan	1.9	7	1.8 - 2.1
162	Venezuela	1.9	7	1.8 - 2.0
168	Burundi	1.8	6	1.6 - 2.0
168	Equatorial Guinea	1.8	3	1.6 - 1.9
168	Guinea	1.8	5	1.7 - 1.8
168	Haiti	1.8	3	1.4 - 2.3
168	Iran	1.8	3	1.7 - 1.9
168	Turkmenistan	1.8	4	1.7 - 1.9
174	Uzbekistan	1.7	6	1.5 - 1.8
175	Chad	1.6	6	1.5 - 1.7
176	Iraq	1.5	3	1.2 - 1.8
176	Sudan	1.5	5	1.4 - 1.7
178	Myanmar	1.4	3	0.9 - 1.8
179	Afghanistan	1.3	4	1.0 - 1.5
180	Somalia	1.1	3	0.9 - 1.4

# Methodology:

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As noted above, the highest (and best) level of transparency with the least perceived corruption is indicated by the number, 10. The lower (and worse) levels of transparency are indicated by lower numbers.

According to Transparency International, the <u>Corruption Perceptions Index</u> (CPI) table shows a country's ranking and score, the number of surveys used to determine the score, and the confidence range of the scoring.

The rank shows how one country compares to others included in the index. The CPI score indicates the perceived level of public-sector corruption in a country/territory.

The CPI is based on 13 independent surveys. However, not all surveys include all countries. The surveys used column indicates how many surveys were relied upon to determine the score for that country.

The confidence range indicates the reliability of the CPI scores and tells us that allowing for a margin of error, we can be 90% confident that the true score for this country lies within this range.

### Note:

Kosovo, which separated from the Yugoslav successor state of <u>Serbia</u>, is not listed above. No calculation is available for <u>Kosovo</u> at this time, however, a future corruption index by Transparency International may include the world's newest country in its tally. Taiwan has been listed above despite its contested status; while Taiwan claims sovereign status, <u>China</u> claims ultimate jurisdiction over Taiwan. Hong Kong, which is also under the rubric of Chinese sovereignty, is listed above. Note as well that Puerto Rico, which is a <u>United States</u> domain, is also included in the list above. These inclusions likely have to do with the size and fairly autonomous status of their economies.

### Source:

Transparency International's Corruption Perception Index; available at URL: <a href="http://www.transparency.org">http://www.transparency.org</a>

## **Updated**:

Uploaded in 2011 using most recent ranking available; reviewed in 2015.

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## **Competitiveness Ranking**

# Competitiveness Ranking

### **Editor's Note:**

The Global Competitiveness Report's competitiveness ranking is based on the Global Competitiveness Index (GCI), which was developed for the World Economic Forum. The GCI is based on a number of competitiveness considerations, and provides a comprehensive picture of the competitiveness landscape in countries around the world. The competitiveness considerations are: institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training, goods market efficiency, labour market efficiency, financial market development, technological readiness, market size, business sophistication, and innovation. The rankings are calculated from both publicly available data and the Executive Opinion Survey.

Country/Economy	GCI 2010 Rank	GCI 2010 Score	GCI 2009 Rank	Change 2009-2010
Switzerland	1	5.63	1	0
Sweden	2	5.56	4	2
Singapore	3	5.48	3	0
United States	4	5.43	2	-2
Germany	5	5.39	7	2
Japan	6	5.37	8	2
Finland	7	5.37	6	-1
Netherlands	8	5.33	10	2
Denmark	9	5.32	5	-4
Canada	10	5.30	9	-1

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Hong Kong SAR	11	5.30	11	0
United Kingdom	12	5.25	13	1
Taiwan, China	13	5.21	12	-1
Norway	14	5.14	14	0
France	15	5.13	16	1
Australia	16	5.11	15	-1
Qatar	17	5.10	22	5
Austria	18	5.09	17	-1
Belgium	19	5.07	18	-1
Luxembourg	20	5.05	21	1
Saudi Arabia	21	4.95	28	7
Korea, Rep.	22	4.93	19	-3
New Zealand	23	4.92	20	-3
Israel	24	4.91	27	3
United Arab Emirates	25	4.89	23	-2
Malaysia	26	4.88	24	-2
China	27	4.84	29	2
Brunei Darussalam	28	4.75	32	4

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Ireland	29	4.74	25	-4
Chile	30	4.69	30	0
Iceland	31	4.68	26	-5
Tunisia	32	4.65	40	8
Estonia	33	4.61	35	2
Oman	34	4.61	41	7
Kuwait	35	4.59	39	4
Czech Republic	36	4.57	31	-5
Bahrain	37	4.54	38	1
Thailand	38	4.51	36	-2
Poland	39	4.51	46	7
Cyprus	40	4.50	34	-6
Puerto Rico	41	4.49	42	1
Spain	42	4.49	33	-9
Barbados	43	4.45	44	1
Indonesia	44	4.43	54	10
Slovenia	45	4.42	37	-8
Portugal	46	4.38	43	-3

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Lithuania	47	4.38	53	6
Italy	48	4.37	48	0
Montenegro	49	4.36	62	13
Malta	50	4.34	52	2
India	51	4.33	49	-2
Hungary	52	4.33	58	6
Panama	53	4.33	59	6
South Africa	54	4.32	45	-9
Mauritius	55	4.32	57	2
Costa Rica	56	4.31	55	-1
Azerbaijan	57	4.29	51	-6
Brazil	58	4.28	56	-2
Vietnam	59	4.27	75	16
Slovak Republic	60	4.25	47	-13
Turkey	61	4.25	61	0
Sri Lanka	62	4.25	79	17
Russian Federation	63	4.24	63	0
Uruguay	64	4.23	65	1

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Jordan	65	4.21	50	-15
Mexico	66	4.19	60	-6
Romania	67	4.16	64	-3
Colombia	68	4.14	69	1
Iran	69	4.14	n/a	n/a
Latvia	70	4.14	68	-2
Bulgaria	71	4.13	76	5
Kazakhstan	72	4.12	67	-5
Peru	73	4.11	78	5
Namibia	74	4.09	74	0
Morocco	75	4.08	73	-2
Botswana	76	4.05	66	-10
Croatia	77	4.04	72	-5
Guatemala	78	4.04	80	2
Macedonia, FYR	79	4.02	84	5
Rwanda	80	4.00	n/a	n/a
Egypt	81	4.00	70	-11
El Salvador	82	3.99	77	-5

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Greece	83	3.99	71	-12
Trinidad and Tobago	84	3.97	86	2
Philippines	85	3.96	87	2
Algeria	86	3.96	83	-3
Argentina	87	3.95	85	-2
Albania	88	3.94	96	8
Ukraine	89	3.90	82	-7
Gambia, The	90	3.90	81	-9
Honduras	91	3.89	89	-2
Lebanon	92	3.89	n/a	n/a
Georgia	93	3.86	90	-3
Moldova	94	3.86	n/a	n/a
Jamaica	95	3.85	91	-4
Serbia	96	3.84	93	-3
Syria	97	3.79	94	-3
Armenia	98	3.76	97	-1
Mongolia	99	3.75	117	18
Libya	100	3.74	88	-12

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Dominican Republic	101	3.72	95	-6
Bosnia and Herzegovina	102	3.70	109	7
Benin	103	3.69	103	0
Senegal	104	3.67	92	-12
Ecuador	105	3.65	105	0
Kenya	106	3.65	98	-8
Bangladesh	107	3.64	106	-1
Bolivia	108	3.64	120	12
Cambodia	109	3.63	110	1
Guyana	110	3.62	104	-6
Cameroon	111	3.58	111	0
Nicaragua	112	3.57	115	3
Tanzania	113	3.56	100	-13
Ghana	114	3.56	114	0
Zambia	115	3.55	112	-3
Tajikistan	116	3.53	122	6
Cape Verde	117	3.51	n/a	n/a
Uganda	118	3.51	108	-10

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Ethiopia	119	3.51	118	-1
Paraguay	120	3.49	124	4
Kyrgyz Republic	121	3.49	123	2
Venezuela	122	3.48	113	-9
Pakistan	123	3.48	101	-22
Madagascar	124	3.46	121	-3
Malawi	125	3.45	119	-6
Swaziland	126	3.40	n/a	n/a
Nigeria	127	3.38	99	-28
Lesotho	128	3.36	107	-21
Côte d'Ivoire	129	3.35	116	-13
Nepal	130	3.34	125	-5
Mozambique	131	3.32	129	-2
Mali	132	3.28	130	-2
Timor-Leste	133	3.23	126	-7
Burkina Faso	134	3.20	128	-6
Mauritania	135	3.14	127	-8
Zimbabwe	136	3.03	132	-4

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Burundi	137	2.96	133	-4
Angola	138	2.93	n/a	n/a
Chad	139	2.73	131	-8

## Methodology:

The competitiveness rankings are calculated from both publicly available data and the Executive Opinion Survey, a comprehensive annual survey conducted by the World Economic Forum together with its network of Partner Institutes (leading research institutes and business organizations) in the countries covered by the Report.

Highlights according to WEF --

- The <u>United States</u> falls two places to fourth position, overtaken by <u>Sweden</u> and <u>Singapore</u> in the rankings of the World Economic Forum's Global Competitiveness Report 2010-2011
- The People's Republic of <u>China</u> continues to move up the rankings, with marked improvements in several other Asian countries
- Germany moves up two places to fifth place, leading the Eurozone countries
- <u>Switzerland</u> tops the rankings

### Source:

World Economic Forum; available at URL: <a href="http://www.weforum.org">http://www.weforum.org</a>

## **Updated**:

2011 using most recent ranking available; reviewed in 2015.

# **Taxation**

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## Corporate tax

The main corporate tax rate is 28 percent.

### Individual tax

The tax rates for individuals are progressive and are as high as 28 percent.

## Capital gains

Capital gains are typically taxed as income.

### Indirect tax

The value-added tax (VAT), which applies to most transactions, is applied at the standard rate of 15 percent. Zero-rated items include exports, food, publications, and medicines.

# **Stock Market**

The Bolsa de Valores de Mexico openned in 1908. By the end of the 1990s, the exchange had 188 listed companies.

There is no foreign investment ceiling for listed stocks, and no capital gains or dividends taxes on foreign investors. Foreign investors are prohibited from buying A-voting shares and ownership of the company is limited to 49 percent. Repatriation of profits and capital are unrestricted. There are no taxes on dividends or capital gains.

For more information on the Bolsa de Valores de Mexico, see URL; <a href="http://www.bmv.com.mx/index.html">http://www.bmv.com.mx/index.html</a>.

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# **Partner Links**

Partner Links

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# Chapter 5 Social Overview

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# **People**

# **Cultural Demography**

With a population of about 110 million, Mexico is the most populous Spanish-speaking country in the world and the second-most populous country in Latin America, after Portuguese-speaking Brazil. About 70 percent of Mexicans live in urban areas. Many people emigrate from rural areas that lack job opportunities, such as the underdeveloped southern states, to the more industrialized urban centers along the United States-Mexico border.

According to some estimates, the population of the capital city of Mexico City, in conjuction with its surrounding area, is about 20 million (Mexico City's center numbers between 8 and 10 million). This makes it the largest concentration of people in the world. Cities bordering on the United States, such as Tijuana and Ciudad Juarez, as well as cities in the interior, such as Guadalajara, Monterrey and Puebla, have undergone sharp increases in population in recent years.

### Religion

Roman Catholicism is the prevailing religion of most Mexicans. Dating back to the Franciscan, Dominican, Augustinian and Jesuit missionaries who entered Mexico with the Spanish conquerors, the power and position of the Roman Catholic Church has been preeminent in much of the country's social history.

# **Ethnicity**

More than 60 percent of Mexicans are mestizos, a term used to describe the ethnic blend of people descended from Native Amerindians, the indigenous people of the region, and the Spaniards who conquered Mexico in the 1500s. Native Amerindians, some of whom speak indigenous languages and hold traditional beliefs, make up about 30 percent of the population. Mexicans of predominantly Europ ean ancestry make up almost nine percent of the population.

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### Language

Spanish is the major language, although, as aforementioned, indigenous tongues are also spoken. Some of the most widely spoken indigenous languages are Nahuatl in central Mexico, Mixteco-Zapoteca in south-central Mexico, Tarahumara in the country's northern region, and various Mayan dialects in the south-eastern region.

### **Education**

Although educational levels in Mexico have improved substantially in recent decades, the country still faces daunting problems. Education is one of the Mexican government's highest priorities and is being decentralized from federal to state authority in order to improve accountability.

Education is mandatory from ages six through 18. The increase in school enr ollments during the past two decades has been dramatic. In 1994, an estimated 59 percent of the population between six and 18 was enrolled in school. Primary (including preschool) enrollment in public schools from 1970-94 increased from less than 10 million to 17.5 million. Enrollment at the secondary public school level rose from 1.4 million in 1972 to as many as 4.5 million in 1994. A rapid increase also occurred in higher education. From 1959 until 1994, college enrollments rose from 62,000 to more than 1.2 million.

Despite the fact that education spending has risen dramatically, given increased enrollment, a net decline has occurred in per student expenditures. The Mexican government concedes that despite this progress, two million children still do not have access to basic education. The literacy rate of Mexico's population age 15 and over was estimated to be about 91 percent.

### **Health and Welfare**

Mexico's infant mortality rate is 19.01 deaths per 1,000 births, according to a recent estimate. The life expectancy at birth of the total population was estimated to be 75.84 years of age (73.05 years for males and 78.78 years for females).

Note that 13.8 percent of GDP in this country is spent on health expenditures; about 4.8 percent is spent on education.

# **Human Development**

One notable measure used to determine a country's quality of life is the Human Development

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Index (HDI), which has been compiled annually since 1990 by the United Nations Development Programme (UNDP). The HDI is a composite of several indicators, which measure a country's achievements in three main arenas of human development: longevity, knowledge and education, as well as economic standard of living. In a recent ranking of 169 countries, the HDI placed Mexico in the high human development category, at 56th place.

Note: Although the concept of human development is complicated and cannot be properly captured by values and indices, the HDI, which is calculated and updated annually, offers a wide -ranging assessment of human development in certain countries, not based solely upon traditional economic and financial indicators

Written by Dr. Denise Youngblood Coleman, Editor in Chief at Country Watch.com; see Bibliography for research sources.

## **Human Development Index**

Human Development Index

# **Human Development Index (Ranked Numerically)**

The Human Development Index (HDI) is used to measure quality of life in countries across the world. The HDI has been compiled since 1990 by the United Nations Development Programme (UNDP) on a regular basis. The HDI is a composite of several indicators, which measure a country's achievements in three main arenas of human development: longevity, education, and economic standard of living. Although the concept of human development is complicated and cannot be properly captured by values and indices, the HDI offers a wide-ranging assessment of human development in certain countries, not based solely upon traditional economic and financial indicators. For more information about the methodology used to calculate the HDI, please see the "Source Materials" in the appendices of this review.

Very High Human Development	High Human Development	Medium Human Development	Low Human Development

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1. Norway	43. Bahamas	86. Fiji	128. Kenya
2. Australia	44. Lithuania	87. Turkmenistan	129. Bangladesh
3. New Zealand	45. Chile	88. Dominican Republic	130. Ghana
4. United States	46. Argentina	89. China	131. Cameroon
5. Ireland	47. Kuwait	90. El Salvador	132. Myanmar (Burma)
6. Liechtenstein	48. Latvia	91. Sri Lanka	133. Yemen
7. Netherlands	49. Montenegro	92. Thailand	134. Benin
8. Canada	50. Romania	93. Gabon	135. Madagascar
9. Sweden	51. Croatia	94. Surname	136. Mauritania
10. Germany	52. Uruguay	95. Bolivia	137. Papua New Guinea
11. Japan	53. Libya	96. Paraguay	138. Nepal
12. South Korea	54. Panama	97. Philippines	139. Togo
13. Switzerland	55. Saudi Arabia	98. Botswana	140. Comoros
14. France	56. Mexico	99. Moldova	141. Lesotho
15. Israel	57. Malaysia	100. Mongolia	142. Nigeria
16. Finland	58. Bulgaria	101. Egypt	143. Uganda
17. Iceland	59. Trinidad and Tobago	102. Uzbekistan	144. Senegal

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60. Serbia	103. Micronesia	145. Haiti
61. Belarus	104. Guyana	146. Angola
62. Costa Rica	105. Namibia	147. Djibouti
63. Peru	106. Honduras	148. Tanzania
64. Albania	107. Maldives	149. Cote d'Ivoire
65. Russian Federation	108. Indonesia	150. Zambia
66. Kazakhstan	109. Kyrgyzstan	151. Gambia
67. Azerbaijan	110. South Africa	152. Rwanda
68. Bosnia and Herzegovina	111. Syria	153. Malawi
69. Ukraine	112. Tajikistan	154. Sudan
70. Iran	113. Vietnam	155. Afghanistan
71. The former Yugoslav Republic of Macedonia	114. Morocco	156. Guinea
72. Mauritius	115. Nicaragua	157. Ethiopia
73. Brazil	116. Guatemala	158. Sierra Leone
74. Georgia	117. Equatorial Guinea	159. Central African Republic
	61. Belarus 62. Costa Rica 63. Peru 64. Albania 65. Russian Federation 66. Kazakhstan 67. Azerbaijan 68. Bosnia and Herzegovina 69. Ukraine 70. Iran 71. The former Yugoslav Republic of Macedonia 72. Mauritius	61. Belarus  62. Costa Rica  105. Namibia  63. Peru  106. Honduras  64. Albania  107. Maldives  65. Russian Federation  108. Indonesia  66. Kazakhstan  109. Kyrgyzstan  67. Azerbaijan  110. South Africa  68. Bosnia and Herzegovina  111. Syria  69. Ukraine  112. Tajikistan  70. Iran  113. Vietnam  71. The former Yugoslav Republic of Macedonia  114. Morocco  72. Mauritius  115. Nicaragua  116. Guatemala

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33. Malta	75. Venezuela	118. Cape Verde	160. Mali
34. Estonia	76. Armenia	119. India	161. Burkina Faso
35. Cyprus	77. Ecuador	120. East Timor	162. Liberia
36. Hungary	78. Belize	121. Swaziland	163. Chad
37. Brunei	79. Colombia	122. Laos	164. Guinea- Bissau
38. Qatar	80. Jamaica	123. Solomon Islands	165. Mozambique
39. Bahrain	81. Tunisia	124. Cambodia	166. Burundi
40. Portugal	82. Jordan	125. Pakistan	167. Niger
41. Poland	83. Turkey	126. Congo RC	168. Congo DRC
42. Barbados	84. Algeria	127. Sao Tome and Principe	169. Zimbabwe
	85. Tonga		

# Methodology:

For more information about the methodology used to calculate the HDI, please see the "Source Materials" in the appendices of this Country Review.

# Reference:

As published in United Nations Development Programme's Human Development Report 2010.

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### Source:

United Nations Development Programme's <u>Human Development Index</u> available at URL: <a href="http://hdr.undp.org/en/statistics/">http://hdr.undp.org/en/statistics/</a>

## <u>Updated</u>:

Uploaded in 2011 using ranking available; reviewed in 2015

### **Life Satisfaction Index**

Life Satisfaction Index

### **Life Satisfaction Index**

Created by Adrian G. White, an Analytic Social Psychologist at the University of Leicester, the "Satisfaction with Life Index" measures subjective life satisfaction across various countries. The data was taken from a metastudy (see below for source) and associates the notion of subjective happiness or life satisfaction with qualitative parameters such as health, wealth, and access to basic education. This assessment serves as an alternative to other measures of happiness that tend to rely on traditional and quantitative measures of policy on quality of life, such as GNP and GDP. The methodology involved the responses of 80,000 people across the globe.

Rank	Country	Score
1	Denmark	273.4
2	Switzerland	273.33
3	Austria	260
4	Iceland	260
5	The Bahamas	256.67

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6	Finland	256.67
7	Sweden	256.67
8	Iran	253.33
9	Brunei	253.33
10	Canada	253.33
11	Ireland	253.33
12	Luxembourg	253.33
13	Costa Rica	250
14	Malta	250
15	Netherlands	250
16	Antiguaand Barbuda	246.67
17	Malaysia	246.67
18	New Zealand	246.67
19	Norway	246.67
20	Seychelles	246.67
21	Saint Kitts and Nevis	246.67
22	United Arab Emirates	246.67
23	United States	246.67

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<ul><li>Venezuela</li><li>Australia</li></ul>	
26 Australia	246.67
	243.33
27 Barbados	243.33
28 Belgium	243.33
29 Dominica	243.33
30 Oman	243.33
31 Saudi Arabia	243.33
32 Suriname	243.33
33 Bahrain	240
34 Colombia	240
35 Germany	240
36 Guyana	240
37 Honduras	240
38 Kuwait	240
39 Panama	240
Saint Vincent and the Grenadine	es 240
41 United Kingdom	236.67

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42	Dominican Republic	233.33
43	Guatemala	233.33
44	Jamaica	233.33
45	Qatar	233.33
46	Spain	233.33
47	Saint Lucia	233.33
48	Belize	230
49	Cyprus	230
50	Italy	230
51	Mexico	230
52	Samoa	230
53	Singapore	230
54	Solomon Islands	230
55	Trinidad and Tobago	230
56	Argentina	226.67
57	Fiji	223.33
58	Israel	223.33
59	Mongolia	223.33

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60	São Tomé and Príncipe	223.33
61	El Salvador	220
62	France	220
63	Hong Kong	220
64	Indonesia	220
65	Kyrgyzstan	220
66	Maldives	220
67	Slovenia	220
68	Taiwan	220
69	East Timor	220
70	Tonga	220
71	Chile	216.67
72	Grenada	216.67
73	Mauritius	216.67
74	Namibia	216.67
75	Paraguay	216.67
76	Thailand	216.67
77	Czech Republic	213.33

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78	Philippines	213.33
79	Tunisia	213.33
80	Uzbekistan	213.33
81	Brazil	210
82	China	210
83	Cuba	210
84	Greece	210
85	Nicaragua	210
86	Papua New Guinea	210
87	Uruguay	210
88	Gabon	206.67
89	Ghana	206.67
90	Japan	206.67
91	Yemen	206.67
92	Portugal	203.33
93	Sri Lanka	203.33
94	Tajikistan	203.33
95	Vietnam	203.33

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96	Bhutan	200
97	Comoros	196.67
98	Croatia	196.67
99	Poland	196.67
100	Cape Verde	193.33
101	Kazakhstan	193.33
102	South Korea	193.33
103	Madagascar	193.33
104	Bangladesh	190
105	Republic of the Congo	190
106	The Gambia	190
107	Hungary	190
108	Libya	190
109	South Africa	190
110	Cambodia	186.67
111	Ecuador	186.67
112	Kenya	186.67
113	Lebanon	186.67

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114	Morocco	186.67
115	Peru	186.67
116	Senegal	186.67
117	Bolivia	183.33
118	Haiti	183.33
119	Nepal	183.33
120	Nigeria	183.33
121	Tanzania	183.33
122	Benin	180
123	Botswana	180
124	Guinea-Bissau	180
125	India	180
126	Laos	180
127	Mozambique	180
128	Palestinian Authority	180
129	Slovakia	180
130	Myanmar	176.67
131	Mali	176.67

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132	Mauritania	176.67
133	Turkey	176.67
134	Algeria	173.33
135	Equatorial Guinea	173.33
136	Romania	173.33
137	Bosnia and Herzegovina	170
138	Cameroon	170
139	Estonia	170
140	Guinea	170
141	Jordan	170
142	Syria	170
143	Sierra Leone	166.67
144	Azerbaijan	163.33
145	Central African Republic	163.33
146	Republic of Macedonia	163.33
147	Togo	163.33
148	Zambia	163.33
149	Angola	160

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150	Djibouti	160
151	Egypt	160
152	Burkina Faso	156.67
153	Ethiopia	156.67
154	Latvia	156.67
155	Lithuania	156.67
156	Uganda	156.67
157	Albania	153.33
158	Malawi	153.33
159	Chad	150
160	Côte d'Ivoire	150
161	Niger	150
162	Eritrea	146.67
163	Rwanda	146.67
164	Bulgaria	143.33
165	Lesotho	143.33
166	Pakistan	143.33
167	Russia	143.33

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168	Swaziland	140
169	Georgia	136.67
170	Belarus	133.33
171	Turkmenistan	133.33
172	Armenia	123.33
173	Sudan	120
174	Ukraine	120
175	Moldova	116.67
176	Democratic Republic of the Congo	110
177	Zimbabwe	110
178	Burundi	100

## **Commentary**:

European countries, such as Denmark, Iceland, Finland, Sweden, Switzerland, Austria resided at the top of the ranking with highest levels of self-reported life satisfaction. Conversely, European countries such as Latvia, Lithuania, Moldova, Belarus and Ukraine ranked low on the index. African countries such as Democratic Republic of Congo, Zimbabwe and Burundi found themselves at the very bottom of the ranking, and indeed, very few African countries could be found in the top 100. Japan was at the mid-way point in the ranking, however, other Asian countries such as Brunei and Malaysia were in the top tier, while Pakistan was close to the bottom with a low level of self-identified life satisfaction. As a region, the Middle East presented a mixed bad with Saudi Arabians reporing healthy levels of life satisfaction and Egyptians near the bottom of the ranking. As a region, Caribbean countries were ranked highly, consistently demonstrating high levels of life satisfaction. The findings showed that health was the most crucial determining factor in life satisfaction, followed by prosperity and education.

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#### Source:

White, A. (2007). A Global Projection of Subjective Well-being: A Challenge To Positive Psychology? Psychtalk 56, 17-20. The data was extracted from a meta-analysis by Marks, Abdallah, Simms & Thompson (2006).

## <u>Uploaded:</u>

Based on study noted above in "Source"; reviewed in 2015

### **Happy Planet Index**

## Happy Planet Index

The Happy Planet Index (HPI) is used to measure human well-being in conjunction with environmental impact. The HPI has been compiled since 2006 by the New Economics Foundation. The index is a composite of several indicators including subjective life satisfaction, life expectancy at birth, and ecological footprint per capita.

As noted by NEFA, the HPI "reveals the ecological efficiency with which human well-being is delivered." Indeed, the index combines environmental impact with human well-being to measure the environmental efficiency with which, country by country, people live long and happy lives. The countries ranked highest by the HPI are not necessarily the ones with the happiest people overall, but the ones that allow their citizens to live long and fulfilling lives, without negatively impacting this opportunity for either future generations or citizens of other countries. Accordingly, a country like the <u>United States</u> will rank low on this list due to its large per capital ecological footprint, which uses more than its fair share of resources, and will likely cause planetary damage.

It should be noted that the HPI was designed to be a counterpoint to other well-established indices of countries' development, such as Gross Domestic Product (GDP), which measures overall national wealth and economic development, but often obfuscates the realities of countries with stark variances between the rich and the poor. Moreover, the objective of most of the world's people is not to be wealthy but to be happy. The HPI also differs from the <a href="Human Development Index">Human Development Index</a> (HDI), which measures quality of life but not ecology, since it [HPI] also includes sustainability as a key indicator.

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Rank	Country	HPI
1	Costa Rica	76.1
2	Dominican Republic	71.8
3	Jamaica	70.1
4	Guatemala	68.4
5	Vietnam	66.5
6	Colombia	66.1
7	Cuba	65.7
8	El Salvador	61.5
9	Brazil	61.0
10	Honduras	61.0
11	Nicaragua	60.5
12	Egypt	60.3
13	Saudi Arabia	59.7
14	Philippines	59.0
15	Argentina	59.0
16	Indonesia	58.9

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Bhutan	58.5
Panama	57.4
Laos	57.3
China	57.1
Morocco	56.8
Sri Lanka	56.5
Mexico	55.6
Pakistan	55.6
Ecuador	55.5
Jordan	54.6
Belize	54.5
Peru	54.4
Tunisia	54.3
Trinidad and Tobago	54.2
Bangladesh	54.1
Moldova	54.1
Malaysia	54.0
Tajikistan	53.5
	Panama Laos China Morocco Sri Lanka Mexico Pakistan Ecuador Jordan Belize Peru Tunisia Trinidad and Tobago Bangladesh Moldova Malaysia

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35	India	53.0
36	Venezuela	52.5
37	Nepal	51.9
38	Syria	51.3
39	Burma	51.2
40	Algeria	51.2
41	Thailand	50.9
42	Haiti	50.8
43	Netherlands	50.6
44	Malta	50.4
45	Uzbekistan	50.1
46	Chile	49.7
47	Bolivia	49.3
48	Armenia	48.3
49	Singapore	48.2
50	Yemen	48.1
51	Germany	48.1
52	Switzerland	48.1

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53	Sweden	48.0
54	Albania	47.9
55	Paraguay	47.8
56	Palestinian Authority	47.7
57	Austria	47.7
58	Serbia	47.6
59	Finland	47.2
60	Croatia	47.2
61	Kyrgyzstan	47.1
62	Cyprus	46.2
63	Guyana	45.6
64	Belgium	45.4
65	Bosnia and Herzegovina	45.0
66	Slovenia	44.5
67	Israel	44.5
68	South Korea	44.4
69	Italy	44.0
70	Romania	43.9

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71	France	43.9
72	Georgia	43.6
73	Slovakia	43.5
74	United Kingdom	43.3
75	Japan	43.3
76	Spain	43.2
77	Poland	42.8
78	Ireland	42.6
79	Iraq	42.6
80	Cambodia	42.3
81	Iran	42.1
82	Bulgaria	42.0
83	Turkey	41.7
84	Hong Kong	41.6
85	Azerbaijan	41.2
86	Lithuania	40.9
87	Djibouti	40.4
88	Norway	40.4

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89	Canada	39.4
90	Hungary	38.9
91	Kazakhstan	38.5
92	Czech Republic	38.3
93	Mauritania	38.2
94	Iceland	38.1
95	Ukraine	38.1
96	Senegal	38.0
97	Greece	37.6
98	Portugal	37.5
99	Uruguay	37.2
100	Ghana	37.1
101	Latvia	36.7
102	Australia	36.6
103	New Zealand	36.2
104	Belarus	35.7
105	Denmark	35.5
106	Mongolia	35.0

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107	Malawi	34.5
108	Russia	34.5
109	Chad	34.3
110	Lebanon	33.6
111	Macedonia	32.7
112	Republic of the Congo	32.4
113	Madagascar	31.5
114	United States	30.7
115	Nigeria	30.3
116	Guinea	30.3
117	Uganda	30.2
118	South Africa	29.7
119	Rwanda	29.6
120	Democratic Republic of the Congo	29.0
121	Sudan	28.5
122	Luxembourg	28.5
123	United Arab Emirates	28.2
124	Ethiopia	28.1

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125	Kenya	27.8
126	Cameroon	27.2
127	Zambia	27.2
128	Kuwait	27.0
129	Niger	26.9
130	Angola	26.8
131	Estonia	26.4
132	Mali	25.8
133	Mozambique	24.6
134	Benin	24.6
135	Togo	23.3
136	Sierra Leone	23.1
137	Central African Republic	22.9
138	Burkina Faso	22.4
139	Burundi	21.8
140	Namibia	21.1
141	Botswana	20.9
142	Tanzania	17.8

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Zimbabwe 16.6

**Source:** This material is derived from the Happy Planet Index issued by the New Economics Foundation (NEF).

**Methodology:** The methodology for the calculations can be found at URL: <a href="http://www.happyplanetindex.org/">http://www.happyplanetindex.org/</a>

# **Status of Women**

Gender Related Development Index (GDI) Rank:

46th out of 140

**Gender Empowerment Measure (GEM) Rank:** 

38th out of 80

**Female Population:** 

54.2 million

Female Life Expectancy at birth:

>78 years

**Total Fertility Rate:** 

2.8

**Maternal Mortality Ratio (2000):** 

83

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Total Number of Women Living with HIV/AIDS:
17,000-91,000
Ever Married Women, Ages 15-19 (%):
17%
Mean Age at Time of Marriage:
23
Contraceptive Use Among Married Women, Any Method (%):
68%
Female Adult Literacy Rate:
90%
Combined Female Gross enrollment ratio for Primary, Secondary and Tertiary schools:
76%
Female-Headed Households (%):
21%
Economically Active Females (%):
40.6%
Female Contributing Family Workers (%):
49%
Female Estimated Earned Income:
\$5,068
Seats in Parliament held by women (%):

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Lower or Single House: 24.2%

Upper House or Senate: 21.9%

## Year Women Received the Right to Vote:

1947

### Year Women Received the Right to Stand for Election:

1953

- \*The Gender Development Index (GDI) is a composite index which measures the average achievement in a country. While very similar to the Human Development Index in its use of the same variables, the GDI adjusts the average achievement of each country in terms of life expectancy, enrollment in schools, income, and literacy in accordance to the disparities between males and females
- \*The Gender Empowerment Measure (GEM) is a composite index measuring gender inequality in three of the basic dimensions of empowerment; economic participation and decision-making, political participation and decision-making, and power over economic resources.
- \*Total Fertility Rate (TFR) is defined as the average number of babies born to women during their reproductive years. A TFR of 2.1 is considered the replacement rate; once a TFR of a population reaches 2.1 the population will remain stable assuming no immigration or emigration takes place. When the TFR is greater than 2.1 a population will increase and when it is less than 2.1 a population will eventually decrease, although due to the age structure of a population it will take years before a low TFR is translated into lower population.
- \*Maternal Mortality Rate is the number of deaths to women per 100,000 live births that resulted from conditions related to pregnancy and or delivery related complications.
- \*Economically Active Females are the share of the female population, ages 15 and above, whom supply, or are able to supply, labor for the production of goods and services.
- \*Female Contributing Family Workers are those females who work without pay in an economic enterprise operated by a relative living in the same household.
- \*Estimated Earned Income is measured according to Purchasing Power Parity (PPP) in US dollars.

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## **Global Gender Gap Index**

## Global Gender Gap Index

### Editor's Note:

The Global Gender Gap Index by the World Economic Forum ranks most of the world's countries in terms of the division of resources and opportunities among males and females. Specifically, the ranking assesses the gender inequality gap in these four arenas:

- 1. Economic participation and opportunity (salaries and high skilled employment participation levels)
- 2. Educational attainment (access to basic and higher level education)
- 3. Political empowerment (representation in decision-making structures)
- 4. Health and survival (life expectancy and sex ratio)

	2010 rank	2010 score	2010 rank among 2009 countries	2009 rank	2009 score	2008 rank	2008 score	2007 rank
Country								
Iceland	1	0.8496	1	1	0.8276	4	0.7999	4
Norway	2	0.8404	2	3	0.8227	1	0.8239	2
Finland	3	0.8260	3	2	0.8252	2	0.8195	3
Sweden	4	0.8024	4	4	0.8139	3	0.8139	1

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New Zealand	5	0.7808	5	5	0.7880	5	0.7859	5
Ireland	6	0.7773	6	8	0.7597	8	0.7518	9
Denmark	7	0.7719	7	7	0.7628	7	0.7538	8
Lesotho	8	0.7678	8	10	0.7495	16	0.7320	26
Philippines	9	0.7654	9	9	0.7579	6	0.7568	6
Switzerland	10	0.7562	10	13	0.7426	14	0.7360	40
Spain	11	0.7554	11	17	0.7345	17	0.7281	10
South Africa	12	0.7535	12	6	0.7709	22	0.7232	20
Germany	13	0.7530	13	12	0.7449	11	0.7394	7
Belgium	14	0.7509	14	33	0.7165	28	0.7163	19
United Kingdom	15	0.7460	15	15	0.7402	13	0.7366	11
Sri Lanka	16	0.7458	16	16	0.7402	12	0.7371	15
Netherlands	17	0.7444	17	11	0.7490	9	0.7399	12
Latvia	18	0.7429	18	14	0.7416	10	0.7397	13
United States	19	0.7411	19	31	0.7173	27	0.7179	31
Canada	20	0.7372	20	25	0.7196	31	0.7136	18
Trinidad and Tobago	21	0.7353	21	19	0.7298	19	0.7245	46

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Mozambique	22	0.7329	22	26	0.7195	18	0.7266	43
Australia	23	0.7271	23	20	0.7282	21	0.7241	17
Cuba	24	0.7253	24	29	0.7176	25	0.7195	22
Namibia	25	0.7238	25	32	0.7167	30	0.7141	29
Luxembourg	26	0.7231	26	63	0.6889	66	0.6802	58
Mongolia	27	0.7194	27	22	0.7221	40	0.7049	62
Costa Rica	28	0.7194	28	27	0.7180	32	0.7111	28
Argentina	29	0.7187	29	24	0.7211	24	0.7209	33
Nicaragua	30	0.7176	30	49	0.7002	71	0.6747	90
Barbados	31	0.7176	31	21	0.7236	26	0.7188	n/a
Portugal	32	0.7171	32	46	0.7013	39	0.7051	37
Uganda	33	0.7169	33	40	0.7067	43	0.6981	50
Moldova	34	0.7160	34	36	0.7104	20	0.7244	21
Lithuania	35	0.7132	35	30	0.7175	23	0.7222	14
Bahamas	36	0.7128	36	28	0.7179	n/a	n/a	n/a
Austria	37	0.7091	37	42	0.7031	29	0.7153	27
Guyana	38	0.7090	38	35	0.7108	n/a	n/a	n/a
Panama	39	0.7072	39	43	0.7024	34	0.7095	38

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Ecuador	40	0.7072	40	23	0.7220	35	0.7091	44
Kazakhstan	41	0.7055	41	47	0.7013	45	0.6976	32
Slovenia	42	0.7047	42	52	0.6982	51	0.6937	49
Poland	43	0.7037	43	50	0.6998	49	0.6951	60
Jamaica	44	0.7037	44	48	0.7013	44	0.6980	39
Russian Federation	45	0.7036	45	51	0.6987	42	0.6994	45
France	46	0.7025	46	18	0.7331	15	0.7341	51
Estonia	47	0.7018	47	37	0.7094	37	0.7076	30
Chile	48	0.7013	48	64	0.6884	65	0.6818	86
Macedonia, FYR	49	0.6996	49	53	0.6950	53	0.6914	35
Bulgaria	50	0.6983	50	38	0.7072	36	0.7077	25
Kyrgyz Republic	51	0.6973	51	41	0.7058	41	0.7045	70
Israel	52	0.6957	52	45	0.7019	56	0.6900	36
Croatia	53	0.6939	53	54	0.6944	46	0.6967	16
Honduras	54	0.6927	54	62	0.6893	47	0.6960	68
Colombia	55	0.6927	55	56	0.6939	50	0.6944	24
Singapore	56	0.6914	56	84	0.6664	84	0.6625	77

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Thailand	57	0.6910	57	59	0.6907	52	0.6917	52
Greece	58	0.6908	58	85	0.6662	75	0.6727	72
Uruguay	59	0.6897	59	57	0.6936	54	0.6907	78
Peru	60	0.6895	60	44	0.7024	48	0.6959	75
China	61	0.6881	61	60	0.6907	57	0.6878	73
Botswana	62	0.6876	62	39	0.7071	63	0.6839	53
Ukraine	63	0.6869	63	61	0.6896	62	0.6856	57
Venezuela	64	0.6863	64	69	0.6839	59	0.6875	55
Czech Republic	65	0.6850	65	74	0.6789	69	0.6770	64
Tanzania	66	0.6829	66	73	0.6797	38	0.7068	34
Romania	67	0.6826	67	70	0.6805	70	0.6763	47
Malawi	68	0.6824	68	76	0.6738	81	0.6664	87
Paraguay	69	0.6804	69	66	0.6868	100	0.6379	69
Ghana	70	0.6782	70	80	0.6704	77	0.6679	63
Slovak Republic	71	0.6778	71	68	0.6845	64	0.6824	54
Vietnam	72	0.6776	72	71	0.6802	68	0.6778	42
Dominican Republic	73	0.6774	73	67	0.6859	72	0.6744	65

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74	0.6765	74	72	0.6798	67	0.6788	84
75	0.6762	75	75	0.6752	85	0.6622	95
76	0.6751	76	82	0.6693	80	0.6667	80
77	0.6748	77	94	0.6524	99	0.6392	n/a
78	0.6726	78	91	0.6601	87	0.6591	66
79	0.6720	79	65	0.6879	60	0.6867	61
80	0.6713	80	77	0.6732	74	0.6736	89
81	0.6712	81	106	0.6353	114	0.6032	110
82	0.6702	82	93	0.6526	90	0.6531	100
83	0.6695	83	88	0.6635	83	0.6634	76
84	0.6669	84	90	0.6619	78	0.6677	71
85	0.6655	85	81	0.6695	73	0.6737	74
86	0.6642	86	79	0.6706	76	0.6694	82
87	0.6615	87	92	0.6580	93	0.6473	81
88	0.6598	88	83	0.6680	82	0.6654	67
89	0.6598	89	86	0.6661	89	0.6541	79
90	0.6596	90	55	0.6939	58	0.6875	48
	75 76 77 78 79 80 81 82 83 84 85 86 87 88	75  0.6762 76  0.6751 77  0.6748 78  0.6726 79  0.6720 80  0.6713 81  0.6712 82  0.6702 83  0.6695 84  0.6669 85  0.6655 86  0.6642 87  0.6615 88  0.6598	75       0.6762       75         76       0.6751       76         77       0.6748       77         78       0.6726       78         79       0.6720       79         80       0.6713       80         81       0.6712       81         82       0.6702       82         83       0.6695       83         84       0.6669       84         85       0.6655       85         86       0.6642       86         87       0.6615       87         88       0.6598       88         89       0.6598       89	75       0.6762       75       75         76       0.6751       76       82         77       0.6748       77       94         78       0.6726       78       91         79       0.6720       79       65         80       0.6713       80       77         81       0.6712       81       106         82       0.6702       82       93         83       0.6695       83       88         84       0.6669       84       90         85       0.6655       85       81         86       0.6642       86       79         87       0.6615       87       92         88       0.6598       88       83         89       0.6598       89       86	75         0.6762         75         75         0.6752           76         0.6751         76         82         0.6693           77         0.6748         77         94         0.6524           78         0.6726         78         91         0.6601           79         0.6720         79         65         0.6879           80         0.6713         80         77         0.6732           81         0.6712         81         106         0.6353           82         0.6702         82         93         0.6526           83         0.6695         83         88         0.6635           84         0.6669         84         90         0.6619           85         0.6655         85         81         0.6695           86         0.6642         86         79         0.6706           87         0.6615         87         92         0.6580           88         0.6598         88         83         0.6681           89         0.6598         89         86         0.6661	75         0.6762         75         75         0.6752         85           76         0.6751         76         82         0.6693         80           77         0.6748         77         94         0.6524         99           78         0.6726         78         91         0.6601         87           79         0.6720         79         65         0.6879         60           80         0.6713         80         77         0.6732         74           81         0.6712         81         106         0.6353         114           82         0.6702         82         93         0.6526         90           83         0.6695         83         88         0.6635         83           84         0.6669         84         90         0.6619         78           85         0.6655         85         81         0.6695         73           86         0.6642         86         79         0.6706         76           87         0.6615         87         92         0.6580         93           88         0.6598         88         83         0.6661         89	75         0.6762         75         75         0.6752         85         0.6622           76         0.6751         76         82         0.6693         80         0.6667           77         0.6748         77         94         0.6524         99         0.6392           78         0.6726         78         91         0.6601         87         0.6591           79         0.6720         79         65         0.6879         60         0.6867           80         0.6713         80         77         0.6732         74         0.6736           81         0.6712         81         106         0.6353         114         0.6032           82         0.6702         82         93         0.6526         90         0.6531           83         0.6695         83         88         0.6635         83         0.6634           84         0.6669         84         90         0.6619         78         0.6677           85         0.6655         85         81         0.6695         73         0.6737           86         0.6642         86         79         0.6580         93         0.6473

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Mexico	91	0.6577	91	98	0.6503	97	0.6441	93
Zimbabwe	92	0.6574	92	95	0.6518	92	0.6485	88
Belize	93	0.6536	93	87	0.6636	86	0.6610	94
Japan	94	0.6524	94	101	0.6447	98	0.6434	91
Mauritius	95	0.6520	95	96	0.6513	95	0.6466	85
Kenya	96	0.6499	96	97	0.6512	88	0.6547	83
Cambodia	97	0.6482	97	104	0.6410	94	0.6469	98
Malaysia	98	0.6479	98	100	0.6467	96	0.6442	92
Maldives	99	0.6452	99	99	0.6482	91	0.6501	99
Azerbaijan	100	0.6446	100	89	0.6626	61	0.6856	59
Senegal	101	0.6414	101	102	0.6427	n/a	n/a	n/a
Suriname	102	0.6407	102	78	0.6726	79	0.6674	56
United Arab Emirates	103	0.6397	103	112	0.6198	105	0.6220	105
Korea, Rep.	104	0.6342	104	115	0.6146	108	0.6154	97
Kuwait	105	0.6318	105	105	0.6356	101	0.6358	96
Zambia	106	0.6293	106	107	0.6310	106	0.6205	101
Tunisia	107	0.6266	107	109	0.6233	103	0.6295	102
Fiji	108	0.6256	108	103	0.6414	n/a	n/a	n/a

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Guatemala	109	0.6238	109	111	0.6209	112	0.6072	106
Bahrain	110	0.6217	110	116	0.6136	121	0.5927	115
Burkina Faso	111	0.6162	111	120	0.6081	115	0.6029	117
India	112	0.6155	112	114	0.6151	113	0.6060	114
Mauritania	113	0.6152	113	119	0.6103	110	0.6117	111
Cameroon	114	0.6110	114	118	0.6108	117	0.6017	116
Nepal	115	0.6084	115	110	0.6213	120	0.5942	125
Lebanon*	116	0.6084	n/a	n/a	n/a	n/a	n/a	n/a
Qatar	117	0.6059	116	125	0.5907	119	0.5948	109
Nigeria	118	0.6055	117	108	0.6280	102	0.6339	107
Algeria	119	0.6052	118	117	0.6119	111	0.6111	108
Jordan	120	0.6048	119	113	0.6182	104	0.6275	104
Ethiopia	121	0.6019	120	122	0.5948	122	0.5867	113
Oman	122	0.5950	121	123	0.5938	118	0.5960	119
Iran	123	0.5933	122	128	0.5839	116	0.6021	118
Syria	124	0.5926	123	121	0.6072	107	0.6181	103
Egypt	125	0.5899	124	126	0.5862	124	0.5832	120
Turkey	126	0.5876	125	129	0.5828	123	0.5853	121

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Morocco	127	0.5767	126	124	0.5926	125	0.5757	122
Benin	128	0.5719	127	131	0.5643	126	0.5582	123
Saudi Arabia	129	0.5713	128	130	0.5651	128	0.5537	124
Côte d'Ivoire*	130	0.5691	n/a	n/a	n/a	n/a	n/a	n/a
Mali	131	0.5680	129	127	0.5860	109	0.6117	112
Pakistan	132	0.5465	130	132	0.5458	127	0.5549	126
Chad	133	0.5330	131	133	0.5417	129	0.5290	127
Yemen	134	0.4603	132	134	0.4609	130	0.4664	128
Belarus	n/a	n/a	n/a	34	0.7141	33	0.7099	23
Uzbekistan	n/a	n/a	n/a	58	0.6913	55	0.6906	41

## Commentary:

According to the report's index, Nordic countries, such as <u>Iceland</u>, <u>Norway</u>, <u>Finland</u>, and <u>Sweden</u> have continued to dominate at the top of the ranking for gender equality. Meanwhile, <u>France</u> has seen a notable decline in the ranking, largely as a result of decreased number of women holding ministerial portfolios in that country. In the Americas, the <u>United States</u> has risen in the ranking to top the region, predominantly as a result of a decreasing wage gap, as well as higher number of women holding key positions in the current Obama administration. <u>Canada</u> has continued to remain as one of the top ranking countries of the Americas, followed by the small Caribbean island

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<sup>\*</sup>new country 2010

nation of Trinidad and Tobago, which has the distinction of being among the top three countries of the Americans in the realm of gender equality. Lesotho and South African ranked highly in the index, leading not only among African countries but also in global context. Despite Lesotho still lagging in the area of life expectancy, its high ranking was attributed to high levels of female participation in the labor force and female literacy. The Philippines and Sri Lanka were the top ranking countries for gender equality for Asia, ranking highly also in global context. The Philippines has continued to show strong performance in all strong performance on all four dimensions (detailed above) of the index. Finally, in the Arab world, the United Arab Emirates held the highest-rank within that region of the world; however, its placement near the bottom of the global list highlights the fact that Arab countries are generally poor performers when it comes to the matter of gender equality in global scope.

#### Source:

This data is derived from the latest edition of The Global Gender Gap Report by the World Economic Forum

#### Available at URL:

http://www.weforum.org/en/Communities/Women%20Leaders%20and%20Gender%20Parity/Gende

## <u>Updated</u>:

Based on latest available data as set forth in chart; reviewed in 2014

## **Culture and Arts**

### **Culture and Arts of Mexico**

#### Music

The music of Mexico is a combination of music that includes native Mayan, Aztec, Zapotec, Seri, Tarahumara and Toltec cultures with heavy Spanish, African, North American and Eastern European influences. Contemporary Mexican music still fuses old styles with new styles yet it always retains a sound that is uniquely Mexican.

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Pre-Spanish conquest, early native instruments consisted of wooden drums, tortoise shells, flutes, rattles and tom-tom drums. Following the arrival of Cortes came Spanish Catholic priests and friars who set about the converting the indigenous population of Mexico to Catholicism. During the conversions, Spanish priests taught European string, brass and percussion instruments to local people as well as the polyphonic signing of the Catholic liturgy. The European musical tradition in Mexico was initiated by Friar Pedro de Gante who in 1523, began a school to educated natives in European scholarship and music.

While the priests wished to abolish the native religions of Mexico, they did not wipe out traditional music altogether. Ritualistic dances were retained, sometimes even keeping the same traditional costumes, though the gods and rituals for who these dances were originally created changed to Catholic Saints and religious holidays of the Church.

European influence in music was prominent during the Colonial period; prominent early Mexican composers include Hernando Franco (1532-1582), Juan Gutiérrez de Padilla (1590-1664), Francisco Lopez Capillas (1615-1673) and Manuel de Zumaya (1678-1756). In recent years, there has been a renewed interest in the works of the composers of the Mexican baroque. For close to three hundred years many of these composers' works had been neglected due to Mexican nationalism and the rejection of European models of culture.

The fight for independence from Spain in 1810 became a critically important time in the culture of Mexico and it was strongly reflected in the changing musical styles. During this time the Spanish European culture was replaced by a growing awareness of the mestizaje or mixed culture that was to become the defining element in the national culture of Mexico. European instruments, once used in high cultural events of the dominant European class (such as in orchestras and the church cathedrals), now were played by ensembles of musicians to accompany folk music and satirical songs. The result of theses factors would lead to the development of the classic and best known of all Mexican music styles, mariachi.

Mariachi is thought to have originated in Jalisco during the nineteenth century. The mariachi costume, originally that of peasant garb, is now the horsemen costume or "charro suit". In the early days of mariachi, bands from Jalisco typically played with violins, harps, and the guitarra de golpe (a Mexican variation on the Spanish guitar). In the 1930s, the trumpet was added to the musical arrangements, and the vihuela (similar to a guitar, but smaller) and guitarrón (similar to a bass guitar) often replaced harps and the guitarra de golpe. To date, the most important mariachi band is, Mariachi Vargas de Tecalitlán, a group formed in 1898 whose talented members of the past and present have developed the distinctive mariachi sound.

In Chiapas, the marimba is quite popular. Marimba is a xylophone like instrument thought to be origionally introduced to Mexico by African slaves. Marimba music is usually not accompanied by singing but it the instrument of choice for regional traditional dances, ceremonial music and festivals.

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Revolution of 1910 gave birth to the contemporary folk hero and the corrido, narrative lyrical folk songs. During the revolution the corrido became a socio-political voice of the people, a form of dissent against the Díaz regime. These songs functioned as entertainment and boosted morale, often by relating stories about the heroes of the Revolution, Poncho Villa and Emiliano Zapata, and by evoking rebellious and nationalistic feelings of the revolution and feelings of solidarity among the people themselves. This genre is still quite popular, however, within the past few decades the folk heroes in the song are less and less political revolutionaries, and increasingly, the people and government agencies involved in drug smuggling. The corrido has been said to express both the "social and historical conciousness" of the Mexican people on both sides of the Mexico-U.S. border. Popular corrido singers and bands include Los Tigres del Norte and Los Tucanes.

Folklore and politics also fueled the inspiration for a number of well-known Mexican composers who would themselves compose nationalistic pieces of music before, during and immediately after the Revolution. Due to a high level of anti-foreign sentiment, musicians embraced the history of their Indian ancestors and folk common mestizaje, studying the different regional variations on folk music's rhythms, styles and instruments. Instead of following European trends, these composers became in a sense, Mexico's first ethnomusicologists and folklorists. The composers include:

- The first of these composers was Julian Carrillo (1875-1965) who discovered the "thirteenth sound". He was one of the first pioneers of microtonal music and was nominated for the 1950 Nobel Prize in physics.
- The regional sounds of Mexico are heard in Manuel Maria Ponce (1882-1948) compositions. He is especially well known for his guitar pieces preformed by the Italian guitarist, Andres Segovia.
- Prominent composer, educator and music critic, Carlos Chávez (1899-1978) truly embraced the pre Columbian musical past. His symphonies often incorporated indigenous instruments and focused on the percussion elements of indigenous music.
- Silvestre Revueltas (1899-1940) a contemporary of Chávez, wrote several film scores and worked with the realm traditional folk music of Mexico.

Ranchera music can be described as Mexican country music. Ranchera songs are most often songs that deal with themes of love; love for people, land and country. Lola Bertrán, Vincent Fernadez and José Alfredo Jiménez are well known ranchera singers.

Near the U.S. and Mexico border norteño and tejano (also called conjunto) have gained popularity. Both norteño and tejano are influenced by the border waltzes and polkas of the Eastern European immigrants who settled in the farming areas north and south of the border. The waltzes and polkas were accompanied by accordion which Mexican musicians adopted defining sound of norteño and tejano. The two main factors that distinguish norteño and tejano from each other are location and

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the language the songs are sung; norteño is sung south of the border only in Spanish and tejano is sung in Texas both in the English and Spanish language.

The founder of Mexican contemporary dance was choreographer and poet, Waldeen (1914–1993), an American immigrant who dedicated her life to cultivating the rich and diverse dance styles of Mexico into a classical tradition unique to Mexico.

The dancer and choreographer, Amalia Hernández (1917-2000), a student of Waldeen, developed Ballet Folklórico de México, a dance troupe that celebrates the regional diversity of Mexican traditional dances. While the dances are derived from indigenous and folk traditions and accompanied by music inspired by the traditional music of Mexico, the dancers are classically trained. Since the beginning in 1952, Ballet Folklórico de México has gained international acclaim and had become a cultural ambassador of Mexico to the rest of the world.

The News-Times: Southern Mexico's marimba music goes international: <a href="http://www.newstimes.com/archive97/jan2097/muh.htm">http://www.newstimes.com/archive97/jan2097/muh.htm</a>

Ballet Folklórico de México; <a href="http://balletamalia.com/">http://balletamalia.com/</a>

The International Manuel Ponce Society <a href="http://www.imps.org/">http://www.imps.org/</a>

Grammy.com; La Raza Cósmica http://www.grammy.com/features/latino/0905\_regmexican.html

Leeward Community College; Music and The Socio-Cultural Environment of Post-Revolutionary Mexico;

http://alaike.lcc.hawaii.edu/frary/social\_envir\_mex.htm

**Traditional Music** 

http://www.cybercypher.com/mexico/12/

Mariachi Education Resources

http://www.sobrino.net/mer/entry\_on\_the\_word\_mariachi.htm

The Roots of Tejano and Conjunto Music http://www.lib.utexas.edu/benson/border/arhoolie2/raices.html

Mexico Connect; The Music of Mexico; <a href="http://www.mexconnect.com/mex">http://www.mexconnect.com/mex</a> /musicmex.html

The State University of New York, Stony Brook; Waldeen and the Americas; The Dance has

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### Many Faces;

http://www.uhmc.sunysb.edu/surgery/waldeen.html

#### Art

As in music, artistic movements in Mexico can be distinguished by pre-conquest Mexico, colonial Mexico and independent Mexico.

The indigenous population in Mexico was made up by many individual communities, but the two that most studied and even admired that world over are the Mayans and Aztecs, whose civilizations are highly regarded for their archeological, scientific, cultural and artist value. Mayan and Aztec relics reveal highly skilled artisanship in stonecutting, sculpture, painting, pottery and metal. As with every civilization, art depicted scenes of daily live and spiritual beliefs, with faces of powerful leaders, gods and deities cut into the stone slabs of the temples and buildings. Hieroglyphic writings were carved into stone and were a public form of communication.

The pyramid structures are particularly interesting. These massive, architecturally stunning, stone made structures are believed to have been made with out the use of the wheel, metal tools or beasts of burden. The Ancient Mayan ruin of Teotihuacan, located near Mexico City, is an excellent place to observe the craftsmanship and artistic skills of pre-Colombian peoples.

Colonial Mexican art was influenced by Spanish and European styles. Artist to have worked in the Renaissance styles in Mexico are Baltásar de Echave the elder (1548-1620) and Alonso Vázquez (1565-1608). The styles of the Mexican Baroque period are easily seen in the colonial architecture of the Spanish Missions and Cathedrals as well as in the paintings of such noted artists as José Ibarra (1688–1756) and Miguel Cabrera (1695-1768).

The most profoundly important art movement in Mexico during the 20th century was a result of the political and cultural changes after the Mexican Revolution. At this time, the government began commissioning artist to paint murals to express ideological themes in public buildings. This muralist movement catapulted three artists, known as Los Tres Grandes, to the forefront of modern Mexican art, Diego Rivera (1886-1957), David Alfaro Siqueiros (1896-1974) and José Clemente Orozco (1863-1949). Their murals covered federal buildings and depicted the social landscape of Mexico: scenes of the Revolution, working men and women, folk life and Pre-colonial history. An excellent representative of the muralist art movement can be found at the National Palace of Mexico in Mexico City upon which Diego Rivera spent the years between 1930 and 1935 painting his masterpiece, The History of Mexico. Los Tres Grandes had a far-reaching influence; from North America to South America, muralist art became an important means of expressing the social and political changes that were occurring during the 20th century.

Frida Kahlo (1907-1954), Diego Rivera's third wife, was another immensely important Mexican

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artist. While her work dealt with a more personal expression, as seen by her numerous self-portraits, rather than social expression, her style was greatly influenced by the folk art of Mexico.

Other important Mexican artists include: José Guadalupe Posada (1852-1913), Rufino Tamayo (1899-1991), Juan O'Gorman (1905), and Rodolfo Morales (1925-2001).

José Guadalupe Posada; Artist of the Day of the Dead; <a href="http://www.usc.edu/isd/locations/ssh/boeckmann/Dead/posada.html">http://www.usc.edu/isd/locations/ssh/boeckmann/Dead/posada.html</a>

Mexico Connect; Diego, Frida and the Mexican School <a href="http://www.mexconnect.com/mex\_/travel/jcummings/jcdiegofrida.html">http://www.mexconnect.com/mex\_/travel/jcummings/jcdiegofrida.html</a>

Museo de Arte Moderno http://www.arts-history.mx/museos/mam/home.html

Mexico: The Splendors of Thirty Centuries; <a href="http://www.humanities-interactive.org/splendors/">http://www.humanities-interactive.org/splendors/</a>

#### Literature

The native cultures in Mexico had a great deal of literature, written in a hieroglyphic system of writing and recorded on stone or in books written on paper made from fig tree bark. Among the majority of the population, oral tradition of poetry in which the histories and myths of these peoples were communicated also flourished. The Aztecs had schools for poets called "houses of song". Scholars have translated many of these ancient poems and these poems are quite sophisticated and beautifully written.

Four books of Mayan history have survived destruction by the Spanish priests who misunderstood the Mayan system of writing and believed the books to be satanic writings. The books also survived the natural corrosion by weather and time. These books, written by Mayan priest, are known as the Mayan Codices. These Codices, the Dresden Codex, Paris Codex, Madrid Codex and Grolier Codex are records of astronomy, astrology, ritual, religion and history.

One of the more interesting voices to come out of colonial Mexico was that of Sor Juana Inés de la Cruz (1651-1695), a well-educated nun who voiced her concerns over the mistreatment of women. Cruz wrote music, poetry, plays and prose and was an outspoken social and religious critic at time when the opinions of women were often ill received.

Among the more important post independence Mexican literary voices are: José Joaquín Fernández de Lizardi (1776–1827) a journalist, novelist, and dramatist; Manuel Gutiérrez Nájera 1859–95, a poet and journalist; Amado Nervo (1870–1919) poet known as the "monk of poetry"; Mariano Azuela (1873-1952) novelist, dramatist and critic; Nobel Prize Laureate, Octavio Paz (1914-1998)

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diplomat, journalist, poet and essayist; Carlos Fuentes (b. 1928), like Paz, also a diplomat, journalist, novelist and essayist. Fuentes is considered by many to be Latin America's most important living writer.

#### Cuisine

Like the culture and history of Mexico, the country's cuisine is full of flavor and variety and like every other art form, Mexican cuisine is a marriage between cuisines of both Old and New Worlds. In every culture the social dynamic of food and the dinner table is important, but within Mexican communities, even in the simplest kitchen, food does not just nourish the body, it nourishes the soul; it serves as a social and communal glue that friends and family members gather together for in times of joy and sorrow. Recipes are handed down generation to generation, not on note cards but in the kitchen where children and grandchildren watch and assist the household's chief preparing the meal for family. A chef of Mexican descent in the States once said he learned more about cooking from his grandmother in Mexico than he did at culinary school. Thus with festivals and parties music and food go hand in hand.

From the time of the Olmecs, the first great civilization in Mexico, until present day, corn (the backbone of Mexican cuisine), beans, a variety of chili peppers, squash, sweet potato, avocados, tomatoes, cactus, jicama, turkey, dove, seafood, vanilla beans and cacao beans have been food staples in Mexico. It is from this region of the world that Cortes brought to Europe new delicious ingredients to delight the palate of European nobility. Historically, the most coveted of these ingredients, cacao beans, the source of chocolate, is first believed to have originated in the Amazon region but was cultivated by the Olmecs. The cacao bean was so highly prized in Mexico that by the time of Cortes' conquest the beans were used as currency and crushed cacao beans mixed with cold water was the favorite drink the Aztec Emperor, Montezuma.

While cuisine differs from region to region, some common food items and dishes found on the Mexican table include:

- tortillas, a thin flat bread made from corn meal or flour;
- mole, a sauce consisting of 30 spices including unsweetened chocolate served over poultry and meat;
- guacamole, avocado mixed with lime, tomato and onion;
- salsa, a spicy or mild tomato sauce;
- tamales, a dish that consists of cornmeal paste filled with meat or vegetables and wrapped in corn husks or banana leaves when cooking;

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- tacos, tortilla wrapped around meat and vegetables;
- and ceviche, fresh fish or seafood "cooked" a lime juice marinade.

# Some regional specialties include:

- Coastal areas -Huachinango con salsa de Mango, red snapper prepared with a citrus mango sauce.
- Peubla- Chiles en nogada are fried poblano peppers stuffed with seasoned ground meat and diced fruits topped with a cream and pureed walnut sauce.
- Guadalajara -- pozole, a pork and hominy stew.
- Tlxacala pollo tizatlan, chicken prepared with a sauce consisting of pureed tomatoes, amaranth, garlic, chipotles, onion and other spices.
- A breakfast favorite originating from Sonora is menudo, a spicy soup made with beef tripe.

#### Breakfast specialties include:

- chilaquiles, a dish made with fried tortillas topped with serrano peppers, tomatoes, cheese and cream;
- huevos al albañil, scrambled eggs topped with a pureed green tomatillo sauce;
- huevos rancheros consists of a fried egg on a fried tortilla topped with salsa;
- and huevos a la mexicana, scrambled eggs topped with salsa.

#### Favorite desserts include:

- flan, a carmalized custard;
- capirotada, a bread pudding;
- Arroz con leche, a rice pudding.

Beverages unique to Mexico include: guaro, a Mayan alcoholic beverage made from sugar cane; Kalua, a popular coffee liqueur; mezcal, a spirit derived from the agave plant (it is famous for having a worm in the bottle); and tequila, also made from agave and the national beverage of Mexico.

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Mexico Connect: Mexican Hot or Not:

http://www.mexconnect.com/mex /recipes/foodindex.html

Mexico Online: Culinary Fossils and Fusion Food South of the Border:

http://www.mexonline.com/amigonews/00sept.htm

# **Etiquette**

#### **Cultural Dos and Taboos**

- 1. A firm handshake with direct eye contact is the customary form of greeting. Men will need to wait for a woman to extend her hand first if she wants her hand shaken. Friends and relatives will often greet each other with a kiss and/or a hug -- called the *abrazo* in Spanish. Men, however, do not usually hug other men. A pat on the shoulder is a sign of friendship.
- 2. Generally, greetings among Latin Americans are lengthy endeavors involving both greetings and many inquiries about health, travels, relatives, friends or acquaintances. Quick greetings are interpreted as disrespectful and thoughtless.
- 3. As in all parts of Latin America, formality is the norm. Always address people by their title and last name until invited to do otherwise.
- 4. Never stand with your hands on your hips, as this will be perceived as a sign you are angry. While such aggressive stances are normal in North America, they do not translate well elsewhere. Of course, one should also expect Latin Americans to communicate in close proximity than in North America. Try not to be too uncomfortable with this distinction.
- 5. Mexicans catch each other's attentions in public with a "psst-psst" sound. This is not considered rude.
- 6. Punctuality, although not strictly adhered to in daily living, is expected in business circles, particularly with foreigners. If you are invited to a party, never be on time. For dinner parties, it is

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appropriate to arrive up thirty minutes late if you are alone. At large parties you may arrive up to an hour late.

- 7. Sports (especially soccer which is called "*futball*" locally), sightseeing, culture, literature, dance, music, family and travel make excellent topics of conversation. Try to be informed about the local cultural life in this regard. A familiarity with history, sites, culture, and art will impress your counterparts. Discussing immigration issues between Mexico and the US is ill-advised.
- 8. Mexicans believe in the intrinsic worth of the individual, and treat one another with respect and dignity, regardless of a person's social standing or material wealth. Therefore, it is very important not to pull rank or publicly criticize another person.
- 9. To avoid embarrassment, Mexicans rarely disagree with anyone in public. Lukewarm affirmatives, like "maybe" or "we will see," are polite ways of saying "no."
- 10. You may be invited to a girl's fifteenth birthday party. This is called *quinceanera*, and is an important occasion, resembling a coming-out party in the United States.
- 11. Like other Latin Americans, Mexicans have a tradition of hospitality and may invite guests to their homes. Dinner is normally eaten between 7:00 and 9:00 P.M., but a dinner party will begin and end later. A dinner party will end soon after the meal, but a cocktail party may go until later. One should not, however, drop in for an unscheduled visit at someone's home.
- 12. Note that business is not usually discussed at social dinners, although business dinners at restaurants do occur frequently. Know the difference between a social occasion and a business lunch and expect differences in conversation accordingly.
- 13. It is customary for one person to pay the check for a group meal. This is often the oldest person in the group. It is good manners to haggle over paying the bill. Reciprocate by inviting the person out for another meal, insisting ahead of time that this will be your treat.
- 14. If you are invited to dinner, it is appropriate (although not expected) to bring a gift for the host or hostess. Flowers, expensive and imported chocolates, pastries, cognacs, whiskey and other upper tier brands of liquor make fine gifts. Inappropriate gifts include knives (they symbolize the dissolution of a friendship) or certain kinds of flowers (some flowers may be associated with funerals). A wrapped gift may not be opened in the presence of the giver for fear of appearing greedy, but if you are the recipient of a gift, profuse appreciation is expected.
- 15. Dress is generally casual but fashionable and one should always dress with good taste. Latin Americans are very conscious of self-presentation. Business attire is somewhat more orthodox, including suits for both men and women. Shorts should be confined to private homes, beaches and

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are not generally worn on the street. Men may wish to wear the traditional *guayaber*a, a light shirt not tucked in.

# **Travel Information**

#### **Please Note:**

This is a generalized travel guide and it is intended to coalesce several resources, which a traveler might find useful, regardless of a particular destination. As such, it does not include travel warnings for specific "hot spot" destinations.

For travel alerts and warnings, please see the United States Department of State's listings available at URL:

http://travel.state.gov/content/passports/english/alertswarnings.html

Please note that travel to the following countries, based on these warnings, is ill-advised, or should be undertaken with the utmost precaution:

Afghanistan, Algeria, Burundi, Cameroon, Central African Republic, Chad, Colombia, Democratic Republic of Congo, Djibouti, El Salvador, Eritrea, Ethiopia, Guinea, Honduras, Iraq, Iran, Lebanon, Liberia, Libya, Mali, Mauritania, Mexico, Nepal, Niger, Nigeria, North Korea, Pakistan, Palestinian Territories of West Bank and Gaza, Philippines areas of Sulu Archipelago, Mindanao, and southern Sulu Sea, Saudi Arabia, Sierra Leone, Somalia, South Sudan, Sudan, Syria, Ukraine, Venezuela, and Yemen.

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#### **Please Note:**

The U.S. Department of State warns U.S. citizens about the risk of traveling to certain places in Mexico due to threats to safety and security posed by organized criminal groups in the country. U.S. citizens have been the victims of violent crimes, such as kidnapping, carjacking, and robbery by organized criminal groups in various Mexican states.

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Millions of U.S. citizens safely visit Mexico each year for study, tourism, and business, including more than 150,000 who cross the border every day. The Mexican government dedicates substantial resources to protect visitors to major tourist destinations, and there is no evidence that organized criminal groups have targeted U.S. visitors or residents based on their nationality. Resort areas and tourist destinations in Mexico generally do not see the levels of drug-related violence and crime that are reported in the border region or in areas along major trafficking routes.

Nevertheless, crime and violence are serious problems and can occur anywhere, and U.S. citizens have fallen victim to criminal activity, including homicide, gun battles, kidnapping, carjacking, and highway robbery. Gun battles between rival criminal organizations or with Mexican authorities have taken place in towns and cities in many parts of Mexico, and have occurred in broad daylight on streets and in other public venues, such as restaurants and clubs. Criminal organizations have used stolen cars, buses, and trucks to create roadblocks on major thoroughfares, preventing the military and police from responding to criminal activity. The location and timing of future armed engagements is unpredictable.

The number of kidnappings throughout Mexico is of particular concern and appears to be on the rise.

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#### **International Travel Guide**

#### **Checklist for Travelers**

- 1. Take out travel insurance to cover hospital treatment or medical evacuation. Overseas medical costs are expensive to most international travelers, where one's domestic, nationalized or even private health insurance plans will not provide coverage outside one's home country. Learn about "reciprocal insurance plans" that some international health care companies might offer.
- **2.** Make sure that one's travel insurance is appropriate. If one intends to indulge in adventurous activities, such as parasailing, one should be sure that one is fully insured in such cases. Many traditional insurance policies do not provide coverage in cases of extreme circumstances.
- **3.** Take time to learn about one's destination country and culture. Read and learn about the place one is traveling. Also check political, economic and socio-cultural developments at the destination by reading country-specific travel reports and fact sheets noted below.

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- **4.** Get the necessary visas for the country (or countries) one intends to visit but be aware that a visa does not guarantee entry. A number of useful sites regarding visa and other entry requirements are noted below.
- **5.** Keep in regular contact with friends and relatives back at home by phone or email, and be sure to leave a travel itinerary.
- **6.** Protect one's personal information by making copies of one's passport details, insurance policy, travelers checks and credit card numbers. Taking copies of such documents with you, while leaving another collection copies with someone at home is also good practice for travelers. Taking copies of one's passport photograph is also recommended.
- 7. Stay healthy by taking all possible precautions against illness. Also, be sure to take extra supplies of prescription drugs along for the trip, while also taking time to pack general pharmaceutical supplies, such as aspirin and other such painkillers, bandages, stomach ailment medication, anti-inflammatory medication and anti-bacterial medication.
- **8.** Do not carry illicit drugs. Understand that the punishment for possession or use of illegal drugs in some countries may be capital punishment. Make sure your prescription drugs are legal in the countries you plan to visit.
- **9.** Know the laws of one's destination country and culture; be sure to understand the repercussions of breaking those laws and regulations. Often the transparency and freedoms of the juridical system at home is not consistent with that of one's destination country. Become aware of these complexities and subtleties before you travel.
- **10.** For longer stays in a country, or where the security situation is volatile, one should register one's self and traveling companions at the local embassy or consulate of one's country of citizenship.
- 11. Women should take care to be prepared both culturally and practically for traveling in a different country and culture. One should be sure to take sufficient supplies of personal feminine products and prescription drugs. One should also learn about local cultural standards for women, including norms of dressing. Be aware that it is simply inappropriate and unsafe for women to travel alone in some countries, and take the necessary precautions to avoid risk-filled situations.
- 12. If one is traveling with small children, one should pack extra supplies, make arrangements with the travel carrier for proper seating that would adequately accommodate children, infants or toddlers. Note also that whether one is male of female, traveling with children means that one's hands are thus not free to carry luggage and bags. Be especially aware that this makes one

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vulnerable to pickpockets, thieves and other sorts of crime.

- 13. Make proper arrangements for accommodations, well in advance of one's arrival at a destination. Some countries have limited accommodation, while others may have culturally distinctive facilities. Learning about these practicalities before one travels will greatly aid the enjoyment of one's trip.
- **14.** Travel with different forms of currency and money (cash, traveler's checks and credit cards) in anticipation that venues may not accept one or another form of money. Also, ensuring that one's financial resources are not contained in one location, or by one person (if one is traveling with others) can be a useful measure, in the event that one loses a wallet or purse.
- 15. Find out about transportation in the destination country. In some places, it might be advisable to hire a local driver or taxi guide for safety reasons, while in other countries, enjoying one's travel experience may well be enhanced by renting a vehicle and seeing the local sights and culture independently. Costs may also be prohibitive for either of these choices, so again, prior planning is suggested.

### **Tips for Travelers**

- Be alert for pickpockets and thieves, particularly in bus stations, airports and on the Mexico City Metro.
- Keep your belongings with you or in a safe place.
- Only use taxis from authorized taxi ranks (Sitios). Do not hail passing taxis, particularly in Mexico City.
- Dress down, and avoid wearing jewelry.
- Be particularly alert when withdrawing cash from ATMs.
- Check with your embassy, consulate, or appropriate government institution related to travel before traveling.
- Carry a photocopy of your passport with you, separate from the original.
- Leave a photocopy of your passport and itinerary with a contact in your home country.
- Enter next of kin details into the back of your passport.

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- Do not reveal personal telephone numbers to strangers conducting surveys.
- Do not carry drugs, as the penalties can be severe.

<u>Note</u>: This information is directly quoted from the United Kingdom Foreign and Commonwealth Office.

Sources: United Kingdom Foreign and Commonwealth Office

#### **Business Culture: Information for Business Travelers**

Business and social customs vary widely in Mexico. It is best to be observant and flexible, and to take cues from the Mexicans around you.

The length of the workday varies depending on the region of the country and the type of organization. In Mexico City, companies typically open at 9:00 and work until 6:00 or 7:00 P.M., with a long lunch beginning at 2:00 P.M. or later. In the north the workday may begin and end earlier with lunch at 1:00 P.M. Federal government offices in Mexico City traditionally have started work at about 10:00 A.M., with a break at 2:00 or 3:00 P.M. for lunch and a return at 5:00 P.M. or 6:00 P.M to work into the evening until 9:00 P.M. Beginning April 1, 1999, the federal government issued new instructions for offices to operate between the hours of 8:00 AM and 6:00 PM with flexible arrival and departure times for employees. In practice, however, many offices continue to operate according to the traditional schedule.

Business cards are used extensively. Come with a large supply.

Mexicans make extensive use of professional titles (doctor, profesor, licenciado, ingeniero). It is courteous to address them by their titles. Along with this formality is an emphasis on appearances - avoid casual dress.

When meeting in a group, it is customary to shake hands with all upon arrival and departure. Special respect may be given to older members. A single air-kiss on the cheek is expected for all women present, although this is not necessary in the first meeting.

Business meals are important, even though no business may be discussed until after the meal or even until the second or third meal. Mexicans are accustomed to smoke and drink freely at business meals. Participation in social activities is very important to succeed in the Mexican business world.

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Patience is the key to doing business in Mexico. Business meetings in Mexico will often take longer than they would in the States. Etiquette often includes much small talk before getting into business. Ask about your counterpart's hometown, university, personal interests including sports, and family. On the other hand, some executives have found their Mexican counterparts to be initially brusque and slow to warm up. Again, it is difficult to make generalities.

Yes does not always mean yes. Mexican social etiquette makes it difficult to say no. In conversation, Mexicans emphasize tactful and indirect phrasing, and may be more effusive than Americans with praise and emotional expressions. Do not be overly aggressive while negotiating; it is considered rude

The concept of time is flexible in Mexico. Guests to social events (except in the case of cities in the North) can arrive an hour late. Punctuality is observed for most government appointments and social functions.

Although the presence of businesswomen is increasing, business in Mexico remains male-oriented. However, this need not be considered an obstacle to the participation of businesswomen in Mexico.

Tipping is common in Mexico. Calculate 10 percent of restaurant bills and one U.S. dollar per bag to bellmen

Sources: United States Department of State Commercial Guides

# Online Resources Regarding Entry Requirements and Visas

Foreign Entry Requirements for Americans from the United States Department of State <a href="http://travel.state.gov/travel/cis\_pa\_tw/cis/cis\_1765.html">http://travel.state.gov/travel/cis\_pa\_tw/cis/cis\_1765.html</a>

Visa Services for Non-Americans from the United States Department of State <a href="http://travel.state.gov/visa/visa">http://travel.state.gov/visa/visa</a> 1750.html

Visa Bulletins from the United States Department of State <a href="http://travel.state.gov/visa/frvi/bulletin/bulletin\_1360.html">http://travel.state.gov/visa/frvi/bulletin/bulletin\_1360.html</a>

Visa Waivers from the United States Department of State <a href="http://travel.state.gov/visa/temp/without/without\_1990.html">http://travel.state.gov/visa/temp/without/without\_1990.html</a> - new

Passport and Visa Information from the Government of the United Kingdom

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http://www.bia.homeoffice.gov.uk/

Visa Information from the Government of Australia <a href="http://www.dfat.gov.au/visas/index.html">http://www.dfat.gov.au/visas/index.html</a>

Passport Information from the Government of Australia <a href="https://www.passports.gov.au/Web/index.aspx">https://www.passports.gov.au/Web/index.aspx</a>

Passport Information from the Government of Canada <a href="http://www.voyage.gc.ca/preparation\_information/passport\_passeport-eng.asp">http://www.voyage.gc.ca/preparation\_information/passport\_passeport-eng.asp</a>

Visa Information from the Government of Canada <a href="http://www.voyage.gc.ca/preparation">http://www.voyage.gc.ca/preparation</a> information/visas-eng.asp

Online Visa Processing by Immigration Experts by VisaPro <a href="http://www.visapro.com">http://www.visapro.com</a>

Sources: United States Department of State, United Kingdom Foreign and Commonwealth Office, Government of Australia: Department of Foreign Affairs and Trade, Government of Canada Department of Foreign Affairs and International Trade

**Useful Online Resources for Travelers** 

Country-Specific Travel Information from United States <a href="http://travel.state.gov/travel/cis\_pa\_tw/cis/cis\_1765.html">http://travel.state.gov/travel/cis\_pa\_tw/cis/cis\_1765.html</a>

Travel Advice by Country from Government of United Kingdom <a href="http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/">http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/</a>

General Travel Advice from Government of Australia <a href="http://www.smartraveller.gov.au/zw-cgi/view/Advice/General">http://www.smartraveller.gov.au/zw-cgi/view/Advice/General</a>

Travel Bulletins from the Government of Australia <a href="http://www.smartraveller.gov.au/zw-cgi/view/TravelBulletins/">http://www.smartraveller.gov.au/zw-cgi/view/TravelBulletins/</a>

Travel Tips from Government of Australia <a href="http://www.smartraveller.gov.au/tips/index.html">http://www.smartraveller.gov.au/tips/index.html</a>

Travel Checklist by Government of Canada http://www.voyage.gc.ca/preparation\_information/checklist\_sommaire-eng.asp

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Travel Checklist from Government of United Kingdom <a href="http://www.fco.gov.uk/en/travelling-and-living-overseas/staying-safe/checklist">http://www.fco.gov.uk/en/travelling-and-living-overseas/staying-safe/checklist</a>

Your trip abroad from United States Department of State <a href="http://travel.state.gov/travel/tips/brochures/brochures">http://travel.state.gov/travel/tips/brochures/brochures</a> 1225.html

A safe trip abroad from United States Department of State <a href="http://travel.state.gov/travel/tips/safety/safety/1747.html">http://travel.state.gov/travel/tips/safety/safety/safety/1747.html</a>

Tips for expatriates abroad from United States Department of State <a href="http://travel.state.gov/travel/living/residing\_1235.html">http://travel.state.gov/travel/living/residing\_1235.html</a>

Tips for students from United States Department of State <a href="http://travel.state.gov/travel/living/studying\_1238.html">http://travel.state.gov/travel/living/studying\_1238.html</a> <a href="http://travel.state.gov/travel/tips/brocl">http://travel.state.gov/travel/tips/brocl</a>

Medical information for travelers from United States Department of State <a href="http://travel.state.gov/travel/tips/health/health/1185.html">http://travel.state.gov/travel/tips/health/healt

US Customs Travel information <a href="http://www.customs.gov/xp/cgov/travel/">http://www.customs.gov/xp/cgov/travel/</a>

Sources: United States Department of State; United States Customs Department, United Kingdom Foreign and Commonwealth Office, Foreign and Commonwealth Office, Government of Australia; Government of Canada: Department of Foreign Affairs and International Trade

Other Practical Online Resources for Travelers

Foreign Language Phrases for Travelers <a href="http://www.travlang.com/languages/">http://www.travlang.com/languages/</a>
<a href="http://www.omniglot.com/language/phrases/index.htm">http://www.omniglot.com/language/phrases/index.htm</a>

World Weather Forecasts

http://www.intellicast.com/

http://www.wunderground.com/

http://www.worldweather.org/

Worldwide Time Zones, Map, World Clock

http://www.timeanddate.com/

http://www.worldtimezone.com/

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International Airport Codes <a href="http://www.world-airport-codes.com/">http://www.world-airport-codes.com/</a>

International Dialing Codes <a href="http://www.kropla.com/dialcode.htm">http://www.kropla.com/dialcode.htm</a> <a href="http://www.countrycallingcodes.com/">http://www.countrycallingcodes.com/</a>

International Phone Guide <a href="http://www.kropla.com/phones.htm">http://www.kropla.com/phones.htm</a>

International Mobile Phone Guide <a href="http://www.kropla.com/mobilephones.htm">http://www.kropla.com/mobilephones.htm</a>

International Internet Café Search Engine <a href="http://cybercaptive.com/">http://cybercaptive.com/</a>

Global Internet Roaming <a href="http://www.kropla.com/roaming.htm">http://www.kropla.com/roaming.htm</a>

World Electric Power Guide <a href="http://www.kropla.com/electric.htm">http://www.kropla.com/electric2.htm</a>

World Television Standards and Codes <a href="http://www.kropla.com/tv.htm">http://www.kropla.com/tv.htm</a>
International Currency Exchange Rates <a href="http://www.xe.com/ucc/">http://www.xe.com/ucc/</a>

Banking and Financial Institutions Across the World <a href="http://www.123world.com/banks/index.html">http://www.123world.com/banks/index.html</a>

International Credit Card or Automated Teller Machine (ATM) Locator <a href="http://visa.via.infonow.net/locator/global/">http://visa.via.infonow.net/locator/global/</a>
<a href="http://www.mastercard.com/us/personal/en/cardholderservices/atmlocations/index.html">http://www.mastercard.com/us/personal/en/cardholderservices/atmlocations/index.html</a>

International Chambers of Commerce <a href="http://www.123world.com/chambers/index.html">http://www.123world.com/chambers/index.html</a>

World Tourism Websites <a href="http://123world.com/tourism/">http://123world.com/tourism/</a>

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Diplomatic and Consular Information

United States Diplomatic Posts Around the World <a href="http://www.usembassy.gov/">http://www.usembassy.gov/</a>

United Kingdom Diplomatic Posts Around the World <a href="http://www.fco.gov.uk/en/about-the-fco/embassies-and-posts/find-an-embassy-overseas/">http://www.fco.gov.uk/en/about-the-fco/embassies-and-posts/find-an-embassy-overseas/</a>

Australia's Diplomatic Posts Around the World <a href="http://www.dfat.gov.au/missions/">http://www.dfat.gov.au/missions/</a>
<a href="http://www.dfat.gov.au/embassies.html">http://www.dfat.gov.au/embassies.html</a>

Canada's Embassies and High Commissions <a href="http://www.international.gc.ca/ciw-cdm/embassies-ambassades.aspx">http://www.international.gc.ca/ciw-cdm/embassies-ambassades.aspx</a>

Resources for Finding Embassies and other Diplomatic Posts Across the World <a href="http://www.escapeartist.com/embassy1/embassy1.htm">http://www.escapeartist.com/embassy1/embassy1.htm</a>

Safety and Security

Travel Warnings by Country from Government of Australia <a href="http://www.smartraveller.gov.au/zw-cgi/view/Advice/">http://www.smartraveller.gov.au/zw-cgi/view/Advice/</a>

Travel Warnings and Alerts from United States Department of State <a href="http://travel.state.gov/travel/cis\_pa\_tw/tw/tw\_1764.html">http://travel.state.gov/travel/cis\_pa\_tw/tw/tw\_1764.html</a>
<a href="http://travel.state.gov/travel/cis\_pa\_tw/pa/pa\_1766.html">http://travel.state.gov/travel/cis\_pa\_tw/pa/pa\_1766.html</a>

Travel Reports and Warnings by Government of Canada <a href="http://www.voyage.gc.ca/countries\_pays/menu-eng.asp">http://www.voyage.gc.ca/countries\_pays/menu-eng.asp</a> <a href="http://www.voyage.gc.ca/countries\_pays/updates\_mise-a-jour-eng.asp">http://www.voyage.gc.ca/countries\_pays/updates\_mise-a-jour-eng.asp</a>

Travel Warnings from Government of United Kingdom
<a href="http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/">http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/?</a>
<a href="http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/?action=noTravelAll#noT

Sources: United Kingdom Foreign and Commonwealth Office, the United States Department of State, the Government of Canada: Department of Foreign Affairs and International Trade,

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Government of Australia: Department of Foreign Affairs and Trade

Other Safety and Security Online Resources for Travelers

United States Department of State Information on Terrorism <a href="http://www.state.gov/s/ct/">http://www.state.gov/s/ct/</a>

Government of the United Kingdom Resource on the Risk of Terrorism <a href="http://www.fco.gov.uk/servlet/Front?">http://www.fco.gov.uk/servlet/Front?</a>
<a href="pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1044011304926">pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1044011304926</a>

Government of Canada Terrorism Guide <a href="http://www.international.gc.ca/crime/terrorism-terrorisme.aspx?lang=eng">http://www.international.gc.ca/crime/terrorism-terrorisme.aspx?lang=eng</a>

Information on Terrorism by Government of Australia <a href="http://www.dfat.gov.au/icat/index.html">http://www.dfat.gov.au/icat/index.html</a>

FAA Resource on Aviation Safety <a href="http://www.faasafety.gov/">http://www.faasafety.gov/</a>

In-Flight Safety Information for Air Travel (by British Airways crew trainer, Anna Warman) <a href="http://www.warman.demon.co.uk/anna/inflight.html">http://www.warman.demon.co.uk/anna/inflight.html</a>

Hot Spots: Travel Safety and Risk Information <a href="http://www.airsecurity.com/hotspots/HotSpots.asp">http://www.airsecurity.com/hotspots/HotSpots.asp</a>

Information on Human Rights <a href="http://www.state.gov/g/drl/hr/">http://www.state.gov/g/drl/hr/</a>

Sources: The United States Department of State, the United States Customs Department, the Government of Canada, the Government of United Kingdom, the Government of Australia, the Federal Aviation Authority, Anna Warman's In-flight Website, Hot Spots Travel and Risk Information

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# **Diseases/Health Data**

Please Note: Most of the entry below constitutes a generalized health advisory, which a traveler might find useful, regardless of a particular destination.

As a supplement, however, the reader will also find below a list of countries flagged with current health notices and alerts issued by the Centers for Disease Control and Prevention (CDC). Please note that travel to the following countries, based on these 3 levels of warnings, is ill-advised, or should be undertaken with the utmost precaution:

Level 3 (highest level of concern; avoid non-essential travel) --

Guinea - Ebola Liberia - Ebola Nepal - Eathquake zone Sierra Leone - Ebola

Level 2 (intermediate level of concern; use utmost caution during travel) --

Cameroon - Polio Somalia - Polio Vanuatu - Tropical Cyclone zone

Throughout Middle East and Arabia Peninsula - MERS ((Middle East Respiratory Syndrome)

Level 1 (standard level of concern; use practical caution during travel) -

Australia - Ross River disease

**Bosnia-Herzegovina - Measles** 

**Brazil - Dengue Fever** 

Brazil - Malaria

Brazil - Zika

China - H7N9 Avian flu

Cuba - Cholera

Egypt - H5N1 Bird flu

**Ethiopia - Measles** 

**Germany - Measles** 

Japan - Hand, foot, and mouth disease (HFMD)

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Kyrgyzstan - Measles
Malaysia - Dengue Fever
Mexico - Chikungunya
Mexico - Hepatitis A
Nigeria - Meningitis
Philippines - Measles
Scotland - Mumps
Singapore - Hand, foot, and mouth disease (HFMD)
South Korea - MERS ((Middle East Respiratory Syndrome)
Throughout Caribbean - Chikungunya
Throughout South America - Chikungunya
Throughout Pacific Islands - Chikungunya

For specific information related to these health notices and alerts please see the CDC's listing available at URL:

http://wwwnc.cdc.gov/travel/notices

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#### **Health Information for Travelers to Mexico**

Food and waterborne diseases are the number one cause of illness in travelers. Travelers' diarrhea can be caused by viruses, bacteria, or parasites, which are found throughout the region and can contaminate food or water. Infections may cause diarrhea and vomiting (*E. coli*, *Salmonella*, cholera, and parasites), fever (typhoid fever and toxoplasmosis), or liver damage (hepatitis). Make sure your food and drinking water are safe. (See below.)

Malaria is a preventable infection that can be fatal if left untreated. Prevent infection by taking prescription antimalarial drugs and protecting yourself against mosquito bites (see below). Risk for malaria exists all year in the rural lowlands and in some urban areas of the countries in this region. Travelers to these areas and to Panama west of the Canal Zone should take chloroquine to prevent malaria. Travelers to areas east of the Canal Zone (including the San Blas Islands) should take mefloquine. For detailed information about specific locations, see Malaria in Central America and Mexico (http://www.cdc.gov/travel/regionalmalaria/camerica.htm).

A yellow fever vaccination certificate may be required for entry into certain of these countries if you are traveling from a country in tropical South America or sub-Saharan Africa. For detailed information, see Comprehensive Yellow Fever Vaccination Requirements (http://www.cdc.gov/travel/yelfever.htm).

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Dengue, filariasis, leishmaniasis, onchocerciasis, and American trypanosomiasis (Chagas disease) are diseases carried by insects that also occur in this region. Protecting yourself against insect bites (see below) will help to prevent these diseases.

Because motor vehicle crashes are a leading cause of injury among travelers, walk and drive defensively. Avoid nighttime travel if possible and always use seat belts.

# **CDC** Recommends the Following Vaccines (as Appropriate for Age):

See your doctor at least 4-6 weeks before your trip to allow time for immunizations to take effect.

- Hepatitis A or immune globulin (IG).
- Hepatitis B, if you might be exposed to blood (for example, health-care workers), have sexual contact with the local population, stay longer than 6 months, or be exposed through medical treatment.
- Rabies, if you might be exposed to wild or domestic animals through your work or recreation.
- Typhoid, particularly if you are visiting developing countries in this region.
- Yellow fever for travelers to Panama who will be going outside urban areas.
- As needed, booster doses for tetanus-diphtheria and measles. Hepatitis B vaccine is now recommended for all infants and for children ages 11-12 years who did not receive the series as infants

# To Stay Healthy, Do:

- Wash hands often with soap and water.
- Drink only bottled or boiled water, or carbonated (bubbly) drinks in cans or bottles. Avoid tap water, fountain drinks, and ice cubes. If this is not possible, make water safer by BOTH filtering through an "absolute 1-micron or less" filter AND adding iodine tablets to the filtered water. "Absolute 1-micron filters" are found in camping/outdoor supply stores.
- Eat only thoroughly cooked food or fruits and vegetables you have peeled yourself. Remember: boil it, cook it, peel it, or forget it.
- If you will be visiting an area where there is risk for malaria, take your malaria prevention medication before, during, and after travel, as directed. (See your doctor for a prescription.)
- Protect yourself from insects by remaining in well-screened areas, using repellents (applied sparingly at 4-hour intervals) and permethrin-impregnated mosquito nets, and wearing long-sleeved shirts and long pants from dusk through dawn.
- To prevent fungal and parasitic infections, keep feet clean and dry, and do not go barefoot.
- Always use latex condoms to reduce the risk of HIV and other sexually transmitted diseases.

#### **To Avoid Getting Sick:**

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- Don't eat food purchased from street vendors.
- Don't drink beverages with ice.
- Don't eat dairy products unless you know they have been pasteurized.
- Don't share needles with anyone.
- Don't handle animals (especially monkeys, dogs, and cats), to avoid bites and serious diseases (including rabies and plague). (For more information, please see the Animal-Associated Hazards on the Making Travel Safe page at URL <a href="http://www.cdc.gov/travel/safety.htm.">http://www.cdc.gov/travel/safety.htm.</a>)
- Don't swim in fresh water. Salt water is usually safer. (For more information, please see the Swimming Precautions on the Making Travel Safe page.)

# What You Need To Bring with You:

- Long-sleeved shirt and long pants to wear while outside whenever possible, to prevent illnesses carried by insects (e.g., malaria, dengue, and leishmaniasis).
- Insect repellent containing DEET (diethylmethyltoluamide), in 30%-35% strength for adults and 6%-10% for children. Unless you are staying in air-conditioned or well-screened housing, you should purchase a bed net impregnated with the insecticide permethrin. (Bed nets can be purchased in camping or military supply stores.)
- Over-the-counter antidiarrheal medicine to take if you have diarrhea.
- Iodine tablets and water filters to purify water if bottled water is not available. See Do's above for more details about water filters.
- Sunblock, sunglasses, hat.
- Prescription medications: make sure you have enough to last during your trip, as well as a copy of the prescription(s).

#### **After You Return Home:**

If you visit an area where there is risk for malaria, continue taking your malaria medication weekly for 4 weeks after you leave the area.

If you become ill after your trip-even as long as a year after your return-tell your doctor where you have traveled

#### **For More Information:**

Ask your doctor or check the CDC web sites for more information about how to protect yourself against diseases that occur in Mexico and Central America, such as:

#### For information about diseases-

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Carried by Insects Dengue, Malaria

Carried in Food or Water *Escherichia coli,* diarrhea, Hepatitis A, Typhoid Fever

Person-to-Person Contact Hepatitis B, HIV/AIDS

For more information about these and other diseases, please check the Diseases (<a href="http://www.cdc.gov/travel/diseases.htm">http://www.cdc.gov/travel/diseases.htm</a>) section and the Health Topics A-Z (<a href="http://www.cdc.gov/health/diseases.htm">http://www.cdc.gov/health/diseases.htm</a>).

Note:

Mexico is located in the Mexico and Central America health region.

Sources:

The Center for Disease Control Destinations Website: <a href="http://www.cdc.gov/travel/destinat.htm">http://www.cdc.gov/travel/destinat.htm</a>

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# Chapter 6 Environmental Overview

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# **Environmental Issues**

#### **General Overview:**

Although Mexico is home to a remarkable wealth of bio-diversity, this environmental richness is threatened by air and water pollution, as well as the effects of deforestation, desertification, and its concomitant repercussive effects.

#### **Current Issues:**

- -natural fresh water resources are scarce and polluted in the north
- -raw sewage and industrial effluents are polluting rivers in urban areas
- -deforestation
- -widespread erosion
- -desertification
- -serious air pollution in the national capital and urban centers, along US-Mexico border

# **Total Greenhouse Gas Emissions (Mtc):**

139.4

#### **Country Rank (GHG output):**

15th

#### **Natural Hazards:**

- -tsunamis
- -earthquakes

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-hurricanes

# **Environmental Policy**

#### **Regulation and Jurisdiction:**

The regulation and protection of the environment in Mexico is under the jurisdiction of the following:

• Secretariat of State for the Environment, Natural Resources and Fisheries

#### **Major Non-Governmental Organizations:**

- Amigos de Sian Ka'an A.C. (Friends of Sian Ka'an)
- Asociación Nacional de Ganaderos Diversifacados (National Association of Animal Breeders)
- Biocenosis
- A.C. Biósfera Jalisco—Colima
- Ducks Unlimited of Mexico
- ECOSFERA
- Fundación Miguel Alvarez del Toro para la Protección de la Naturaleza
- Fundación Universo Veintiuno, A.C. (21 Universe Foundation)
- Grupo Ecologista del Mayab, A.C. (Ecology Group of the Mayab)
- Instituto Indigenista Interamericano (Inter-American Indian Institute) Instituto para la Naturaleza y la Sociedad de Oaxaca
- Pronatura, Chiapas Chapter/Mexican Association for the Conservation Nature

#### **International Environmental Accords:**

#### Party to:

- Biodiversity
- Climate Change
- Climate Change-Kyoto Protocol
- Desertification
- Endangered Species
- Hazardous Wastes

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- Law of the Sea
- Marine Dumping
- Marine Life Conservation
- Nuclear Test Ban
- Ozone Layer Protection
- Ship Pollution
- Wetlands
- Whaling

Signed but not ratified:

• None

*Kyoto Protocol Status (year ratified):* 

2000

# **Greenhouse Gas Ranking**

Greenhouse Gas Ranking

# **GHG Emissions Rankings**

Country Rank	Country

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1	United States
2	China
4	Russia
5	Japan
6	India
7	Germany
8	United Kingdom
9	Canada
10	Korea, South
11	Italy
12	Mexico
13	France
14	South Africa
15	Iran
16	Indonesia
17	Australia
18	Spain
19	Brazil

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20	Saudi Arabia
21	Ukraine
22	Poland
23	Taiwan
24	Turkey
25	Thailand
26	Netherlands
27	Kazakhstan
28	Malaysia
29	Egypt
30	Venezuela
31	Argentina
32	Uzbekistan
33	Czech Republic
34	Belgium
35	Pakistan
36	Romania
37	Greece

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38	United Arab Emirates
39	Algeria
40	Nigeria
41	Austria
42	Iraq
43	Finland
44	Philippines
45	Vietnam
46	Korea, North
47	Israel
48	Portugal
49	Colombia
50	Belarus
51	Kuwait
52	Hungary
53	Chile
54	Denmark
55	Serbia & Montenegro

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56	Sweden
57	Syria
58	Libya
59	Bulgaria
60	Singapore
61	Switzerland
62	Ireland
63	Turkmenistan
64	Slovakia
65	Bangladesh
66	Morocco
67	New Zealand
68	Oman
69	Qatar
70	Azerbaijan
71	Norway
72	Peru
73	Cuba

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74	Ecuador
75	Trinidad & Tobago
76	Croatia
77	Tunisia
78	Dominican Republic
79	Lebanon
80	Estonia
81	Yemen
82	Jordan
83	Slovenia
84	Bahrain
85	Angola
86	Bosnia & Herzegovina
87	Lithuania
88	Sri Lanka
89	Zimbabwe
90	Bolivia
91	Jamaica

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92	Guatemala
93	Luxembourg
94	Myanmar
95	Sudan
96	Kenya
97	Macedonia
98	Mongolia
99	Ghana
100	Cyprus
101	Moldova
102	Latvia
103	El Salvador
104	Brunei
105	Honduras
106	Cameroon
107	Panama
108	Costa Rica
109	Cote d'Ivoire

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110	Kyrgyzstan
111	Tajikistan
112	Ethiopia
113	Senegal
114	Uruguay
115	Gabon
116	Albania
117	Nicaragua
118	Botswana
119	Paraguay
120	Tanzania
121	Georgia
122	Armenia
123	Congo, RC
124	Mauritius
125	Nepal
126	Mauritius
127	Nepal

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128	Mauritania
129	Malta
130	Papua New Guinea
131	Zambia
132	Suriname
133	Iceland
134	Togo
135	Benin
136	Uganda
137	Bahamas
138	Haiti
139	Congo, DRC
140	Guyana
141	Mozambique
142	Guinea
143	Equatorial Guinea
144	Laos
145	Barbados

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146	Niger
147	Fiji
148	Burkina Faso
149	Malawi
150	Swaziland
151	Belize
152	Afghanistan
153	Sierra Leone
154	Eritrea
155	Rwanda
156	Mali
157	Seychelles
158	Cambodia
159	Liberia
160	Bhutan
161	Maldives
162	Antigua & Barbuda
163	Djibouti

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164	Saint Lucia
165	Gambia
166	Guinea-Bissau
167	Central African Republic
168	Palau
169	Burundi
170	Grenada
171	Lesotho
172	Saint Vincent & the Grenadines
173	Solomon Islands
174	Samoa
175	Cape Verde
176	Nauru
177	Dominica
178	Saint Kitts & Nevis
179	Chad
180	Tonga
181	Sao Tome & Principe

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182	Comoros
183	Vanuatu
185	Kiribati
Not Ranked	Andorra
Not Ranked	East Timor
Not Ranked	Holy See
Not Ranked	Hong Kong
Not Ranked	Liechtenstein
Not Ranked	Marshall Islands
Not Ranked	Micronesia
Not Ranked	Monaco
Not Ranked	San Marino
Not Ranked	Somalia
Not Ranked	Tuvalu

<sup>\*</sup> European Union is ranked 3rd Cook Islands are ranked 184th Niue is ranked 186th

# **Global Environmental Snapshot**

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#### **Introduction**

The countries of the world face many environmental challenges in common. Nevertheless, the nature and intensity of problem vary from region to region, as do various countries' respective capacities, in terms of affluence and infrastructure, to remediate threats to environmental quality.

Consciousness of perils affecting the global environment came to the fore in the last third or so of the 20<sup>th</sup> century has continued to intensify well into the new millennium. According to the United Nations Environment Programme, considerable environmental progress has been made at the level of institutional developments, international cooperation accords, and public participation. Approximately two-dozen international environmental protection accords with global implications have been promulgated since the late 1970s under auspices of the United Nations and other international organizations, together with many additional regional agreements. Attempts to address and rectify environmental problems take the form of legal frameworks, economic instruments, environmentally sound technologies and cleaner production processes as well as conservation efforts. Environmental impact assessments have increasingly been applied across the globe.

Environmental degradation affects the quality, or aesthetics, of human life, but it also displays potential to undermine conditions necessary for the sustainability of human life. Attitudes toward the importance of environmental protection measures reflect ambivalence derived from this bifurcation. On one hand, steps such as cleaning up pollution, dedicating parkland, and suchlike, are seen as embellishments undertaken by wealthy societies already assured they can successfully perform those functions deemed, ostensibly, more essential-for instance, public health and education, employment and economic development. On the other hand, in poorer countries, activities causing environmental damage-for instance the land degradation effects of unregulated logging, slash-and-burn agriculture, overgrazing, and mining-can seem justified insofar as such activities provide incomes and livelihoods.

Rapid rates of resource depletion are associated with poverty and high population growth, themselves correlated, whereas consumption per capita is much higher in the most developed countries, despite these nations' recent progress in energy efficiency and conservation. It is impossible to sequester the global environmental challenge from related economic, social and political challenges.

First-tier industrialized countries have recently achieved measurable decreases in environmental pollution and the rate of resource depletion, a success not matched in middle income and developing countries. It is believed that the discrepancy is due to the fact that industrialized countries have more developed infrastructures to accommodate changes in environmental policy, to apply environmental technologies, and to invest in public education. The advanced industrialized countries incur relatively lower costs in alleviating environmental problems, in comparison to

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developing countries, since in the former even extensive environmental programs represent a rather minuscule percentage of total expenditures. Conversely, budget constraints, lagged provision of basic services to the population, and other factors such as debt service and militarization may preclude institution of minimal environmental protection measures in the poorest countries.

A synopsis for the current situation facing each region of the world follows:

## **Regional Synopsis: Africa**

The African continent, the world's second-largest landmass, encompasses many of the world's least developed countries. By global standards, urbanization is comparatively low but rising at a rapid rate. More heavily industrialized areas at the northern and southern ends of the continent experience the major share of industrial pollution. In other regions the most serious environmental problems typically stem from inefficient subsistence farming methods and other forms of land degradation, which have affected an increasingly extensive area under pressure of a widely impoverished, fast-growing population. Africa's distribution of natural resources is very uneven. It is the continent at greatest risk of desertification, especially in the Sahel region at the edge of the Sahara but also in other dry-range areas. Yet at the same time, Africa also harbors some of the earth's richest and most diverse biological zones.

# **Key Points:**

Up to half a billion hectares of African land are moderately to severely degraded, an occurrence reflecting short-fallow shifting cultivation and overgrazing as well as a climatic pattern of recurrent droughts.

Soil degradation is severe along the expanse directly south of the Sahara, from the west to the east coasts. Parts of southern Africa, central-eastern Africa, and the neighboring island of Madagascar suffer from serious soil degradation as well.

Africa contains about 17 percent of the world's forest cover, concentrated in the tropical belt of the continent. Many of the forests, however, are severely depleted, with an estimated 70 percent showing some degree of degradation.

Population growth has resulted in continuing loss of arable land, as inefficient subsistence farming techniques affect increasingly extensive areas. Efforts to implement settled, sustainable agriculture have met with some recent success, but much further progress in this direction is needed. Especially in previously uninhabited forestlands, concern over deforestation is intensifying.

By contrast, the African savanna remains the richest grassland in the world, supporting a

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substantial concentration of animal and plant life. Wildlife parks are sub-Saharan Africa's greatest tourist attraction, and with proper management-giving local people a stake in conservation and controlling the pace of development-could greatly enhance African economies.

Significant numbers of mammal species in parts of northern, southern and eastern Africa are currently threatened, while the biological diversity in Mauritania and Madagascar is even further compromised with over 20 percent of the mammal species in these two countries currently under threat

With marine catch trends increasing from 500,000 metric tons in the 1950s to over 3,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Water resource vulnerability is a major concern in northeastern Africa, and a moderate concern across the rest of the continent. An exception is central Africa, which has plentiful water supplies.

Many Africans lack adequate access to resources, not just (if at all) because the resources are unevenly distributed geographically, but also through institutional failures such as faulty land tenure systems or political upheaval. The quality of Africa's natural resources, despite their spotty distribution, is in fact extraordinarily rich. The infrastructure needed to protect and benefit from this natural legacy, however, is largely lacking.

# Regional Synopsis: Asia and the Pacific

Asia-earth's largest landmass-and the many large and nearly innumerable small islands lying off its Pacific shore display extraordinarily contrasting landscapes, levels of development, and degrees of environmental stress. In the classification used here, the world's smallest continent, Australia, is also included in the Asia-Pacific region.

The Asia-Pacific region is home to 9 of the world's 14 largest urban areas, and as energy use for utilities, industry and transport increases in developing economies, urban centers are subject to worsening air quality. Intense population density in places such as Bangladesh or Hong Kong is the quintessential image many people have of Asia, yet vast desert areas such as the Gobi and the world's highest mountain range, the Himalayas, span the continent as well. Forested areas in Southeast Asia and the islands of Indonesia and the Philippines were historically prized for their tropical hardwood, but in many places this resource is now severely depleted. Low-lying small island states are extremely vulnerable to the effects of global warming, both rising sea levels and an anticipated increase in cyclones.

#### **Key Points:**

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Asian timber reserves are forecast to be depleted in the next 40 years. Loss of natural forest is irreversible in some areas, but plantation programs to restore tree cover may ameliorate a portion of the resulting land degradation.

Increased usage of fossil fuels in China and other parts of southern Asia is projected to result in a marked increase in emissions, especially in regard to carbon dioxide. The increased usage of energy has led to a marked upsurge in air pollution across the region.

Acidification is an emerging problem regionally, with sulfur dioxide emissions expected to triple by 2010 if the current growth rate is sustained. China, Thailand, India, and Korea seem to be suffering from particularly high rates of acid deposition. By contrast, Asia's most highly developed economy, Japan, has effected substantial improvements in its environmental indicators.

Water pollution in the Pacific is an urgent concern since up to 70 percent of the water discharged into the region's waters receives no treatment. Additionally, the disposal of solid wastes, in like manner, poses a major threat in a region with many areas of high population density.

The Asia-Pacific region is the largest expanse of the world's land that is adversely affected by soil degradation.

The region around Australia reportedly suffers the largest degree of ozone depletion.

The microstates of the Pacific suffer land loss due to global warming, and the consequent rise in the levels of ocean waters. A high-emissions scenario and anthropogenic climate impact at the upper end of the currently predicted range would probably force complete evacuation of the lowest-elevation islands sometime in this century.

The species-rich reefs surrounding Southeast Asia are highly vulnerable to the deleterious effects of coastal development, land-based pollution, over-fishing and exploitative fishing methods, as well as marine pollution from oil spills and other activities.

With marine catch trends increasing from 5,000,000 metric tons in the 1950s to over 20,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Significant numbers of mammal species in parts of China and south-east Asia are currently threatened, while the biological diversity in India, Japan, Australia, the Philippines, Indonesia and parts of Malaysia is even further compromised with over 20 percent of the mammal species in these countries currently under threat.

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Water resource vulnerability is a serious concern in areas surrounding the Indian subcontinent.

# **Regional Synopsis: Central Asia**

The Central Asian republics, formerly in the Soviet Union, experience a range of environmental problems as the result of poorly executed agricultural, industrial, and nuclear programs during the Soviet era. Relatively low population densities are the norm, especially since upon the breakup of the U.S.S.R. many ethnic Russians migrated back to European Russia. In this largely semi-arid region, drought, water shortages, and soil salinization pose major challenges.

# **Key Points:**

The use of agricultural pesticides, such as DDT and other chemicals, has contributed to the contamination of soil and groundwater throughout the region.

Land and soil degradation, and in particular, increased salinization, is mostly attributable to faulty irrigation practices.

Significant desertification is also a problem in the region.

Air pollution is prevalent, mostly due to use of low octane automobile fuel.

Industrial pollution of the Caspian Sea and the Aral Sea, as a result of industrial effluents as well as mining and metal production, presents a challenge to the countries bordering these bodies of water.

One of the most severe environmental problems in the region is attributable to the several billion tons of hazardous materials stored in landfills across Central Asia.

Uzbekistan's particular problem involves the contraction of the Aral Sea, which has decreased in size by a third, as a consequence of river diversions and poor irrigation practices. The effect has been the near-total biological destruction of that body of water.

Kazakhstan, as a consequence of being the heartland of the former Soviet Union's nuclear program, has incurred a high of cancerous malignancies, biogenetic abnormalities and radioactive contamination.

While part of the Soviet Union, the republics in the region experienced very high levels of greenhouse gas emissions, as a consequence of rapid industrialization using cheap but dirty energy sources, especially coal.

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By contrast, however, there have recently been substantial reductions in the level of greenhouse gas emissions, especially those attributable to coal burning, with further decreases anticipated over the next decade. These changes are partially due to the use of cleaner energy technologies, such as natural gas, augmented by governmental commitment to improving environmental standards.

# **Regional Synopsis: Europe**

Western Europe underwent dramatic transformation of its landscape, virtually eliminating large-scale natural areas, during an era of rapid industrialization, which intensified upon its recovery from World War II. In Eastern Europe and European Russia, intensive land development has been less prevalent, so that some native forests and other natural areas remain. Air and water pollution from use of dirty fuels and industrial effluents, however, are more serious environmental problems in Eastern than in Western Europe, though recent trends show improvement in many indicators. Acid rain has inflicted heavy environmental damage across much of Europe, particularly on forests. Europe and North America are the only regions in which water usage for industry exceeds that for agriculture, although in Mediterranean nations agriculture is the largest water consumer.

#### **Key Points:**

Europe contributes 36 percent of the world's chlorofluorocarbon emissions, 30 percent of carbon dioxide emissions, and 25 percent of sulfur dioxide emissions.

Sulfur and nitrogen oxide emissions are the cause of 30 to 50 percent of Central and Eastern Europe's deforestation.

Acid rain has been an environmental concern for decades and continues to be a challenge in parts of Western Europe.

Overexploitation of up to 60 percent of Europe's groundwater presents a problem in industrial and urban areas.

With marine catch trends increasing from 5,000,000 metric tons in the 1950s to over 20,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Significant numbers of mammal species in parts of western Europe, Eastern Europe and Russia are currently threatened, while the biological diversity on the Iberian Peninsula is even further compromised with over 40 percent of the mammal species in this region currently under threat. As a result, there has been a 10 percent increase in protected areas of Europe.

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A major environmental issue for Europe involves the depletion of various already endangered or threatened species, and most significantly, the decline of fish stocks. Some estimates suggest that up to 50 percent of the continent's fish species may be considered endangered species. Coastal fisheries have been over-harvested, resulting in catch limits or moratoriums on many commercially important fish species.

Fortunately, in the last few years, these policies have started to yield measurable results with decreasing trends in marine fish catch.

Recently, most European countries have adopted cleaner production technologies, and alternative methods of waste disposal, including recycling.

The countries of Eastern Europe have made air quality a major environmental priority. This is exemplified by the Russian Federation's addition to the 1995 "Berlin Mandate" (transnational legislation based on resolutions of the Rio Earth Summit) compelling nations to promote "carbon sinks" to absorb greenhouse gases.

On a relative basis, when compared with the degree of industrial emissions emitted by many Eastern European countries until the late 1980s, there has been some marked increase in air quality in the region, as obsolete plants are closed and a transition to cleaner fuels and more efficient energy use takes place.

#### **Regional Synopsis: The Middle and Near East**

Quite possibly, the Middle East will exemplify the adage that, as the 20<sup>th</sup> century was a century fixated on oil, the 21<sup>st</sup> century will be devoted to critical decisions about water. Many (though far from all) nations in the Middle East rank among those countries with the largest oil and gas reserves, but water resources are relatively scarce throughout this predominantly dry region. Effects of global warming may cause moderately high elevation areas that now typically receive winter "snowpack" to experience mainly rain instead, which would further constrain dry-season water availability. The antiquities and religious shrines of the region render it a great magnet for tourism, which entails considerable economic growth potential but also intensifies stresses on the environment.

#### **Key Points:**

Water resource vulnerability is a serious concern across the entire region. The increased usage of, and further demand for water, has exacerbated long-standing water scarcity in the region. For instance, river diversions and industrial salt works have caused the Dead Sea to shrink by one-third

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from its original surface area, with further declines expected.

The oil industry in the region contributes to water pollution in the Persian Gulf, as a result of oil spills, which have averaged 1.2 million barrels of oil spilt per year (some sources suggest that this figure is understated). The consequences are severe because even after oil spills have been cleaned up, environmental damage to the food webs and ecosystems of marine life will persist for a prolonged period.

The region's coastal zone is considered one of the most fragile and endangered ecosystems of the world. Land reclamation, shoreline construction, discharge of industrial effluents, and tourism (such as diving in the Red Sea) contribute to widespread coastal damage.

Significant numbers of mammal species in parts of the Middle East are currently threatened.

Since the 1980s, 11 percent of the region's natural forest has been depleted.

#### Regional Synopsis: Latin America and the Caribbean

The Latin American and Caribbean region is characterized by exceedingly diverse landforms that have generally seen high rates of population growth and economic development in recent decades. The percentage of inhabitants residing in urban areas is quite high at 73.4 percent; the region includes the megacities of Mexico City, Sao Paulo, and Rio de Janeiro. The region also includes the world's second-highest mountain range, the Andes; significant expanses of desert and grassland; the coral reefs of the Caribbean Sea; and the world's largest contiguous tropical forest in the Amazon basin. Threats to the latter from subsistence and commercial farming, mineral exploitation and timbering are well publicized. Nevertheless, of eight countries worldwide that still retain at least 70 percent of their original forest cover, six are in Latin America. The region accounts for nearly half (48.3 percent) of the world's greenhouse gas emissions derived from land clearing, but as yet a comparatively minuscule share (4.3 percent) of such gases from industrial sources.

# **Key Points:**

Although Latin America is one of the most biologically diverse regions of the world, this biodiversity is highly threatened, as exemplified by the projected extinction of up to 100,000 species in the next few decades. Much of this loss will be concentrated in the Amazon area, although the western coastline of South America will also suffer significant depletion of biological diversity. The inventory of rainforest species with potentially useful commercial or medical applications is incomplete, but presumed to include significant numbers of such species that may become extinct before they are discovered and identified.

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Up to 50 percent of the region's grazing land has lost its soil fertility as a result of soil erosion, salinization, alkalinization and overgrazing.

The Caribbean Sea, the Atlantic Ocean, and the Pacific Ocean have all been contaminated by agricultural wastes, which are discharged into streams that flow into these major waters. Water pollution derived from phosphorous, nitrates and pesticides adversely affects fish stocks, contributes to oxygen depletion and fosters overgrowth of aquatic vegetation. Marine life will continue to be severely compromised as a result of these conditions.

Due to industrial development in the region, many beaches of eastern Latin America and the Caribbean suffer from tar deposits.

Most cities in the region lack adequate sewage treatment facilities, and rapid migration of the rural poor into the cities is widening the gap between current infrastructure capacity and the much greater level needed to provide satisfactory basic services.

The rainforest region of the Amazon Basin suffers from dangerously high levels of deforestation, which may be a significant contributory factor to global warming or "the greenhouse effect." In the late 1990s and into the new millennium, the rate of deforestation was around 20 million acres of rainforest being destroyed annually.

Deforestation on the steep rainforest slopes of Caribbean islands contributes to soil erosion and landslides, both of which then result in heavy sedimentation of nearby river systems. When these sedimented rivers drain into the sea and coral reefs, they poison the coral tissues, which are vital to the maintenance of the reef ecosystem. The result is marine degradation and nutrient depletion. Jamaica's coral reefs have never quite recovered from the effects of marine degradation.

The Southern Cone of Latin America (Argentina, Brazil, Chile, Paraguay, and Uruguay) suffers the effects of greatly increased ultraviolet-B radiation, as a consequence of more intense ozone depletion in the southern hemisphere.

Water resource vulnerability is an increasingly major concern in the northwestern portion of South America.

# **Regional Synopsis: North America**

North American nations, in particular the United States and Canada, rank among the world's most highly developed industrial economies-a fact which has generated significant pollution problems, but also financial resources and skills that have enabled many problems to be corrected. Although efforts to promote energy efficiency, recycling, and suchlike have helped ease strains on the

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environment in a part of the world where per capita consumption levels are high, sprawling land development patterns and recent preferences many households have demonstrated for larger vehicles have offset these advances.

Meanwhile, a large portion of North America's original forest cover has been lost, though in many cases replaced by productive second-growth woodland. In recent years, attitudes toward best use of the region's remaining natural or scenic areas seem to be shifting toward recreation and preservation and away from resource extraction. With increasing attention on the energy scarcity in the United States, however, there is speculation that this shift may be short-lived. Indeed, the energy shortage on the west coast of the United States and associated calls for energy exploration, indicate a possible retrenchment toward resource extraction. At the same time, however, it has also served to highlight the need for energy conservation as well as alternative energy sources.

Despite generally successful anti-pollution efforts, various parts of the region continue to suffer significant air, water and land degradation from industrial, vehicular, and agricultural emissions and runoff. Mexico, as a middle-income country, displays environmental problems characteristic of a developing economy, including forest depletion, pollution from inefficient industrial processes and dirty fuels, and lack of sufficient waste-treatment infrastructure.

#### **Key Points:**

Because of significantly greater motor vehicle usage in the United States (U.S.) than in the rest of the world, the U.S. contribution of urban air pollution and greenhouse gas emissions, especially carbon dioxide, is disproportionately high in relation to its population.

Acid rain is an enduring issue of contention in the northeastern part of the United States, on the border with Canada.

Mexico's urban areas suffer extreme air pollution from carbon monoxide, nitrogen oxides, sulfur dioxide, and other toxic air pollutants. Emissions controls on vehicles are in their infancy, compared to analogous regulations in the U.S.

The cities of Mexico, including those on the U.S. border, also discharge large quantities of untreated or poorly treated sewage, though officials are currently planning infrastructure upgrades.

Deforestation is noteworthy in various regions of the U.S., especially along the northwest coastline. Old growth forests have been largely removed, but in the northeastern and upper midwestern sections of the United States, evidence suggests that the current extent of tree cover probably surpasses the figure for the beginning of the 20<sup>th</sup> century.

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Extreme weather conditions in the last few years have resulted in a high level of soil erosion along the north coast of California; in addition, the coastline itself has shifted substantially due to soil erosion and concomitant landslides.

Agricultural pollution-including nitrate contamination of well water, nutrient runoff to waterways, and pesticide exposure-is significant in various areas. Noteworthy among affected places are California's Central Valley, extensive stretches of the Midwest, and land in the Chesapeake Bay watershed

Inland waterways, especially around the Great Lakes, have substantially improved their water quality, due to concentrated efforts at reducing water pollution by governmental, commercial and community representatives. Strict curbs on industrial effluents and near-universal implementation of sewage treatment are the chief factors responsible for this improvement.

A major environmental issue for Canada and the United States involves the depletion of various already endangered or threatened species, and most significantly, the decline of fish stocks. Coastal fisheries have been over-harvested, resulting in catch limits or moratoriums on many commercially important fish species. In the last few years, these policies have started to yield measurable results with decreasing trends in marine fish catch.

Due to the decay of neighboring ecosystems in Central America and the Caribbean, the sea surrounding Florida has become increasingly sedimented, contributing to marine degradation, nutrient depletion of the ecosystem, depletion of fish stocks, and diseases to coral species in particular.

# **Polar Regions**

#### **Key Points:**

The significant rise in sea level, amounting 10 to 25 centimeters in the last 100 years, is due to the melting of the Arctic ice sheets, and is attributed to global warming.

The Antarctic suffers from a significant ozone hole, first detected in 1976. By 1985, a British scientific team reported a 40 percent decrease in usual regeneration rates of the ozone. Because a sustained increase in the amount of ultraviolet-B radiation would have adverse consequences upon all planetary life, recent environmental measures have been put into effect, aimed at reversing ozone depletion. These measures are projected to garner significant results by 2050.

Due to air and ocean currents, the Arctic is a sink for toxic releases originally discharged thousands of miles away. Arctic wildlife and Canada's Inuit population have higher bodily levels of

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contaminants such as PCB and dioxin than those found in people and animals in much of the rest of the world.

# **Global Environmental Concepts**

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#### 1. Global Warming and Greenhouse Gases

#### **The Greenhouse Effect:**

In the early 19<sup>th</sup> century, the French physicist, Jean Fourier, contended that the earth's atmosphere functions in much the same way as the glass of a greenhouse, thus describing what is now understood as the "greenhouse effect." Put simply, the "greenhouse effect" confines some of the sun's energy to the earth, preserving some of the planet's warmth, rather than allowing it to flow back into space. In so doing, all kinds of life forms can flourish on earth. Thus, the "greenhouse effect" is necessary to sustain and preserve life forms and ecosystems on earth.

In the late 19<sup>th</sup> century, a Swedish chemist, Svante Arrhenius, noticed that human activities, such as the burning of coal and other fossil fuels for heat, and the removal of forested lands for urban development, led to higher concentrations of greenhouse gases, like carbon dioxide and methane, in the atmosphere. This increase in the levels of greenhouse gases was believed to advance the "greenhouse effect" exponentially, and might be related to the trend in global warming.

In the wake of the Industrial Revolution, after industrial development took place on a large scale and the total human population burgeoned simultaneously with industrialization, the resulting increase in greenhouse gas emissions could, many scientists believe, be significant enough to have some bearing on climate. Indeed, many studies in recent years support the idea that there is a linkage between human activities and global warming, although there is less consensus on the extent to which this linkage may be relevant to environmental concerns.

That said, some scientists have argued that temperature fluctuations have existed throughout the evolution of the planet. Indeed, Dr. S. Fred Singer, the president of the Science and Environment Policy Project has noted that 3,000-year-old geological records of ocean sediment reveal changes in the surface temperature of the ocean. Hence, it is possible that climate variability is merely a normal fact of the planet's evolution. Yet even skeptics as to anthropogenic factors concur that any substantial changes in global temperatures would likely have an effect upon the earth's ecosystems, as well as the life forms that inhabit them.

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#### The Relationship Between Global Warming and Greenhouse Gases:

A large number of climatologists believe that the increase in atmospheric concentrations of "greenhouse gas emissions," mostly a consequence of human activities such as the burning of fossil fuels, are contributing to global warming. The cause notwithstanding, the planet has reportedly warmed 0.3°C to 0.6°C over the last century. Indeed, each year during the 1990s was one of the very warmest in the 20<sup>th</sup> century, with the mean surface temperature for 1999 being the fifth warmest on record since 1880.

In early 2000, a panel of atmospheric scientists for the National Research Council concluded in a report that global warming was, indeed, a reality. While the panel, headed by Chairman John Wallace, a professor of atmospheric sciences at the University of Washington, stated that it remained unclear whether human activities have contributed to the earth's increasing temperatures, it was apparent that global warming exists.

In 2001, following a request for further study by the incoming Bush administration in the <u>United States</u>, the National Academy of Sciences again confirmed that global warming had been in existence for the last 20 years. The study also projected an increase in temperature between 2.5 degrees and 10.4 degrees Fahrenheit by the year 2100. Furthermore, the study found the leading cause of global warming to be emissions of carbon dioxide from the burning of fossil fuels, and it noted that greenhouse gas accumulations in the earth's atmosphere was a result of human activities.

Within the scientific community, the controversy regarding has centered on the difference between surface air and upper air temperatures. Information collected since 1979 suggests that while the earth's surface temperature has increased by about a degree in the past century, the atmospheric temperature five miles above the earth's surface has indicated very little increase. Nevertheless, the panel stated that this discrepancy in temperature between surface and upper air does not invalidate the conclusion that global warming is taking place. Further, the panel noted that natural events, such as volcanic eruptions, can decrease the temperature in the upper atmosphere.

The major consequences of global warming potentially include the melting of the polar ice caps, which, in turn, contribute to the rise in sea levels. Many islands across the globe have already experienced a measurable loss of land as a result. Because global warming may increase the rate of evaporation, increased precipitation, in the form of stronger and more frequent storm systems, is another potential outcome. Other consequences of global warming may include the introduction and proliferation of new infectious diseases, loss of arable land (referred to as "desertification"), destructive changes to existing ecosystems, loss of biodiversity and the isolation of species, and concomitant adverse changes in the quality of human life.

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# **International Policy Development in Regard to Global Warming:**

Regardless of what the precise nature of the relationship between greenhouse gas emissions and global warming may be, it seems that there is some degree of a connection between the phenomena. Any substantial reductions in greenhouse gas emissions and global warming trends will likely involve systematic changes in industrial operations, the use of advanced energy sources and technologies, as well as global cooperation in implementing and regulating these transformations.

In this regard, the United Nations Framework Convention on Climate Change (UNFCCC) stipulated the following objectives:

- 1. To stabilize "greenhouse gas" concentrations within the atmosphere, in such a manner that would preclude hazardous anthropogenic intervention into the existing biosphere and ecosystems of the world. This stabilization process would facilitate the natural adaptation of ecosystems to changes in climate.
- 2. To ensure and enable sustainable development and food production on a global scale.

\*\*\* See section on "International Environmental Agreements and Associations" for information related to international policies related to limiting greenhouse gases and controlling climate change emanating from historic summits at Kyoto, Copenhagen, Doha, and Paris. \*\*\*

#### 2. Air Pollution

Long before global warming reared its head as a significant issue, those concerned about the environment and public health noted the deleterious effects of human-initiated combustion upon the atmosphere. Killer smogs from coal burning triggered acute health emergencies in London and other places. At a lower level of intensity motor vehicle, power plant, and industrial emissions impaired long-range visibility and probably had some chronic adverse consequences on the respiratory systems of persons breathing such air.

In time, scientists began associating the sulfur dioxide and nitrogen oxides released from coal burning with significant acid deposition in the atmosphere, eventually falling as "acid rain." This phenomenon has severely degraded forestlands, especially in Europe and a few parts of the <u>United States</u>. It has also impaired some aquatic ecosystems and eaten away the surface of some human artifacts, such as marble monuments. Scrubber technology and conversion to cleaner fuels have enabled the level of industrial production to remain at least constant while significantly reducing acid deposition. Technologies aimed at cleaning the air and curtailing acid rain, soot, and smog

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may, nonetheless, boomerang as the perils of global warming become increasingly serious. In brief, these particulates act as sort of a sun shade -- comparable to the effect of volcanic eruptions on the upper atmosphere whereby periods of active volcanism correlate with temporarily cooler weather conditions. Thus, while the carbon dioxide releases that are an inevitable byproduct of combustion continue, by scrubbing the atmosphere of pollutants, an industrial society opens itself to greater insolation (penetration of the sun's rays and consequent heating), and consequently, it is likely to experience a correspondingly greater rise in ambient temperatures.

The health benefits of removing the sources of acid rain and smog are indisputable, and no one would recommend a return to previous conditions. Nevertheless, the problematic climatic effects of continually increasing emissions of carbon dioxide and other greenhouse gases pose a major global environmental challenge, not as yet addressed adequately.

# 3. Ozone Depletion

The stratospheric ozone layer functions to prevent ultraviolet radiation from reaching the earth. Normally, stratospheric ozone is systematically disintegrated and regenerated through natural photochemical processes. The stratospheric ozone layer, however, has been depleted unnaturally as a result of anthropogenic (man-made) chemicals, most especially chlorine and bromide compounds such as chloroflorocarbons (CFCs), halons, and various industrial chemicals in the form of solvents, refrigerants, foaming agents, aerosol propellants, fire retardants, and fumigants. Ozone depletion is of concern because it permits a greater degree of ultraviolet-B radiation to reach the earth, which then increases the incidences of cancerous malignancies, cataracts, and human immune deficiencies. In addition, even in small doses, ozone depletion affects the ecosystem by disturbing food chains, agriculture, fisheries and other forms of biological diversity.

Transnational policies enacted to respond to the dangers of ozone depletion include the 1985 Vienna Convention on the Protection of the Ozone Layer and the 1987 Montreal Protocol on Substances that Deplete the Ozone Layer. The Montreal Protocol was subsequently amended in London in 1990, Copenhagen in 1992 and Vienna in 1995. By 1996, 155 countries had ratified the Montreal Protocol, which sets out a time schedule for the reduction (and eventual elimination) of ozone depleting substances (OPS), and bans exports and imports of ODS from and to non-participant countries.

In general, the Protocol stipulates that developed countries must eliminate halon consumption by 1994 and CFC consumption by 1996, while developing countries must eliminate these substances by 2010. Consumption of methyl bromide, which is used as a fumigant, was to be frozen at the 1995 in developed countries, and fully eliminated in 2010, while developing countries are to freeze consumption by 2002, based on average 1995-1998 consumption levels. Methyl chloroform is to be phased out by 2005. Under the Montreal Protocol, most ODS will be completely eliminated

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from use by 2010.

# 4. Land Degradation

In recent decades, land degradation in more arid regions of the world has become a serious concern. The problem, manifest as both "desertification" and "devegetation," is caused primarily by climate variability and human activities, such as "deforestation," excessive cultivation, overgrazing, and other forms of land resource exploitation. It is also exacerbated by inadequate irrigation practices. Although the effects of droughts on drylands have been temporary in the past, today, the productivity and sustainability of these lands have been severely compromised for the long term. Indeed, in every region of the world, land degradation has become an acute issue.

# **Desertification and Devegetation:**

"Desertification" is a process of land degradation causing the soil to deteriorate, thus losing its nutrients and fertility, and eventually resulting in the loss of vegetation, known as "devegetation." As aforementioned, "desertification" and "devegetation" are caused by human activities, yet human beings are also the greatest casualties. Because these forms of land degradation affect the ability of the soil to produce crops, they concomitantly contribute to poverty. As population increases and demographic concentrations shift, the extent of land subject to stresses by those seeking to wrest subsistence from it has inexorably risen.

In response, the United Nations has formed the Convention to Combat Desertification-aimed at implementing programs to address the underlying causes of desertification, as well as measures to prevent and minimize its effects. Of particular significance is the formulation of policies on transboundary resources, such as areas around lakes and rivers. At a broader level, the Convention has established a Conference of Parties (COP), which includes all ratifying governments, for directing and advancing international action.

To ensure more efficacious use of funding, the Convention intends to reconfigure international aid to utilize a consultative and coordinated approach in the disbursement and expenditure of donor funds. In this way, local communities that are affected by desertification will be active participants in the solution-generation process. In-depth community education projects are envisioned as part of this new international aid program, and private donor financing is encouraged. Meanwhile, as new technologies are developed to deal with the problem of desertification, they need to be distributed for application across the world. Hence, the Convention calls for international cooperation in scientific research in this regard.

Desertification is a problem of sustainable development. It is directly connected to human

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challenges such as poverty, social and economic well-being and environmental protection as well. Broader environmental issues, such as climate change, biological diversity, and freshwater supplies, are indirectly related, so any effort to resolve this environmental challenge must entail coordinated research efforts and joint action.

#### **Deforestation:**

Deforestation is not a recent phenomenon. For centuries, human beings have cut down trees to clear space for land cultivation, or in order to use the wood for fuel. Over the last 200 years, and most especially after World War II, deforestation increased because the logging industry became a globally profitable endeavor, and so the clearing of forested areas was accelerated for the purposes of industrial development. In the long term, this intensified level of deforestation is considered problematic because the forest is unable to regenerate itself quickly. The deforestation that has occurred in tropical rainforests is seen as an especially serious concern, due to the perceived adverse effects of this process upon the entire global ecosystem.

The most immediate consequence of deforestation is soil degradation. Soil, which is necessary for the growth of vegetation, can be a fragile and vital property. Organically, an extensive evolution process must take place before soil can produce vegetation, yet at the same time, the effects of natural elements, such as wind and rain, can easily and quickly degrade this resource. This phenomenon is known as soil erosion. In addition, natural elements like wind and rain reduce the amount of fertile soil on the ground, making soil scarcity a genuine problem. When fertile topsoil that already exists is removed from the landscape in the process of deforestation, soil scarcity is further exacerbated. Equally significant is the fact that once land has been cleared so that the topsoil can be cultivated for crop production, not only are the nutrient reserves in the soil depleted, thus producing crops of inferior quality, but the soil structure itself becomes stressed and deteriorates further.

Another direct result of deforestation is flooding. When forests are cleared, removing the cover of vegetation, and rainfall occurs, the flow of water increases across the surface of land. When extensive water runoff takes place, the frequency and intensity of flooding increases. Other adverse effects of deforestation include the loss of wildlife and biodiversity within the ecosystem that supports such life forms.

At a broader level, tropical rainforests play a vital role in maintaining the global environmental system. Specifically, destruction of tropical rainforests affects the carbon dioxide cycle. When forests are destroyed by burning (or rotting), carbon dioxide is released into the air, thus contributing to an intensified "greenhouse effect." The increase in greenhouse gas emissions like carbon dioxide is a major contributor to global warming, according to many environmental scientists. Indeed, trees themselves absorb carbon dioxide in the process of photosynthesis, so their

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loss also reduces the absorption of greenhouse gases.

Tropical rainforest destruction also adversely affects the nitrogen cycle. Nitrogen is a key nutrient for both plants and animals. Plants derive nitrogen from soil, while animals obtain it via nitrogen-enriched vegetation. This element is essential for the formation of amino acids, and thereby for proteins and biochemicals that all living things need for metabolism and growth. In the nitrogen cycle, vegetation acquires these essential proteins and biochemicals, and then cyclically returns them to the atmosphere and global ecosystem. Accordingly, when tropical rainforest ecosystems are compromised, not only is vegetation removed; the atmosphere is also affected and climates are altered. At a more immediate level, the biodiversity within tropical rainforests, including wildlife and insect species and a wealth of plant varieties, is depleted. Loss of rare plants is of particular concern because certain species as yet unknown and unused could likely yield many practical benefits, for instance as medicines.

As a result of the many challenges associated with deforestation, many environmental groups and agencies have argued for government policies on the sustainable development of forests by governments across the globe. While many countries have instituted national policies and programs aimed at reducing deforestation, and substantial research has been advanced in regard to sustainable and regenerative forestry development, there has been very little progress on an international level. Generally speaking, most tropical rainforests are located in developing and less developed countries, where economic growth is often dependent upon the exploitation of tropical rainforests. Timber resources as well as wildlife hunting tend to be particularly lucrative arenas.

In places such as the Amazon, where deforestation takes place for the construction of energy plants aimed at industrialization and economic development, there is an exacerbated effect on the environment. After forests are cleared in order to construct such projects, massive flooding usually ensues. The remaining trees then rot and decay in the wake of the flooding. As the trees deteriorate, their biochemical makeup becomes more acidic, producing poisonous substances such as hydrogen sulphide and methane gases. Acidified water subsequently corrodes the mechanical equipment and operations of the plants, which are already clogged by rotting wood after the floodwaters rise.

Deforestation generally arises from an economically plausible short-term motivation, but nonetheless poses a serious global concern because the effects go beyond national boundaries. The United Nations has established the World Commission on Forest and Sustainable Development. This body's task is to determine the optimal means of dealing with the issue of deforestation, without unduly affecting normal economic development, while emphasizing the global significance of protecting tropical forest ecosystems.

#### 5. Water Resources

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For all terrestrial fauna, including humans, water is the most immediate necessity to sustain life. As the population has increased and altered an ever-greater portion of the landscape from its natural condition, demand on water resources has intensified, especially with the development of industrialization and large-scale irrigation. The supply of freshwater is inherently limited, and moreover distributed unevenly across the earth's landmasses. Moreover, not just demand for freshwater but activities certain to degrade it are becoming more pervasive. By contrast, the oceans form a sort of "last wilderness," still little explored and in large part not seriously affected by human activity. However, coastal environments - the biologically richest part of the marine ecosystem-are experiencing major depletion due to human encroachment and over-exploitation.

#### Freshwater:

In various regions, for instance the Colorado River in the western <u>United States</u>, current withdrawals of river water for irrigation, domestic, and industrial use consume the entire streamflow so that almost no water flows into the sea at the river's mouth. Yet development is ongoing in many such places, implying continually rising demand for water. In some areas reliant on groundwater, aquifers are being depleted at a markedly faster rate than they are being replenished. An example is the San Joaquin Valley in California, where decades of high water withdrawals for agriculture have caused land subsidence of ten meters or more in some spots. Naturally, the uncertainty of future water supplies is particularly acute in arid and semi-arid regions. Speculation that the phenomenon of global warming will alter geographic and seasonal rainfall patterns adds further uncertainty.

Water conservation measures have great potential to alleviate supply shortages. Some city water systems are so old and beset with leaking pipes that they lose as much water as they meter. Broad-scale irrigation could be replaced by drip-type irrigation, actually enhancing the sustainability of agriculture. In many areas where heavy irrigation has been used for decades, the result is deposition of salts and other chemicals in the soil such that the land becomes unproductive for farming and must be abandoned.

Farming is a major source of water pollution. Whereas restrictions on industrial effluents and other "point sources" are relatively easy to implement, comparable measures to reform hydraulic practices at farms and other "nonpoint sources" pose a significantly knottier challenge. Farm-caused water pollution takes the following main forms:

- Nitrate pollution found in wells in intensive farming areas as a consequence of heavy fertilizer use is a threat to human health. The most serious danger is to infants, who by ingesting high-nitrate water can contract methemoglobinemia, sometimes called "blue baby syndrome," a potentially fatal condition.

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- Fertilizer runoff into rivers and lakes imparts unwanted nutrients that cause algae growth and eventual loss of oxygen in the body of water, degrading its ability to support fish and other desirable aquatic life.
- Toxic agricultural chemicals insecticides, herbicides, and fungicides are detectable in some aquifers and waterways.

In general, it is much easier to get a pollutant into water than to retrieve it out. Gasoline additives, dry cleaning chemicals, other industrial toxins, and in a few areas radionucleides have all been found in water sources intended for human use. The complexity and long time scale of subterranean hydrological movements essentially assures that pollutants already deposited in aquifers will continue to turn up for decades to come. Sophisticated water treatment processes are available, albeit expensive, to reclaim degraded water and render it fit for human consumption. Yet source protection is unquestionably a more desirable alternative.

In much of the developing world, and even some low-income rural enclaves of the developed world, the population lacks ready access to safe water. Surface water and shallow groundwater supplies are susceptible to contamination from untreated wastewater and failing septic tanks, as well as chemical hazards. The occurrence of waterborne disease is almost certainly greatly underreported.

#### **Marine Resources:**

Coastal areas have always been desirable places for human habitation, and population pressure on them continues to increase. Many types of water degradation that affect lakes and rivers also affect coastal zones: industrial effluents, untreated or partially treated sewage, nutrient load from agriculture figure prominently in both cases. Prospects for more extreme storms as a result of global warming, as well as the pervasiveness of poorly planned development in many coastal areas, forebode that catastrophic hurricanes and landslides may increase in frequency in the future. Ongoing rise in sea levels will force remedial measures and in some cases abandonment of currently valuable coastal property.

Fisheries over much of the globe have been overharvested, and immediate conservation measures are required to preserve stocks of many species. Many governments subsidized factory-scale fishing fleets in the 1970s and 1980s, and the resultant catch increase evidently surpassed a sustainable level. It is uncertain how much of the current decline in fish stocks stems from overharvesting and how much from environmental pollution. The deep ocean remains relatively unaffected by human activity, but continental shelves near coastlines are frequently seriously polluted, and these close-to-shore areas are the major biological nurseries for food fish and the

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smaller organisms they feed on.

#### 6. Environmental Toxins

Toxic chemical pollution exploded on the public consciousness with disclosure of spectacularly polluted industrial areas such as Love Canal near Buffalo, New York. There is no question that pollutants such as organophosphates or radionucleides can be highly deleterious to health, but evidence to date suggests that seriously affected areas are a localized rather than universal problem.

While some explore the possibilities for a lifestyle that fully eschews use of modern industrial chemicals, the most prevalent remediative approach is to focus on more judicious use. The most efficient chemical plants are now able to contain nearly all toxic byproducts of their production processes within the premises, minimizing the release of such substances into the environment. Techniques such as Integrated Pest Management (IPM) dictate limited rather than broadcast use of pesticides: application only when needed using the safest available chemical, supplemented as much as possible with nontoxic controls.

While heightened public awareness and growing technical sophistication suggest a hopeful outlook on limiting the damage from manmade environmental toxins, one must grant that previous incidents of their misuse and mishandling have already caused environmental damage that will have to be dealt with for many years to come. In the case of the most hazardous radioactive substances, the time scale for successful remediation actually extends beyond that of the recorded history of civilization. Moreover, in this era of high population density and rapid economic growth, quotidian activities such as the transport of chemicals will occasionally, seemingly inevitably result in accidents with adverse environmental consequences.

# 7. "Islandization" and Biodiversity

With increased awareness regarding the adverse effects of unregulated hunting and habitat depletion upon wildlife species and other aspects of biodiversity, large-scale efforts across the globe have been initiated to reduce and even reverse this trend.

In every region of the world, many species of wildlife and areas of biodiversity have been saved from extinction. Nationally, many countries have adopted policies aimed at preservation and conservation of species, and one of the most tangible measures has been the proliferation of protected habitats. Such habitats exist in the form of wildlife reserves, marine life reserves, and other such areas where biodiversity can be protected from external encroachment and exploitation.

Despite these advances in wildlife and biodiversity protection, further and perhaps more intractable

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challenges linger. Designated reserves, while intended to prevent further species decline, exist as closed territories, fragmented from other such enclaves and disconnected from the larger ecosystem. This environmental scenario is referred to as "islandization." Habitat reserves often serve as oversized zoos or game farms, with landscapes and wildlife that have effectively been "tamed" to suit. Meanwhile, the larger surrounding ecosystem continues to be seriously degraded and transformed, while within the islandized habitat, species that are the focus of conservation efforts may not have sufficient range and may not be able to maintain healthy genetic variability.

As a consequence, many conservationists and preservationists have demanded that substantially larger portions of land be withheld as habitat reserves, and a network of biological corridors to connect continental reserves be established. While such efforts to combat islandization have considerable support in the <u>United States</u>, how precisely such a program would be instituted, especially across national boundaries, remains a matter of debate. International conservationists and preservationists say without a network of reserves a massive loss of biodiversity will result.

The concept of islandization illustrates why conservation and preservation of wildlife and biodiversity must consider and adopt new, broader strategies. In the past, conservation and preservation efforts have been aimed at specific species, such as the spotted owl and grizzly bear in North America, the Bengal tiger in Southeast Asia, the panda in China, elephants in Africa. Instead, the new approach is to simultaneously protect many and varied species that inhabit the same ecosystem. This method, referred to as "bio-regional conservation," may more efficaciously generate longer-term and more far-reaching results precisely because it is aimed at preserving entire ecosystems, and all the living things within.

#### **More About Biodiversity Issues:**

This section is directly taken from the United Nations Environmental Program: "Biodiversity Assessment"

The Global Biodiversity Assessment, completed by 1500 scientists under the auspices of United Nations Environmental Program in 1995, updated what is known (or unknown) about global biological diversity at the ecosystem, species and genetic levels. The assessment was uncertain of the total number of species on Earth within an order of magnitude. Of its working figure of 13 million species, only 13 percent are scientifically described. Ecological community diversity is also poorly known, as is its relationship to biological diversity, and genetic diversity has been studied for only a small number of species. The effects of human activities on biodiversity have increased so greatly that the rate of species extinctions is rising to hundreds or thousands of times the background level. These losses are driven by increasing demands on species and their habitats, and by the failure of current market systems to value biodiversity adequately. The Assessment calls for urgent action to reverse these trends.

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There has been a new recognition of the importance of protecting marine and aquatic biodiversity. The first quantitative estimates of species losses due to growing coral reef destruction predict that almost 200,000 species, or one in five presently contributing to coral reef biodiversity, could die out in the next 40 years if human pressures on reefs continue to increase.

Since Rio, many countries have improved their understanding of the status and importance of their biodiversity, particularly through biodiversity country studies such as those prepared under the auspices of UNEP/GEF. The <u>United Kingdom</u> identified 1250 species needing monitoring, of which 400 require action plans to ensure their survival. Protective measures for biodiversity, such as legislation to protect species, can prove effective. In the USA, almost 40 percent of the plants and animals protected under the Endangered Species Act are now stable or improving as a direct result of recovery efforts. Some African countries have joined efforts to protect threatened species through the 1994 Lusaka Agreement, and more highly migratory species are being protected by specialized cooperative agreements among range states under the Bonn Agreement.

There is an emerging realization that a major part of conservation of biological diversity must take place outside of protected areas and involve local communities. The extensive agricultural areas occupied by small farmers contain much biodiversity that is important for sustainable food production. Indigenous agricultural practices have been and continue to be important elements in the maintenance of biodiversity, but these are being displaced and lost. There is a new focus on the interrelationship between agrodiversity conservation and sustainable use and development practices in smallholder agriculture, with emphasis on use of farmers' knowledge and skills as a source of information for sustainable farming.

Perhaps even more important than the loss of biodiversity is the transformation of global biogeochemical cycles, the reduction in the total world biomass, and the decrease in the biological productivity of the planet. While quantitative measurements are not available, the eventual economic and social consequences may be so significant that the issue requires further attention.

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Uitto, Juha I., and Akiko Ono (eds). 1996. Population, Land Management and Environmental Change. The United Nations University, Tokyo.

USFWS. 1994. U.S. Fish and Wildlife Service report to Congress, cited in news release 21 July 1994.

Online resources used generally in the Environmental Overview:

Environmental Protection Agency Global Warming Site. URL: <a href="http://www.epa.gov/globalwarming">http://www.epa.gov/globalwarming</a>

Food and Agriculture Organization of United Nations: Forestry. URL: <a href="http://www.fao.org/forestry/site/sofo/en/">http://www.fao.org/forestry/site/sofo/en/</a>

Global Warming Information Page. URL: <a href="http://globalwarming.org">http://globalwarming.org</a>

United Nations Environmental Program. URL:

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http://www.unep.org/GEO/GEO Products/Assessment Reports/

United Nations Global Environmental Outlook. URL: <a href="http://www.unep.org/geo/geo4/media/">http://www.unep.org/geo/geo4/media/</a>

#### Note on Edition Dates:

The edition dates for textual resources are noted above because they were used to formulate the original content. We also have used online resources (cited above) to update coverage as needed.

#### **Information Resources**

For more information about environmental concepts, CountryWatch recommends the following resources:

The United Nations Environmental Program Network (with country profiles)

<a href="mailto:shift://www.unep.net/"></a>

The United Nations Environment Program on Climate Change

<a href="mailto:shifty://climatechange.unep.net/"></a>

The United Nations Environmental Program on Waters and Oceans

<a href="mailto:shift://www.unep.ch/earthw/Pdepwat.htm">http://www.unep.ch/earthw/Pdepwat.htm</a>

The United Nations Environmental Program on Forestry: "Forests in Flux"

<a href="mailto://www.unep-wcmc.org/forest/flux/homepage.htm">http://www.unep-wcmc.org/forest/flux/homepage.htm</a>

FAO "State of the World's Forests"

World Resources Institute.

<a href="mailto://www.wri.org/">http://www.wri.org/</a>

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Harvard University Center for Health and the Global Environment

<a href="mailto:shttp://www.med.harvard.edu/chge/the-review.html"></a>

The University of Wisconsin Center for Sustainability and the Global Environment

http://sage.aos.wisc.edu/

# **International Environmental Agreements and Associations**

# **International Policy Development in Regard to Global Warming:**

#### Introduction

Regardless of what the precise nature of the relationship between greenhouse gas emissions and global warming may be, it seems that there is some degree of a connection between the phenomena. Any substantial reductions in greenhouse gas emissions and global warming trends will likely involve systematic changes in industrial operations, the use of advanced energy sources and technologies, as well as global cooperation in implementing and regulating these transformations.

In this regard, the United Nations Framework Convention on Climate Change (UNFCCC) stipulated the following objectives:

- 1. To stabilize "greenhouse gas" concentrations within the atmosphere, in such a manner that would preclude hazardous anthropogenic intervention into the existing biosphere and ecosystems of the world. This stabilization process would facilitate the natural adaptation of ecosystems to changes in climate.
- 2. To ensure and enable sustainable development and food production on a global scale.

Following are two discussions regarding international policies on the environment, followed by listings of international accords.

Special Entry: The Kyoto Protocol

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The UNFCCC was adopted at the Rio Earth Summit in 1992, and entered into force in 1994. Over 175 parties were official participants.

Meanwhile, however, many of the larger, more industrialized nations failed to reach the emissions' reduction targets, and many UNFCCC members agreed that the voluntary approach to reducing emissions had not been successful. As such, UNFCCC members reached a consensus that legally binding limits were necessitated, and agreed to discuss such a legal paradigm at a meeting in Kyoto, Japan in 1997. At that meeting, the UNFCCC forged the Kyoto Protocol. This concord is the first legally binding international agreement that places limits on emissions from industrialized countries. The major greenhouse gas emissions addressed in the Kyoto Protocol include carbon dioxide, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and methane.

The provisions of the Kyoto Protocol stipulate that economically advanced nations must reduce their combined emissions of greenhouse gases, by approximately five percent from their 1990 levels, before the 2008-2010 deadline. Countries with the highest carbon dioxide emissions, such as the <u>United States</u> (U.S.), many of the European Union (EU) countries, and <u>Japan</u>, are to reduce emissions by a scale of 6 to 8 percent. All economically advanced nations must show "demonstrable progress" by 2005. In contrast, no binding limits or timetable have been set on developing countries. Presumably, this distinction is due to the fact that most developing countries - with the obvious exceptions of <u>India</u> and <u>China</u> -- simply do not emit as many greenhouse gases as do more industrially advanced countries. Meanwhile, these countries are entrenched in the process of economic development.

Regardless of the aforementioned reasoning, there has been strong opposition against the asymmetrical treatment assigned to emissions limits among developed and developing countries. Although this distinction might be regarded as unfair in principle, associations such as the Alliance of Small Island States have been vocal in expressing how global warming -- a result of greenhouse gas emissions - has contributed to the rise in sea level, and thus deleteriously affected their very existence as island nation states. For this reason, some parties have suggested that economically advanced nations, upon returning to their 1990 levels, should be required to further reduce their greenhouse gas emissions by a deadline of 2005. In response, interested parties have observed that even if such reductions were undertaken by economically advanced nations, they would not be enough to completely control global warming. Indeed, a reduction in the rate of fossil fuel usage by developing nations would also be necessary to have substantial ameliorative effect on global warming. Indeed, a reduction in the rate of fossil fuel usage by developing nations would also be necessary to have substantial ameliorative effect on global warming.

As such, the Protocol established a "Clean Development Mechanism" which permits developed countries to invest in projects aimed at reducing emissions within developing countries in return for credit for the reductions. Ostensibly, the objective of this mechanism is to curtail emissions in developing countries without unduly penalizing them for their economic development. Under this

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model, the countries with more potential emissions credits could sell them to other signatories of the Kyoto Protocol, whose emissions are forecast to significantly rise in the next few years. Should this trading of emissions credits take place, it is estimated that the Kyoto Protocol's emissions targets could still be met.

In 1999, the International Energy Outlook projected that Eastern Europe, the former Soviet Union and Newly Independent States, as well as parts of Asia, are all expected to show a marked decrease in their level of energy-related carbon emissions in 2010. Nations with the highest emissions, specifically, the U.S., the EU and Japan, are anticipated to reduce their emissions by up to 8 percent by 2012. By 2000, however, the emissions targets were not on schedule for achievement. Indeed, the U.S. Department of Energy estimates forecast that by 2010, there will be a 34 percent increase in carbon emissions from the 1990 levels, in the absence of major shifts in policy, economic growth, energy prices, and consumer trends. Despite this assessment in the U.S., international support for the Kyoto Protocol remained strong, especially among European countries and island states, who view the pact as one step in the direction away from reliance on fossil fuels and other sources of greenhouse gases.

In 2001, U.S. President, George W. Bush, rejected his country's participation in the Kyoto Protocol, saying that the costs imposed on the global economic system, and especially, on the US, overshadowed the benefits of the Protocol. He also cited the unfair burden on developed nations to reduce emissions, as another primary reasons for withdrawal from the international pact, as well as insufficient evidence regarding the science of global warming. Faced with impassioned international disapproval for his position, the U.S. president stated that his administration remained interested in dealing with the matter of global warming, but would endorse alternative measures to combat the problem, such as voluntary initiatives limiting emissions. Critics of Bush's position, however, have noted that it was the failure of voluntary initiatives to reduce emissions following the Rio Summit that led to the establishment of the Kyoto Protocol in the first place.

In the wake of the Bush administration's decision, many participant countries resigned themselves to the reality that the goals of the Kyoto Protocol might not be achieved without U.S. involvement. Nevertheless, in Bonn, Germany, in July 2001, the remaining participant countries struck a political compromise on some of the key issues and sticking points, and planned to move forward with the Protocol, irrespective of the absence of the U.S. The key compromise points included the provision for countries to offset their targets with carbon sinks (these are areas of forest and farmland which can absorb carbon through the process of photosynthesis). Another compromise point within the broader Bonn Agreement was the reduction of emissions cuts of six gases from over 5 percent to a more achievable 2 percent. A third key change was the provision of funding for less wealthy countries to adopt more progressive technologies.

In late October and early November 2001, the UNFCC's 7<sup>th</sup> Conference of the Parties met in

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Marrakesh, Morocco, to finalize the measures needed to make the Kyoto Protocol operational. Although the UNFCC projected that ratification of the Protocol would make it legally binding within a year, many critics noted that the process had fallen short of implementing significant changes in policy that would be necessary to actually stop or even slow climate change. They also maintained that the absence of U.S. participation effectively rendered the Protocol into being a political exercise without any substance, either in terms of transnational policy or in terms of environmental concerns.

The adoption of the compromises ensconced within the Bonn Agreement had been intended to make the provisions of the Kyoto Protocol more palatable to the U.S. In this regard, it failed to achieve its objective as the Bush administration continued to eschew participation in the international accord. Still, however, the Bonn Agreement did manage to render a number of other positive outcomes. Specifically, in 2002, key countries, such as Russia, Japan and Canada agreed to ratify the protocol, bringing the number of signatories to 178. The decision by key countries to ratify the protocol was regarded as "the kiss of life" by observers.

By 2005, on the eve of a climate change conference in London, British Prime Minister Tony Blair was hoping to deal with the problems of climate change beyond the provisions set forth in the Kyoto Protocol. Acknowledging that the Kyoto Protocol could not work in its current form, Blair wanted to open the discussion for a new climate change plan.

Blair said that although most of the world had signed on to Kyoto, the protocol could not meet any of its practical goals of cutting greenhouse gas emissions without the participation of the United States, the world's largest polluter. He also noted that any new agreement would have to include India and China -- significant producers of greenhouse gas emissions, but exempt from Kyoto because they have been classified as developing countries. Still, he said that progress on dealing with climate change had been stymied by "a reluctance to face up to reality and the practical action needed to tackle problem."

Blair also touted the "huge opportunities" in technology and pointed toward the possibilities offered by wind, solar and nuclear power, along with fuel cell technology, eco-friendly biofuels, and carbon capture and storage which could generate low carbon power. Blair also asserted that his government was committed to achieving its domestic goal of reducing carbon dioxide emissions by 20 percent by 2010.

In the United States, President George W. Bush has said that global warming remained a debatable issue and despite conclusions reached by his own Environmental Protection Agency, he has not agreed with the conclusion that global warming and climate change are linked with human activities. Bush has also refused to ratify Kyoto on the basis of its economic costs.

Australia, an ally of the United States, has taken a similarly dim view of the Kyoto Protocol.

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Ahead of the November 2005 climate change meeting in Canada in which new goals for the protocol were to be discussed, Australia 's Environment Minister, Ian Campbell, said that negotiating new greenhouse gas emission levels for the Kyoto Protocol would be a waste of time. Campbell said, "There is a consensus that the caps, targets and timetables approach is flawed. If we spend the next five years arguing about that, we'll be fiddling and negotiating while Rome burns." Campbell, like the Bush administration, has also advocated a system of voluntary action in which industry takes up new technologies rather than as a result of compelling the reduction of emissions. But the Australian Conservation Foundation (ACF) has called on its government to ratify the Kyoto Protocol, to establish a system of emissions trading, and to set binding limits on emissions. Interestingly, although it did not sign on to Kyoto, Australia was expected to meet its emissions target by 2012 (an 8 percent increase in 1990 levels in keeping with the country's reliance on coal). But this success has nothing to do with new technologies and is due to state-based regulations on land clearing.

Note: The Kyoto Protocol calls for developed nations to cut greenhouse emissions by 5.2 percent of 1990 levels by 2012.

# Special Entry: Climate Change Summit in Copenhagen (2009) --

In December 2009, the United Nations Climate Change Summit opened in the Danish capital of Copenhagen. The summit was scheduled to last from Dec. 7-18, 2009. Delegates from more than 190 countries were in attendance, and approximately 100 world leaders, including British Prime Minister Gordon Brown and <u>United States</u> President Barack Obama, were expected to participate. At issue was the matter of new reductions targets on greenhouse gas emissions by 2020.

Despite earlier fears that little concurrence would come from the conference, effectively pushing significant actions forward to a 2010 conference in Mexico City, negotiators were now reporting that the talks were productive and several key countries, such as South Africa, had pledged to reduce greenhouse gas emissions. The two main issues that could still lead to cleavages were questions of agreement between the industrialized countries and the developing countries of the world, as well as the overall effectiveness of proposals in seriously addressing the perils of climate change.

On Dec. 9, 2009, four countries -- the <u>United Kingdom</u>, <u>Australia</u>, <u>Mexico</u> and <u>Norway</u> -- presented a document outlining ideas for raising and managing billions of dollars, which would be intended to help vulnerable countries dealing with the perils of climate change. Described as a "green fund," the concept could potentially help small island states at risk because of the rise in sea level. <u>Bangladesh</u> identified itself as a potential recipient of an assistance fund, noting that as a country plagued by devastating floods, it was particularly hard-hit by climate change. The "green fund" would fall under the rubric of the United Nations Framework Convention on Climate

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Change, for which developed countries have been committed to quantifying their emission reduction targets, and also to providing financial and technical support to developing countries.

The <u>United Kingdom</u>, <u>Australia</u>, <u>Mexico</u> and <u>Norway</u> also called for the creation of a new legal treaty that would replace the Kyoto Protocol. This new treaty, which could go into force in 2012, would focus largely on the reduction of greenhouse gas emissions by 2020. But <u>Australia</u> went even further in saying that the successor treaty to the Kyoto Protocol, should be one with provisions covering all countries. Such a move would be a departure from the structure of the Kyoto Protocol, which contained emissions targets for industrialized countries due to the prevailing view that developed countries had a particular historic responsibility to be accountable for climate change. More recently, it has become apparent that substantial reductions in greenhouse gas emissions demanded by scientists would only come to pass with the participation also of significant developing nation states, such as <u>China</u> and <u>India</u>. Indeed, one of the most pressing critiques of the Kyoto Protocol was that it was a "paper tiger" that failed to address the impact of the actions of emerging economies like <u>China</u> and <u>India</u>, with its focus on the developed economies.

Now, in 2009, <u>China</u> -- as the world's biggest greenhouse gas emitter -- was responding this dubious distinction by vocalizing its criticism of the current scenario and foregrounding its new commitments. Ahead of the Copenhagen summit, <u>China</u> had announced it would reduce the intensity of its carbon emissions per unit of its GDP in 2020 by 40 to 45 percent against 2005 levels. With that new commitment at hand, <u>China</u> was now accusing the <u>United States</u> and the European Union of shirking their own responsibilities by setting weak targets for greenhouse gas emissions cuts. Senior Chinese negotiator, Su Wei, characterized the goals of the world's second largest greenhouse gas emitter -- the <u>United States</u> -- as "not notable," and the European Union's target as "not enough." Su Wei also took issue with <u>Japan</u> for setting implausible preconditions.

On Dec. 11, 2009, China demanded that developed and wealthy countries in Copenhagen should help deliver a real agreement on climate change by delivering on their promises to reduce carbon emissions and provide financial support for developing countries to adapt to global warming. In so doing, China's Vice Foreign Minister He Yafei said his country was hoping that a "balanced outcome" would emerge from the discussions at the summit. Echoing the position of the Australian government, He Yafei spoke of a draft agreement as follows: "The final document we're going to adopt needs to be taking into account the needs and aspirations of all countries, particularly the most vulnerable ones."

China's Vice Foreign Minister emphasized the fact that climate change was "a matter of survival" for developing countries, and accordingly, such countries need wealthier and more developed countries to accentuate not only their pledges of emissions reduction targets, but also their financial commitments under the aforementioned United Nations Framework Convention on Climate Change. To that end, scientists and leaders of small island states in the Indian Ocean, the Pacific Ocean and the Caribbean Sea, have highlighted the existential threat posed by global warming and the concomitant rise in sea level.

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China aside, attention was also on <u>India</u> -- another major player in the developing world and a country with an industrializing economy that was impacting the environment. At issue was the Indian government's decision to set a carbon intensity target, which would slow emissions growth by up to 25 percent by the 2020 deadline. This strong position was resisted by some elements in <u>India</u>, who argued that their country should not be taking such a strong position when developed wealthy countries were yet to show accountability for their previous commitments to reduce greenhouse gas emissions. The matter grew so heated that the members of the opposition stormed out of the parliament in protest as Indian Environment Minister Jairam Ramesh defended the policy. But the political pressure at home in <u>India</u> was leaving the Indian delegation in Copenhagen in a state of chaos as well. In fact, India's top environmental negotiator refused to travel to Copenhagen in protest of the government's newly-announced stance.

China and India were joined by Brazil and South Africa in the crafting of a draft document calling for a new global climate treaty to be completed by June 2010. Of concern has been the realization that there was insufficient time to find concurrence on a full legal treaty, which would leave countries only with a politically-binding text by the time the summit at Copenhagen closed. But Guyana's leader, President Bharrat Jagdeo, warned that the summit in Denmark would be classified as a failure unless a binding document was agreed upon instead of just political consensus. He urged his cohorts to act with purpose saying, "Never before have science, economics, geo-strategic self-interest and politics intersected in such a way on an issue that impacts everyone on the planet."

Likewise, <u>Tuvalu</u> demanded that legally binding agreements emerge from Copenhagen. Its proposal was supported by many of the vulnerable countries, from small island states and sub-Saharan Africa, all of whom warned of the catastrophic impact of climate change on their citizens. <u>Tuvalu</u> also called for more aggressive action, such as an amendment to the 1992 agreement, which would focus on sharp greenhouse gas emissions and the accepted rise in temperatures, due to the impact the rise in seas. The delegation from <u>Kiribati</u> joined the call by drawing attention to the fact that one village had to be abandoned due to waist-high water, and more such effects were likely to follow. Kiribati's Foreign Secretary, Tessie Lambourne, warned that the people of <u>Kiribati</u> could well be faced with no homeland in the future saying, "Nobody in this room would want to leave their homeland." But despite such impassioned pleas and irrespective of warnings from the Intergovernmental Panel on Climate Change that the rise in sea level from melting polar ice caps would deleteriously affect low-lying atolls such as such as <u>Tuvalu</u> and <u>Kiribati</u> in the Pacific, and the <u>Maldives</u> in the Indian Ocean, the oil-giant <u>Saudi Arabia</u> was able to block this move.

Meanwhile, within the developed countries, yet another power struggle was brewing. The European Union warned it would only agree to raise its target of 20 percent greenhouse gas emissions reductions to 30 percent if the <u>United States</u> demonstrated that it would do more to

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reduce its own emissions. It was unknown if such pressure would yield results. <u>United States</u> President Barack Obama offered a "provisional" 2020 target of 17 percent reductions, noting that he could not offer greater concessions at Copenhagen due to resistance within the <u>United States</u> Congress, which was already trying to pass a highly controversial "cap and trade" emissions legislation. However, should that emissions trading bill fail in the Senate, the <u>United States</u> Environment Protection Agency's declaration that greenhouse gases pose a danger to human health and the environment was expected to facilitate further regulations and limits on power plants and factories at the national level. These moves could potentially strengthen the Obama administration's offering at Copenhagen. As well, President Obama also signaled that he would be willing to consider the inclusion of international forestry credits.

Such moves indicated willingness by the Obama administration to play a more constructive role on the international environmental scene than its predecessor, the Bush administration. Indeed, ahead of his arrival at the Copenhagen summit, President Barack Obama's top environmental advisors promised to work on a substantial climate change agreement. To that end, <u>United States</u> Environmental Protection Agency Administrator Lisa Jackson said at a press conference, "We are seeking robust engagement with all of our partners around the world." But would this proengagement assertion yield actual results?

By Dec. 12, 2009, details related to a draft document prepared by Michael Zammit Cutajar, the head of the Ad-hoc Working Group on Long-Term Cooperative Action, were released at the Copenhagen climate conference. Included in the document were calls for countries to make major reductions in carbon emissions over the course of the next decade. According to the Washington Post, industrialized countries were called on to make cuts of between 25 percent and 40 percent below 1990 levels -- reductions that were far more draconian than the <u>United States</u> was likely to accept. As discussed above, President Obama had offered a provisional reduction target of 17 percent. The wide gap between the released draft and the United States' actual stated position suggested there was much more negotiating in the offing if a binding agreement could be forged, despite the Obama administration's claims that it was seeking greater engagement on this issue.

In other developments, the aforementioned call for financial support of developing countries to deal with the perils of climate change was partly answered by the European Union on Dec. 11, 2009. The European bloc pledged an amount of 2.4 billion euros (US\$3.5 billion) annually from 2010 to 2012. Environment Minister Andreas Carlgren of <a href="Sweden">Sweden</a> -- the country that holds the rotating presidency of the European Union at the time of the summit -- put his weight behind the notion of a "legally binding deal." Meanwhile, Yvo de Boer, a top United Nations climate change official, focused less on the essence of the agreement and more on tangible action and effects saying, "Copenhagen will only be a success if it delivers significant and immediate action that begins the day the conference ends."

The division between developed and developing countries in Copenhagen reached new heights on Dec. 14, 2009, when some of the poor and less developed countries launched a boycott at the

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summit. The move, which was spurred by African countries but backed by <u>China</u> and <u>India</u>, appeared to be geared toward redirecting attention and primary responsibility to the wealthier and more industrialized countries. The impasse was resolved after the wealthier and more industrialized countries offered assurances that they did not intend on shirking from their commitments to reducing greenhouse gases. As a result, the participating countries ceased the boycott.

Outside the actual summit, thousands of protestors had gathered to demand crucial global warming, leading to clashes between police and demonstrators elsewhere in the Danish capital city. There were reports of scattered violence across Copenhagen and more than 1,000 people were arrested.

Nevertheless, by the second week of the climate change summit, hopes of forging a strong deal were eroding as developed and developing nations remained deadlocked on sharing cuts in greenhouse gases, and particularly on the matters of financing and temperature goals. In a bid to shore up support for a new climate change, <u>United States</u> President Barack Obama joined other world leaders in Copenhagen. On Dec. 14, 2009, there was a standoff brewing between the <u>United States</u> and <u>China</u>. At issue was China's refusal to accept international monitoring of its expressed targets for reducing greenhouse gas emissions. The <u>United States</u> argued that China's opposition to verification could be a deal-breaker.

By the close of the summit, the difficult process eventually resulted in some consensus being cultivated. A draft text called for \$100 billion a year by 2020 to assist poor nations cope with climate change, while aiming to limit global warming to two degrees Celsius compared with preindustrial levels. The deal also included specific targets for developed countries to reduce greenhouse gas emissions, and called for reductions by developing countries as a share of their economies. Also included in the agreement was a mechanism to verify compliance. The details of the agreement were supported by President Barack Obama, Chinese Premier Wen Jiabao, Indian Prime Minister Manmohan Singh and Brazilian President Luiz Inacio Lula da Silva.

This draft would stand as an interim agreement, with a legally-binding international pact unlikely to materialize until 2010. In this way, the summit in Copenhagen failed to achieve its central objective, which was to negotiate a successor to the Kyoto Protocol on greenhouse gas emissions.

#### Editor's Note

In the background of these developments was the growing global consciousness related to global warming and climate change. Indeed, as the Copenhagen summit was ongoing, it was clear there was enormous concurrence on the significance of the stakes with an editorial on the matter of climate change being published in 56 newspapers in 45 countries. That editorial warned that without global action, climate change would "ravage our planet." Meanwhile, a global survey taken by Globescan showed that concern over global warming had exponentially increased from 1998 --

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when only 20 percent of respondents believed it to be a serious problem -- to 64 percent in 2009. Such survey data, however, was generated ahead of the accusations by climate change skeptics that some climate scientists may have overstated the case for global warming, based on emails derived in an illicit manner from a British University.

#### Special Entry: Climate change talks in Doha in **Qatar** extend life of Kyoto Protocol (2012)

December 2012 saw climate talks ensue in the Qatari city of Doha as representatives from countries across the world gathered to discuss the fate of the Kyoto Protocol, which seeks to minimize greenhouse gas emissions. The summit yielded results with decisions made (1) to extend the Kyoto Protocol until 2020, and (2) for wealthier countries to compensate poorer countries for the losses and damage incurred as a result of climate change.

In regards to the second matter, Malia Talakai of Nauru, a leading negotiator for the Alliance of Small Island States, explained the necessity of the compensation package as follows: "We are trying to say that if you pollute you must help us."

This measure was being dubbed the "Loss and Damage" mechanism, and was being linked with <u>United States</u> President Barack Obama's request for \$60 billion from Congress to deal with the devastation caused by Hurricane Sandy months before. The sight of a hurricane bearing down on the northern Atlantic seaboard, along with the reality of the scope of reconstruction, appeared to have illustrated the economic costs of climate change -- not so much as a distant environmental issue -- but as a danger to the quotidian lives of people. Still, there was blame to be placed on the <u>United States</u> and European countries -- some of world's largest emitters -- for failing to do more to reduce emissions.

To that latter end, there was in fact little progress made on the central issue of reducing greenhouse gas emissions. Had those emissions been reduced, there would have been less of a need to financially deal with the devastation caused by climate change. One interpretation was that the global community was accepting the fact that industrialization was contributing to global warming, which had deleterious effects on the polar ice caps and concomitantly on the rise of sea level, with devastating effects for small island nations. Thus, wealthier countries were willing to pay around \$10 billion a year through 2020, effectively in "damages," to the poor countries that could be viewed as the "collateral damage" of industrial progress. But damages today could potentially be destruction tomorrow, leaving in place the existential challenges and burdens to be born by some of the world's smallest and least wealthy island countries.

Perhaps not surprisingly, the representative for the small island nation states at the Doha summit responded with ire, characterizing the lack of progress on reducing emissions as follows: "We see the package before us as deeply deficient in mitigation (carbon cuts) and finance. It's likely to lock

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us on the trajectory to a 3,4,5C rise in global temperatures, even though we agreed to keep the global average temperature rise of 1.5C to ensure survival of all islands. There is no new finance (for adapting to climate change and getting clean energy) -- only promises that something might materialize in the future. Those who are obstructive need to talk not about how their people will live, but whether our people will live."

Indeed, in most small island countries not just in the Pacific, but also the Caribbean and Indian Ocean, ecological concerns and the climate crisis have been dominant themes with dire life and death consequences looming in the background for their people. Small island nations in these region are already at risk from the rise of sea-level, tropical cyclones, floods. But their very livelihoods of fishing and subsistence farming were also at risk as a result of ecological and environmental changes. Increasingly high storm surges can wipe out entire villages and contaminate water supplies. Accordingly, the very existence of island nations, such as Kiribati and Tuvalu, are at severe risk of being obliterated from the map. Yet even with the existential threat of being wiped off the map in the offing, the international community has been either slow or restrictive in its efforts to deal with global warming, climate change, economic and ecological damage, as well as the emerging global challenge of environmental refugees.

A 2012 report from the United Nations Environment Program (UNEP) and the Pacific Regional Environment Program underlined the concerns of small island nations and their people as it concluded that the livelihoods of approximately 10 million people in Pacific island communities were increasingly vulnerable to climate change. In fact, low-lying islands in that region would likely confront losses of up to 18 percent of gross domestic product due to climate change, according to the report. The report covers 21 countries and territories, including Fiji, Kiribati, Samoa and Tonga, and recommended environmental legislation intended to deal with the climate crisis facing the small island countries particularly. As noted by David Sheppard, the director general of the Pacific Regional Environment Program that co-sponsored this study: "The findings... emphasize the need more than ever to raise the bar through collective actions that address the region's environmental needs at all levels."

Regardless of the failures of the summit in <u>Qatar</u> (discussed above), the meeting did facilitate a process starting in 2015, which would bind both wealthy and poor countries together in the mission of forging a new binding treaty that would replace the Kyoto Protocol and tackle the central causes of climate change.

For more information on the threats faced in small island nations by climate change and the measures being undertaken to lobby for international action, please see the Alliance for Small Island States available online at the URL: http://aosis.org/

#### Special Report

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# COP 21 summit in Paris ends with historic agreement to tackle climate change; rare international consensus formed on environmental crisis facing the planet (2015) --

In mid-December 2015, the highly-anticipated United Nations climate conference of parties (COP) in Paris, France, ended with a historic agreement. In fact, it would very likely be understood as the most significant international agreement signed by all the recognized countries of the world since the Cold War. Accordingly, the Paris Agreement was being distinguished as the first multilateral pact that would compel all countries across the world to cut its carbon emissions -- one of the major causes of increasing greenhouse gas emissions, which contribute to global warming, and its deleterious effects ranging from the dangerous rise in sea level to catastrophic climate change.

The accord, which was dubbed to be the "Paris Agreement," was the work of rigorous diplomacy and fervent environmental advocacy, and it aimed to address the climate change crisis facing the planet. As many as 195 countries were represented in the negotiations that led to the landmark climate deal. Indeed, it was only after weeks of passionate debate that international concurrence was reached in addressing the environmental challenges confronting the world, with particular attention to moving beyond fossil fuels and reducing greenhouse gas emissions.

The success of the COP 21 summit in Paris and the emergence of the landmark Paris Agreement was, to some extent, attributed to the efforts of France's Foreign Minister Laurent Fabius who presided over the negotiations. The French foreign minister's experience and credentials as a seasoned diplomat and respected statesman paid dividends. He skillfully guided the delegates from almost 200 countries and interest groups along the negotiations process, with ostensibly productive results and a reasonably robust deal to show for it.

On Dec. 12, 2015, French Foreign Minister Fabius officially adopted the agreement, declaring: "I now invite the COP to adopt the decision entitled Paris Agreement outlined in the document. Looking out to the room I see that the reaction is positive, I see no objections. The Paris agreement is adopted." Once Foreign Minister Fabius' gavel was struck, symbolically inaugurating the Paris Agreement into force, the COP delegate rushed to their feet with loud and bouyant cheers as well as thunderous applause.

In general, the Paris Agreement was being hailed as a victory for environmental activists and a triumph for international diplomats, while at the same time being understood as simply an initial -- and imperfect -- move in the direction of a sustainable future. China's chief negotiator, Xie Zhenhua, issued this message, saying that while the accord was not ideal, it should "not prevent us from marching historical steps forward."

United States President Barack Obama lauded the deal as both "ambitious" and "historic," and the

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work of strenuous multilateral negotiations as he declared, "Together, we've shown what's possible when the world stands as one." The <u>United States</u> leader acknowledged that the accord was not "perfect," but he reminded the critics that it was "the best chance to save the one planet we have."

Former <u>United States</u> Vice President Al Gore, one of the world's most well known environmental advocates, issued a lengthy statement on the accompishments ensconced in the Paris Agreement. He highlighted the fact that the Paris Agreement was a first step towards a future with a reduced carbon footprint on Planet Earth as he said, "The components of this agreement -- including a strong review mechanism to enhance existing commitments and a long-term goal to eliminate global-warming pollution this century -- are essential to unlocking the necessary investments in our future. No agreement is perfect, and this one must be strengthened over time, but groups across every sector of society will now begin to reduce dangerous carbon pollution through the framework of this agreement."

The central provisions of the Paris Agreement included the following items:

- Greenhouse gas emissions should peak as quickly as possible, with a move towards balancing energy sources, and ultimately the decrease of greenhouse gases in the second half of this century
- Global temperature increase would be limited to 1.5 degrees Centigrade above pre-industrial levels and would be held "well below" the two degrees Centigrade threshold
- Progress on these goals would be reviewed every five years beginning in 2020 with new greenhouse gas reduction targets issued every five years
- \$100 billion would be expended each year in climate finance for developing countries to move forward with green technologies, with further climate financing to be advanced in the years beyond

It should be noted that there both legally binding and voluntary elements contained within the Paris Agreement. Specifically, the submission of an emissions reduction target and the regular review of that goal would be legally mandatory for all countries. Stated differently, there would be a system in place by which experts would be able to track the carbon-cutting progress of each country. At the same time, the specific targets to be set by countries would be determined at the discretion of the countries, and would not be binding. While there was some criticism over this non-binding element, the fact of the matter was that the imposition of emissions targets was believed to be a major factor in the failure of climate change talks in Copenhagen, Denmark, in 2009.

In 2015, the talks faced challenges as several countries, such as <u>China</u> and <u>India</u>, objected to conditions that would stymie economic and development. In order to avoid that kind of landmine, a system Intended Nationally Determined Contributions (INDCs) was developed and formed the basis of the accord. As such, the Paris Agreement would, in fact, facilitate economic growth and development, as well as technological progress, but with the goal of long-term ecological sustainability based on low carbon sources. In fact, the agreement heralded as "the beginning of

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the end of the fossil fuel era." As noted by Nick Mabey, the head of the climate diplomacy organization E3G, said, "Paris means governments will go further and faster to tackle climate change than ever before. The transition to a low carbon economy is now unstoppable, ensuring the end of the fossil fuel age."

A particular sticking point in the agreement was the \$100 billion earmarked for climate financing for developing countries to transition from traditional fossil fuels to green energy technologies and a low carbon future. In 2014, a report by the International Energy Agency indicated that the cost of that transition would actually be around \$44 trillion by the mid-century -- an amount that would render the \$100 billion being promised to be a drop in the proverbial bucket. However, the general expectation was that the Republican-controlled Senate in the <a href="United States">United States</a>, which would have to ratify the deal in that country, was not interested in contributing significant funds for the cause of climate change.

A key strength of the Paris Agreement was the ubiquitous application of measures to all countries. Of note was the frequently utilized concept of "flexibility" with regard to the Paris Agreement. Specifically, the varying capacities of the various countries in meeting their obligations would be anticipated and accorded flexibility. This aspect presented something of a departure from the 1997 Kyoto Protocol, which drew a sharp distinction between developed and developing countries, and mandated a different set of obligations for those categories of countries. Thus, under Kyoto, China and India were not held to the same standards as the United States and European countries. In the Paris Agreement, there would be commitments from all countries across the globe.

Another notable strength of the Paris Agreement was the fact that the countries of the world were finally able to reach consensus on the vital necessity to limit global temperature increases to 1.5 degrees Centrigrade. Ahead of the global consensus on the deal, and as controversy continued to surface over the targeted global temperature limits, the leaders of island countries were sounding the alarm about the melting of the Polar ice caps and the associated rise in seal level. Prime Minister Enele Sopoaga of <u>Tuvalu</u> issued this dismal reminder: "Tuvalu's future ... is already bleak and any further temperature increase will spell the total demise of <u>Tuvalu</u>. No leader in this room carries such a level of worry and responsibility. Just imagine you are in my shoes, what would you do?" It was thus something of a victory for environmental advocates that the countries of the world could find ensensus on the lower number -- 1.5 degrees rather than 2 degrees.

A significant weak point with regard to the Paris deal was a "loss and damage" provision, which anticipates that even with all the new undertakings intended to reduce greenhouse gas emissions and move to a low carbon future, there would nonetheless be unavoidable climate change consequences. Those consequences ranged from the loss of arable land for farmers as well as soil erosion and contamination of potable water by sea water, to the decimation of territory in coastal zones and on small islands, due to the rise in sea level, with entire small island countries being

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rendered entirely uninhabitable. The reality was that peoples' homes across the world would be destroyed along with their way of life.

With that latter catastrophic effect being a clear and present danger for small island countries, the Association of Small Island States (AOSIS) demanded that the developed world acknowledge its responsibility for this irreversible damage. Despite the fact that greenhouse gas emissions and the ensuing plague of global warming was, indeed, the consequence of development in the West (the United States and Europe) and the large power house countries, such as Russia, China and India, there was no appetite by those countries to sign on to unlimited liability. Under the Paris Agreement, there was a call for research on insurance mechanisms that would address loss and damage issues, with recommendations to come in the future.

The call for research was being regarded as an evasion of sorts and constituted the weakest aspect of the Paris Agreement. Not surprisingly, a coalition of small island nations demanded a "Marshall Plan" for the Pacific. Borrowing the term "Marshall Plan" from the post-World War II reconstruction effort, the coalition of Pacific island nation, which included Kiribati, Tuvalu, Fiji, and the Marshall Islands, called for an initiative that would include investment in renewable energy and shoreline protection, cultural preservation, economic assistance for economies in transition, and a plan for migration and resettlement for these countries as they confront the catastrophic effects of the melting of the Polar ice caps and the concomitant rise in sea level. The precise contours of the initiative remained unknown, unspecified, and a mere exercise in theory at the time of writing. Yet such an initiative would, at some point, have to be addressed, given the realities of climate change and the slow motion calamity unfolding each day for low-lying island nations across the world.

As noted by Vice President Greg Stone of Conservation International, who also functions as an adviser to the government of Kiribati, "Imagine living in a place where you know it's going to go away someday, but you don't know what day that wave's going to come over and wash your home away." He added, "It's a disaster we know is going to happen." Meanwhile, the intervening years promised to be filled with hardship for small island nations, such as Kiribati. Stone explained, "For every inch of sea-level rise, these islands lose 10 feet of their freshwater table to saltwater intrusion," Stone explained. "So it's not just about the day the water finally goes over the island; it's also about the day that there's just not enough water left and everyone has to move off the island." Presaging the future for island nations that could face submersion, Stone said, "If you look ahead 50 years, a country like Kiribati could become the first aqueous nation. possibility of migration. That is, they own this big patch of ocean, and they administer it from elsewhere."

Foreign Minister Minister Tony Debrum of the <u>Marshall Islands</u> emerged as the champion advocating on behalf of small island nation states and a loose coalition of concerned countries from the Pacific to the Caribbean, but with support from the <u>United States</u>. He addressed the

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comprehensive concerns of small island nations regarding the weaknesses of the deal, while simultaneously making clear that the Paris Agreement signified hope for the countries most at risk. In a formal statement, Debrum declared: "We have made history today. Emissions targets are still way off track, but this agreement has the tools to ramp up ambition, and brings a spirit of hope that we can rise to this challenge. I can go back home to my people and say we now have a pathway to survival." Debrum highlighted the imperatives of Pacific island nations, saying, "Our High Ambition Coalition was the lightning rod we needed to lift our sights and expectations for a strong agreement here in Paris. We were joined by countries representing more than half the world. We said loud and clear that a bare-bones, minimalist agreement would not fly. We instead demanded an agreement to mark a turning point in history, and the beginning of our journey to the post-carbon era."

Debrum of the <u>Marshall Islands</u> espoused the quintessential synopsis of the accord and its effects for those most likely to be affected by climate change as he noted, "Climate change won't stop overnight, and my country is not out of the firing line just yet, but today we all feel a little safer."

# Editor's Entry on **Environmental Policy**:

The low-lying Pacific island nations of the world, including <u>Kiribati</u>, <u>Tuvalu</u>, the <u>Marshall Islands</u>, <u>Fiji</u>, among others, are vulnerable to the threats posed by global warming and cimate change, derived from carbon emissions, and resulting in the rise in sea level. Other island nations in the Caribbean, as well as poor countries with coastal zones, were also at particular risk of suffering the deleterious effects of climate change.

Political policy in these countries are often connected to ecological issues, which have over time morphed into an existential crisis of sorts. Indeed, ecological concerns and the climate crisis have also been dominant themes with life and death consequences for the people of island nations in the Pacific. Indeed, the very livelihoods of fishing and subsistence farming remain at risk as a result of ecological and environmental changes. Yet even so, these countries are threatened by increasingly high storm surges, which could wipe out entire villages and contaminate water supplies. Moreover, because these are low lying island nations, the sustained rise in sea level can potentially lead to the terrain of these countries being unihabitable at best, and submerged at worst. Stated in plain terms, these countries are at severe risk of being obliterated from the map and their plight illuminates the emerging global challenge of environmental refugees. In these manifold senses, climate change is the existential crisis of the contemporary era.

Since the time of the 1997 Kyoto Protocol, there have been efforts aimed at extending the life of that agreement, with an eye on minimizing greenhouse gas emissions, and thus minimizing the effects of climate change. Those endeavors have largely ended in failure, as exemplified by the unsuccessful Copenhagen talks in 2009 and the fruitless Doha talks in 2012 respectively. The success of the COP 21 talks in <u>France</u>, with the adoption of the landmark Paris Agreement in

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2015, was regarded as the first glimmer of hope. Not only did the Paris Agreement signify the triumph of international diplomacy and global consensus, but it also marked the start of the end of the fossil fuel era, with the path forward toward a low carbon future reliant on greener technologies. Most crucially, the Paris Agreement stood as the first significant response in recent times to the central challenge of climate change and its quotidian effects on the lives of real human beings across the world.

#### 1. Major International Environmental Accords:

#### **General Environmental Concerns**

Convention on Environmental Impact Assessment in a Transboundary Context, Espoo, 1991.

#### **Accords Regarding Atmosphere**

Annex 16, vol. II (Environmental Protection: Aircraft Engine Emissions) to the 1044 Chicago Convention on International Civil Aviation, Montreal, 1981

Convention on Long-Range Transboundary Air Pollution (LRTAP), Geneva, 1079

United Nations Framework Convention on Climate Change (UNFCCC), New York, 1002

Vienna Convention for the Protection of the Ozone Layer, Vienna, 1985 including the Montreal Protocol on Substances that Depleted the Ozone Layer, Montreal, 1987

# **Accords Regarding Hazardous Substances**

Convention on the Ban of the Import into Africa and the Control of Transboundary Movements and Management of Hazardous Wastes within Africa, Bamako, 1991

Convention on Civil Liability for Damage Caused during Carriage of Dangerous Goods by Road, Rail and Inland Navigation Vessels (CRTD), Geneva, 1989

Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention), Basel, 1989

Convention on the Transboundary Effects of Industrial Accidents, Helsinki, 1992

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Convention to Ban the Importation into Forum Island Countries of Hazardous and Radioactive Wastes and to Control the Transboundary Movement and Management of Hazardous Wastes within the South Pacific Region (Waigani Convention), Waigani, 1995

European Agreement Concerning the International Carriage of Dangerous Goods by Road (ADR), Geneva 1957

FAO International Code of Conduct on the Distribution and Use of Pesticides, Rome, 1985

# 2. Major International Marine Accords:

#### **Global Conventions**

Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter (London Convention 1972), London, 1972

International Convention for the Prevention of Pollution from Ships, 1973, as modified by Protocol of 1978 relation thereto (MARPOL 73/78), London, 1973 and 1978

International Convention on Civil Liability for Oil Pollution Damage 1969 (1969 CLC), Brussels, 1969, 1976, and 1984

International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage 1971 (1971 Fund Convention), Brussels, 1971

Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea (HNS), London 1996

International Convention on Oil Pollution Preparedness, Response, and Co-operation (OPRC), London, 1990

International Convention Relation to Intervention on the High Seas in Cases of Oil Pollution Casualties (Intervention Convention), Brussels, 1969

United Nations Convention on the Law of the Sea (UNCLOS), Montego Bay, 1982

#### **Regional Conventions**

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Convention for the Prevention of Marine Pollution by Dumping from Ships and Aircraft (Oslo Convention), Oslo, 1972

Convention for the Prevention of Marine Pollution from Land-based Sources (Paris Convention), Paris, 1974

Convention for the Protection of the Marine Environment of the North East Atlantic (OSPAR Convention), Paris, 1992

Convention for the Protection of the Marine Environment of the Baltic Sea Area (1974 Helsinki Convention), Helsinki 1974

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Conventions within the UNEP Regional Seas Programme

Convention on the Protection of the Black Sea against Pollution, Bucharest, 1992

Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region, Cartagena de Indias, 1983

Convention for the Protection, Management, and Development of the Marine and Coastal Environment of the Eastern African Region, Nairobi, 1985

Kuwait Regional Convention for Co-operation on the Protection of the Marine Environment from Pollution, <u>Kuwait</u>, 1978

Convention for the Protection and Development of the Marine Environment and Coastal Region of the Mediterranean Sea (Barcelona Convention), Barcelona, 1976

Regional Convention for the Conservation of the Red Sea and Gulf of Aden Environment, Jeddah, 1982

Convention for the Protection of the Natural Resources and Environment of the South Pacific Region, Noumea, 1986

Convention for the Protection of the Marine Environment and Coastal Area of the South-East Pacific, Lima, 1981

Convention for Co-operation in the Protection and Development of the Marine and Coastal

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Environment of the West and Central African Region, Abidjan, 1981

# 3. Major Conventions Regarding Living Resources:

# **Marine Living Resources**

Convention on the Conservation of Antarctic Marine Living Resources (CCAMLR), Canberra, 1980

International Convention for the Conservation of Atlantic Tunas (ICCAT), Rio de Janeiro, 1966

International Convention for the Regulation of Whaling (ICRW), Washington, 1946

# **Nature Conservation and Terrestrial Living Resources**

Antarctic Treaty, Washington, D.C., 1959

Convention Concerning the Protection of the World Cultural and Natural Heritage (World Heritage Convention), Paris, 1972

Convention on Biological Diversity (CBD), Nairobi, 1992

Convention on the Conservation of Migratory Species of Wild Animals (CMS), Bonn, 1979

Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), Washington, D.C., 1973

Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar Convention), Ramsar, 1971

Convention to Combat Desertification (CCD), Paris 1994

FAO International Undertaking on Plant Genetic Resources, Rome, 1983

International Tropical Timber Agreement, 1994 (ITTA, 1994), Geneva, 1994

#### **Freshwater Resources**

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Convention on the Protection and Use of Transboundary Watercourses and International Lakes, Helsinki, 1992

# 4. Major Conventions Regarding Nuclear Safety:

Convention on Assistance in the Case of a Nuclear Accident or Radiological Emergency (Assistance Convention), Vienna, 1986

Convention on Early Notification of a Nuclear Accident (Notification Convention), Vienna, 1986

Convention on Nuclear Safety, Vienna, 1994

Vienna Convention on Civil Liability for Nuclear Damage, Vienna, 1963

# 5. Major Intergovernmental Organizations

Commission on Sustainable Development (CSD)

European Union (EU): Environment

Food and Agriculture Organization (FAO)

Global Environment Facility (GEF)

International Atomic Energy Agency (IAEA)

International Council for the Exploration of the Sea (ICES)

International Fund for Agricultural Development (IFAD)

International Labour Organization (ILO)

International Maritime Organization (IMO)

International Monetary Fund (IMF)

International Oil Pollution Compensation Funds (IOPC Funds)

Organization for Economic Co-operation and Development (OECD), Environment Policy

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Committee (EPOC)

United Nations Children's Fund (UNICEF)

United Nations Development Programme (UNDP)

United Nations Educational, Scientific, and Cultural Organization (UNESCO)

United Nations Environment Programme (UNEP)

United Nations Industrial Development Organization (UNIDO)

United Nations Population Fund (UNFPA)

World Bank

World Food Programme (WFP)

World Health Organization (WHO)

World Meteorological Organization (WMO)

World Trade Organization (WTO)

## 6. Major Non-Governmental Organizations

Atmosphere Action Network East Asia (AANEA)

Climate Action Network (CAN)

Consumers International (CI)

Earth Council

Earthwatch Institute

Environmental Liaison Centre International (ELCI)

European Environmental Bureau (EEB)

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Forest Stewardship Council (FSC)

Friends of the Earth International (FoEI)

Greenpeace International

International Chamber of Commerce (ICC)

International Confederation of Free Trade Unions (ICFTU)

International Planned Parenthood Federation (IPPF)

International Solar Energy Society (ISES)

**IUCN-The World Conservation Union** 

Pesticide Action Network (PAN)

Sierra Club

Society for International Development (SID)

Third World Network (TWN)

Water Environment Federation (WEF)

Women's Environment and Development Organization (WEDO)

World Business Council for Sustainable Development (WBCSD)

World Federalist Movement (WFM)

World Resources Institute (WRI)

World Wide Fund For Nature (WWF)

## 7. Other Networking Instruments

Arab Network for Environment and Development (RAED)

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Global Legislators for a Balanced Environment (GLOBE)

Regional Environmental Center for Central and Eastern Europe (REC)

United Nations Non-Governmental Liaison Service (UN-NGLS)

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# **Appendices**

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# Methodology Note for Demographic Data:

The demographic numbers for cities and national populations listed in CountryWatch content are derived from the Geoba.se website, which analyzes data from the World Bank. The current demographic numbers displayed on the Countrywatch website are reflective of the latest available estimates.

The demographic information for language, ethnicity and religion listed in CountryWatch content is

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derived from a mix of sources including the Altapedia, Central Intelligence Agency Factbook, Infoplease, and State Department Background Notes.

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Elections Around the World. URL: <a href="http://www.electionworld.org/">http://www.electionworld.org/</a>

Election Resources. URL: <a href="http://electionresources.org/">http://electionresources.org/</a>

Europa World Yearbook 1999. Vols. I & II. 1999. London: Europa Publications Ltd.

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Europe World Online. URL: <a href="http://www.europaworld.com/pub/">http://www.europaworld.com/pub/</a>

Financial Times. URL: <a href="http://www.financialtimes.com">http://www.financialtimes.com</a>

Foreign Government Resources. URL: <a href="http://www.lib.umich.edu/govdocs/foreign.html">http://www.lib.umich.edu/govdocs/foreign.html</a>

Human Rights Watch. URL: http://www.hrw.org

IFES Election Guide. URL: <a href="http://www.electionguide.org">http://www.electionguide.org</a>

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International Who's Who 1997-1998, 61st Edition. 1997. London: Europa Publications Ltd.

Leadership Views, Chiefs of State Online. URL: <a href="http://www.cia.gov/cia/publications/chiefs/index.html">http://www.cia.gov/cia/publications/chiefs/index.html</a>

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New Encyclopedia Britannica. 1998. Chicago: Encyclopedia Britannica Inc.

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Patterns of Global Terrorism. n.d. <u>United States</u> Department of State. Washington D.C.: <u>United States</u> Department of State Publications.

Political Handbook of the World. n.d. Arthur S. Banks, Thomas C. Muller, ed. Binghamton, New York: CSA Publications.

Political Reference Almanac Online. URL: <a href="http://www.polisci.com/almanac/nations.htm">http://www.polisci.com/almanac/nations.htm</a>

Reuters News. URL: <a href="http://www.reuters.com/">http://www.reuters.com/</a>

Rulers. URL: <a href="http://rulers.org/">http://rulers.org/</a>

The Guardian Online. URL: <a href="http://www.guardian.co.uk/">http://www.guardian.co.uk/</a> (Various editions and dates as cited in particular reviews)

The Statesman's Year-Book 2006. Barry Turner, ed. London: St. Martin's Press.

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United Nations Development Programme. URL: <a href="http://hdr.undp.org">http://hdr.undp.org</a>

United Nations Refugee Agency. URL: <a href="http://www.unhcr.org">http://www.unhcr.org</a>

<u>United States</u> Central Intelligence Agency, World Factbook. Washington, D.C.: Printing and Photography Group. URL: <a href="http://www.cia.gov/cia/publications/factbook/index.html">http://www.cia.gov/cia/publications/factbook/index.html</a>

<u>United States</u> Department of State, World Military Expenditures and Arms Transfers (WMEAT) URL: <a href="http://www.state.gov/www/global/arms/bureau">http://www.state.gov/www/global/arms/bureau</a> ac/reports ac.html

United States Department of State, Country Reports on <u>Human Rights</u> Practices. URL: <a href="http://www.state.gov/g/drl/rls/hrrpt/2002/18245.htm">http://www.state.gov/g/drl/rls/hrrpt/2002/18245.htm</a>

<u>United States</u> Department of State, Background Notes. URL: <a href="http://www.state.gov/www/background\_notes/index.html">http://www.state.gov/www/background\_notes/index.html</a>

Virtual Library: International Relations Resources. URL: <a href="http://www.etown.edu/vl/countgen.html">http://www.etown.edu/vl/countgen.html</a>

World Bank: Governance Indicators. URL: <a href="http://info.worldbank.org/governance">http://info.worldbank.org/governance</a>

-- See also list of News Wires services below, which are also used for research purposes. --

#### Note on Edition Dates:

The earlier edition dates are noted above because they were used to formulate the original Country Reviews and serve as the baseline for some of the information covered. Later editions have been used in some cases, and are cited as such, while other more recent online resources (cited above) contain recent and ever-updated data sets used for research.

#### **Sources: Economic Overview**

BP Statistical Review of World Energy. URL: http://www.bp.com/genericsection.do?categoryId=92&contentId=7005893

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International Labour Office, World Employment Report, 1998-99. 1998 to present. Geneva: International Labour Office.

United Nations Statistical Division Online. URL: http://unstats.un.org/unsd/default.htm

United Nations Statistics Division, Monthly Bulletin of Statistics (MBS On Line), November 1999 Edition. 1999 to present. New York: United Nations.

United Nations, Statistical Yearbook, 43rd Issue. 1999. 1999 to present New York: United Nations.

United Nations, Food & Agricultural Organization, FAOSTAT Database. URL: http://apps.fao.org/ United Nations, Comtrade Data Base, http://comtrade.un.org/

United States Department of Energy, Country Analysis Briefs. URL:http://www.eia.doe.gov/emeu/cabs/contents.html

United States Department of Labor, Bureau of Labor Statistics Database

United States Geological Service, Mineral Information

United States Department of State, Country Commercial Guides. Washington, D.C. <u>United States</u> of America. URL:http://www.state.gov/www/about\_state/business/com\_guides/index.html

The World Bank, Global Development Finance, Country Tables. 1999 to present. Washington, D.C.: The World Bank.

The World Bank Group, World Development Indicators. 1999 to present. Washington, D.C.: The World Bank.

Yearbook of Tourism Statistics, World Tourism Organization. 1998 to present. Madrid: The World Tourism Organization.

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# Methodology Notes for Economic Data:

Estimates by CountryWatch.com of GDP in dollars in most countries are made by converting local currency GDP data from the International Monetary Fund World Economic Outlook to US dollars by market exchange rates estimated from the International Monetary Fund International Financial Statistics and projected out by the CountryWatch Macroeconomic Forecast. Real GDP was estimated by deflating current dollar values by the US GDP Implicit Price Deflator.

Exceptions to this method were used for:

- Bosnia-Herzegovina
- Nauru
- Cuba
- Palau
- · Holy See
- San Marino
- Korea, North
- <u>Serbia</u> & Montenegro
- Liberia
- Somalia
- Liechtenstein
- Tonga
- Monaco
- Tuvalu

In these cases, other data and/or estimates by CountryWatch.com were utilized.

#### **Investment Overview**

Corruption and Transparency Index. URL: <a href="http://www.transparency.org/documents/cpi/2001/cpi2001.html#cpi">http://www.transparency.org/documents/cpi/2001/cpi2001.html#cpi</a>

Deloitte Tax Guides. URL: <a href="http://www.deloittetaxguides.com">http://www.deloittetaxguides.com</a>

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Trade Policy Reviews by the World Trade Organization . URL: <a href="http://www.wto.org/english/tratop">http://www.wto.org/english/tratop</a> e/tpr e/tp rep e.htm#bycountry

United States Department of Energy, Country Analysis Briefs. URL: <a href="http://www.eia.doe.gov/emeu/cabs/contents.html">http://www.eia.doe.gov/emeu/cabs/contents.html</a>

<u>United States</u> Department of State, Background Notes. URL: <a href="http://www.state.gov/www/background-notes/index.html">http://www.state.gov/www/background-notes/index.html</a>

<u>United States</u> Department of State, Country Commercial Guides. 1996-2006. Washington, D.C. <u>United States</u> of America ca. URL: <a href="http://www.state.gov/www/about\_state/business/com\_guides/index.html">http://www.state.gov/www/about\_state/business/com\_guides/index.html</a>

World Bank: Doing Business. URL: <a href="http://www.doingbusiness.org">http://www.doingbusiness.org</a>

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#### **Social Overview**

Borden, G.A., Conaway, W.A., Morrison, T. 1994. Kiss, Bow, or Shake Hands: How to do Business in Sixty Countries. Holbrook, Massachusetts, 1994.

Center for Disease Control. URL: <a href="http://www.cdc.gov">http://www.cdc.gov</a>

Eldis Country Profiles. URL: <a href="http://www.eldis.org/country/index.htm">http://www.eldis.org/country/index.htm</a>

Ethnologue. URL: <a href="http://www.ethnologue.com/">http://www.ethnologue.com/</a>

Government of <u>Australia</u> Department of Foreign Affiars and Trade. URL: <a href="http://www.dfat.gov.au/geo">http://www.dfat.gov.au/geo</a>

Government of <u>Canada</u> Foreign Affairs and International Trade. URL: <a href="http://www.voyage.gc.ca/consular\_home-e.htm">http://www.voyage.gc.ca/consular\_home-e.htm</a>

Library of Congress Country Studies. URL: <a href="http://lcweb2.loc.gov/frd/cs/cshome.html">http://lcweb2.loc.gov/frd/cs/cshome.html</a>

Lonely Planet. URL: <a href="http://www.lonelyplanet.com/worldguide/">http://www.lonelyplanet.com/worldguide/</a>

Steve Kropla's Online Help For World Travelers. URL: <a href="http://www.kropla.com/">http://www.kropla.com/</a>

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United Kingdom Ministry of Foreign and Commonwealth Office. URL: http://www.fco.gov.uk/

United Nations Human Development Report. URL: <a href="http://www.undp.org/hdro">http://www.undp.org/hdro</a>

UNICEF Statistical Database Online. URL: <a href="http://www.unicef.org/statis/atoz.html">http://www.unicef.org/statis/atoz.html</a>

<u>United States</u> Central Intelligence Agency, World Factbook. 2001. Washington, D.C.: Printing and Photography Group. URL: <a href="http://www.cia.gov/cia/publications/factbook/index.html">http://www.cia.gov/cia/publications/factbook/index.html</a>

United States Department of State, Background Notes. URL: <a href="http://www.state.gov/www/background\_notes/index.html">http://www.state.gov/www/background\_notes/index.html</a>

United States Department of State, Commercial and Business Affairs: Travel Tips. URL: <a href="http://www.state.gov/www/about\_state/business/cba\_travel.html">http://www.state.gov/www/about\_state/business/cba\_travel.html</a>

United States Department of State, Bureau of Consular Affairs. URL: <a href="http://travel.state.gov/">http://travel.state.gov/</a>

World Health Organization. URL: <a href="http://www.who.int/home-page/">http://www.who.int/home-page/</a>

World News Connection, National Technical Information Service. Springfield, Virginia, USA.

Internet News Service, Xinhua News Agency (U.S.) Inc. Woodside, New York. URL: <a href="http://www.xinhuanet.com/english/">http://www.xinhuanet.com/english/</a>

#### Note on Edition Dates:

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# Methodology Notes for the HDI:

Since 1990, the United Nations Development Programme, in concert with organizations across the globe, has produced the <u>Human Development Index</u> (or HDI). According to the UNDP, the index measures average achievement in basic human development in one simple composite index, and produces from this index a ranking of countries. The HDI is a composite of three basic components of human development: longevity, knowledge and standard of living. Longevity is measured by life expectancy. Knowledge is measured by combination of adult literacy and mean

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years of schooling. Standard of living is measured by purchasing power, based on real GDP per capita (in constant US\$) adjusted for differences in international living costs (or, purchasing power parity, PPP). While the index uses these social indicators to measure national performance with regard to human welfare and development, not all countries provide the same level of information for each component needed to compute the index; therefore, as in any composite indicator, the final index is predicated on projections, predictions and weighting schemes. The index is a static measure, and thus, an incomplete measure of human welfare. In fact, the UNDP says itself the concept of human development focuses on the ends rather than the means of development and progress, examining in this manner, the average condition of all people in a given country.

Specifically, the index is calculated by determining the maximum and minimum for each of the three components (as listed above) and then measuring where each country stands in relation to these scales-expressed as a value between 0 and 1. For example, the minimum adult literary rate is zero percent, the maximum is 100 percent, and the reading skills component of knowledge in the HDI for a country where the literacy rate is 75 percent would be 0.75. The scores of all indicators are then averaged into the overall index.

For a more extensive examination of human development, as well as the ranking tables for each participating country, please visit: <a href="http://www.undp.org">http://www.undp.org</a>

# Note on History sections

In some CountryWatch Country Reviews, open source content from the State Department Background Notes and Country Guides have been used.

#### **Environmental Overview**

Environmental Profiles: A Global Guide to Projects and People. 1993. Linda Sobel Katz, Sarah Orrick, and Robert Honig. New York: Garland Publishing.

The Environment Encyclopedia and Directory, 2nd Edition. 1998. London: Europa.

Environmental Protection Agency Global Warming Site. URL: <a href="http://www.epa.gov/globalwarming">http://www.epa.gov/globalwarming</a>

Food and Agriculture Organization of United Nations: Forestry. URL: <a href="http://www.fao.org/forestry/site/sofo/en/">http://www.fao.org/forestry/site/sofo/en/</a>

Global Warming Information Page. URL: <a href="http://globalwarming.org">http://globalwarming.org</a>

Introduction to Global Environmental Issues, 2nd Edition. 1997. Kevin Pickering and Lewis Owen.

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London: Routledge.

Trends: Compendium of Data on Global Change. URL: <a href="http://cdiac.esd.ornl.gov/trends/emis/em\_cont.htm">http://cdiac.esd.ornl.gov/trends/emis/em\_cont.htm</a>

United Nations Environmental Program. URL: <a href="http://www.unep.org/GEO/GEO/Products/Assessment Reports/">http://www.unep.org/GEO/GEO/Products/Assessment Reports/</a>

United Nations Global Environmental Outlook. URL: <a href="http://www.unep.org/geo/geo4/media/">http://www.unep.org/geo/geo4/media/</a>

United States Department of Energy, Country Analysis Briefs. URL: <a href="http://www.eia.doe.gov/emeu/cabs/contents.html">http://www.eia.doe.gov/emeu/cabs/contents.html</a>

World Climate Data Online. URL: http://www.worldclimate.com

World Directory of Country Environmental Studies. 1996. The World Resource Institute.

World Factbook. US Central Intelligence Agency. Washington, D.C.: Printing and Photography Group.

1998-1999 World Resources Guide to the Global Environment by the World Resources Institute. May, 1998.

1998/1999 Yearbook of International Cooperation on Environment and Development. 1998. London: Earthscan Publications.

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#### **Other Sources:**

General information has also been used in the compilation of this review, with the courtesy of governmental agencies from this country.

## **News Services:**

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CANA Daily Bulletin. Caribbean Media Agency Ltd., St. Michael, <u>Barbados</u>.

Central and Eastern Africa Report, United Nations Office for the Coordination of Humanitarian Affairs - Integrated Regional Information Network for Central and Eastern Africa.

Daily News, Panafrican News Agency. Dakar, Senegal.

PACNEWS, Pacific Islands Broadcasting Association. Suva, Fiji.

Radio Free Europe/Radio Liberty. Washington D.C. USA.

Reuters News. Thomson Reuters. New York, New York. USA.

Southern Africa Report, United Nations Office for the Coordination of Humanitarian Affairs - Integrated Regional Information Network for Southern Africa.

Voice of America, English Service. Washington D.C.

West Africa Report, United Nations Office for the Coordination of Humanitarian Affairs - Integrated Regional Information Network for West Africa. 1998-1999

<u>Note:</u> Some or all these news services have been used to research various sections of this Country Review.

#### USING COUNTRYWATCH.COM AS AN ELECTRONIC SOURCE:

**MLA STYLE OF CITATION** 

# **Commentary**

For items in a "Works Cited" list, Country Watch.com suggests that users follow recommended patterns for indentation given in the *MLA Handbook*, 4th edition.

#### **Individual Works**

#### Basic form, using an Internet protocol:

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Author/editor. *Title of Print Version of Work*. Edition statement (if given). Publication information (Place of publication: publisher, date), if given. *Title of Electronic Work*. Medium. Available Protocol (if applicable):Site/Path/File. Access date.

## **Examples:**

Youngblood-Coleman, Denise. *Country Review: France*. 2003. Houston, Texas: CountryWatch Publications, 2003. *Country Review: France*. Online. Available URL: <a href="http://www.countrywatch.com/cw\_country.asp?vCOUNTRY=61">http://www.countrywatch.com/cw\_country.asp?vCOUNTRY=61</a> October, 12, 2003.

Note:

This is the citation format used when the print version is not used in the reference.

#### **Parts of Works**

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# **Examples:**

Youngblood-Coleman, Denise. "People." *CountryWatch.com: France*. 2003. Houston, Texas: CountryWatch Publications, 2003. *CountryWatch.com: France*. Online. Available URL: <a href="http://www.countrywatch.com/cw\_topic.asp?">http://www.countrywatch.com/cw\_topic.asp?</a>
<a href="http://www.countrywatch.com/cw\_topic.asp?">vCOUNTRY=61&SECTION=SOCIAL&TOPIC=CLPEO&TYPE=TEXT</a>. October 12, 2003.

#### Note:

This is the citation format used when the print version is not used in the reference.

For further source citation information, please email: editor@countrywatch.com or education@countrywatch.com.

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# **CountryWatch**

CountryWatch is an information provider for public and private sector organizations that operate globally. The management of CountryWatch has extensive international experience and has utilized this experience to provide a concise and useful set of political, economic, and business information for its clients in the form of Country Reviews, the Country Wire, CountryWatch Data, Elections Central, CountryWatch Videos and CountryWatch Forecast.

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