



Latin America and the Caribbean: U.S. Policy Overview

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

Curbing the flow of illicit drugs from LAC has been a key component of U.S. relations with the region for decades. The flow of illicit drugs—including heroin, methamphetamine, and fentanyl from Mexico and cocaine from Colombia—poses risks to U.S. public health and safety. Since 2000, Colombia has received support through Plan Colombia and its successor programs. The United States also has sought to forge partnerships with other countries to combat drug trafficking and related violence and to advance citizen security, including through the Mérida Initiative, begun in 2007 to support Mexico; the Central America Regional Security Initiative (CARSI), begun in 2008; and the Caribbean Basin Security Initiative (CBSI), begun in 2009.

Another long-standing component of U.S. policy has been support for strengthened democratic governance and the rule of law, including initiatives to support civil society and promote human rights. Although many countries in the region have made strides in democratic political development, several face considerable challenges.

Increasing Challenges in the Region

Over the past several years, the quality of democracy has eroded in a number of countries in the region, along with public satisfaction with how democracy is working. In addition to Venezuela, Cuba, and Nicaragua—all ruled by authoritarian governments repressing the political opposition—human rights groups have expressed concerns about democratic backsliding in several other countries. Many countries in LAC experienced social unrest in 2019 fueled by such political factors as weak democratic institutions, politicized judicial systems, corruption scandals, and high levels of crime and violence, and by such economic factors as declining or stagnant growth rates and high levels of income inequality and poverty.

Since 2020, the Coronavirus Disease 2019 (COVID-19) pandemic has had widespread public health, economic, and political effects in the region. As of June 22, 2021, the region reported over 1.2 million deaths (32% of deaths worldwide), and vaccination rates remain low for many countries in the region. The International Monetary Fund estimated a regional economic decline of 7% in 2020, with

almost every country in recession. As a result, poverty and inequality have increased throughout the region, and many countries may struggle with protracted economic recoveries. The economic setback associated with the pandemic contributed to increased protests in the region in late 2020 and 2021. Beginning in late April 2021, mass protests in Colombia against a pandemic-related tax reform turned into broader anti-government protests.

Concern about democracy and human rights has increased in several countries in 2021. Haiti is experiencing heightened insecurity and political unrest against President Jovenel Moïse, who has ruled by decree since January 2020; legislative and presidential elections are scheduled for September 2021. The government of Nicaraguan President Daniel Ortega has arrested prominent opposition political and business leaders, including several who were planning to challenge Ortega in the November 2021 presidential election. In El Salvador, President Nayib Bukele ousted his critics on the Supreme Court and ended an anti-corruption body accord with the Organization of American States.

Trump Administration Policy

Under the Trump Administration, U.S. relations with LAC generally took a more confrontational approach, especially regarding efforts to curb irregular migration from the region, compared with past Administrations' emphasis on partnership. From FY2018 to FY2021, the Trump Administration's proposed foreign aid budget requests would have cut assistance to the region considerably, but Congress generally rejected those requests by providing significantly more assistance than requested. To deter increased unauthorized migration from Central America, the Administration used various immigration policy tools, as well as aid cuts and threats of increased U.S. tariffs and taxes on remittances. It also imposed broad economic sanctions on Venezuela, which Congress generally supported, and increased sanctions on Cuba.

Biden Administration Policy

Thus far, much of the Biden Administration's focus in LAC has been on immigration and Central America. President Biden has ended many of the Trump Administration's restrictive immigration policies, while contending with a large increase in the number of undocumented Central American and Mexican migrants seeking to enter the United States. In March 2021, President Biden tasked Vice President Kamala Harris with overseeing efforts with Central America and Mexico; she visited Guatemala, Mexico, and the Southwest border in June 2021.

The Administration's FY2022 budget request for foreign assistance to LAC amounts to almost \$2.1 billion, nearly 16% over estimated FY2021 appropriations. The request

includes almost \$861 million to Central America to address the root causes of irregular migration.

With regard to the pandemic, the Biden Administration has committed to providing COVID-19 vaccines globally, including to LAC, through multilateral mechanisms and bilaterally. In March 2021, the Administration announced it would share 2.5 million vaccine doses with Mexico. In June 2021, the Administration announced its strategy for providing 80 million vaccine doses worldwide, including 20 million doses to LAC through the COVID-19 Vaccines Global Access (COVAX) Facility (a multilateral mechanism to facilitate equitable vaccine distribution) and a portion of another 20 million doses targeted for regional priorities and global partners. The Administration also announced in June that it would donate 500 million doses to 92 low- and middle-income economies countries through the COVID-19 Vaccines Advance Market Commitment (COVAX AMC), launched by Gavi, the Vaccine Alliance; 10 LAC countries are eligible for such donations.

The Biden Administration continues to pressure the Venezuelan government of Nicolás Maduro through sanctions and maintains it is committed to working multilaterally to bring about a return to democracy. In a shift from the previous Administration, the Secretary of Homeland Security granted temporary protected status (TPS) to Venezuelans in the United States in March 2021.

With regard to other concerns about democracy in the region, the Biden Administration imposed targeted sanctions on several Nicaraguan officials in response to the arbitrary detentions of opposition leaders and called for new legislative and presidential elections in Haiti. The Administration maintains that it is reviewing policy toward Cuba and that human rights will be a core pillar of the policy; currently, sanctions imposed on Cuba during the Trump Administration remain in place.

Among other issues, cooperation on climate change likely will become a priority for policy toward the region. In February 2021, the United States rejoined the Paris Agreement, reversing the previous Administration's U.S. withdrawal. Seven LAC leaders participated in the April 2021 Leaders' Summit on Climate hosted by President Biden. The next Summit of the Americas (to be hosted by the United States in 2022) could be an opportunity for the Administration to articulate its policy agenda for LAC and strengthen engagement with hemispheric leaders.

Congressional Action in the 117th Congress

Congress traditionally has played an active role in policy toward LAC through both legislation and oversight. Since 2020, Congress has appropriated (through P.L. 116-123, P.L. 116-136, P.L. 116-260, and P.L. 117-2) some \$17 billion in international affairs funding to respond to COVID-19 globally, including in LAC. P.L. 116-260 included \$4 billion to be made available as a contribution to Gavi, the Vaccine Alliance. Some Members of Congress have called for the President to prioritize Latin American and Caribbean countries in donating surplus vaccines.

In March 2021, the House approved H.R. 6, which would provide a pathway to citizenship for those brought to the United States as children and those from countries with TPS designations (currently including El Salvador, Haiti, Honduras, Nicaragua, and Venezuela).

On June 8, 2021, the Senate passed S. 1260, the United States Innovation and Competition Act of 2021, which would address issues involving China worldwide. As approved, the bill included numerous LAC provisions, including provisions that would establish a strategy for public and private investment, trade, and development; strengthen U.S. economic competitiveness and promote good governance, human rights, and the rule of law; require a report assessing China's engagement in international organizations and the defense sector in the region; authorize a capital increase for the Inter-American Development Bank; support U.S. defense cooperation; and increase engagement with civil society regarding accountability, human rights, and the risks of pervasive surveillance technologies. In the House, H.R. 3524, the Ensuring American Global Leadership and Engagement Act, introduced May 25, has some of the same LAC provisions as S. 1260 and includes provisions to strengthen U.S. engagement with the Caribbean.

On June 29, the House passed H.R. 2471, which would promote the sustainable rebuilding and development of Haiti and prioritize U.S. support for anti-corruption efforts and human rights. A similar Senate bill, S. 1104, was introduced in April.

To date, the Senate has approved four resolutions on U.S. relations with LAC. In April, the Senate approved S.Res. 22, reaffirming the U.S. partnership with Ecuador, and S.Res. 37, expressing solidarity with the San Isidro Movement, a Cuban civil society protest group. In May, the Senate approved S.Res. 81, honoring *Las Damas de Blanco*, a women-led nonviolent Cuban human rights group, and S.Res. 120, recognizing the forthcoming Summit of the Americas and reaffirming the U.S. commitment to a more prosperous, secure, and democratic Western Hemisphere.

Among other committee-reported measures, the House Foreign Affairs Committee reported H.Res. 408 in May, which would urge the government of El Salvador to respect the country's democratic institutions. The Senate Foreign Relations Committee reported S.Res. 44 in March, which would denounce fraudulent legislative elections in Venezuela, and S. 1041 on June 24, which would order targeted sanctions against Nicaraguan officials for antidemocratic actions. The Senate Homeland Security and Governmental Affairs Committee reported S. 688 in March, which would prohibit contracting with persons who have business operations with Venezuela's Maduro government.

Also see CRS In Focus IF11581, *Latin America and the Caribbean: Impact of COVID-19*; and CRS Report R46781, *Latin America and the Caribbean: U.S. Policy and Key Issues in the 117th Congress*.

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