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United States Department of State

Washington, D.C. 20520

Case No.: 200701753

MAR 25 2010

I refer to your letter dated March 11, 2007 regarding the release of certain Department of State material under the Freedom of Information Act (Title 5 USC Section 552).


We searched for and reviewed the self study guides that you requested and have determined that all except one of them may be released. They are on the enclosed disc. One of the guides is being released with excisions.

An enclosure provides information on Freedom of Information Act exemptions and other grounds for withholding material. Where we have made excisions, the applicable exemptions are marked on each document. With respect to material withheld by the Department of State, you have the right to appeal our determination within 60 days. A copy of the appeals procedures is enclosed.

We have now completed the processing of your case. If you have any questions, you may write to the Office of Information Programs and Services, SA-2, Department of State, Washington, DC 20522-8100, or telephone us at (202) 261-8484. Please be sure to refer to the case number shown above in all correspondence about this case.

We hope that the Department has been of service to you in this matter.

Sincerely,



for Margaret P. Grafeld, Director
Office of Information Programs and Services

Enclosures:
As stated.

63934 Federal Register/Vol. 69, No. 212
Rules and Regulations

Subpart F – Appeal Procedures

§171.52 Appeal of denial of access to, declassification of, amendment of, accounting of disclosures of, or challenge to classification of records.

- (a) *Right of administrative appeal.* Except for records that have been reviewed and withheld within the past two years or are the subject of litigation, any requester whose request for access to records, declassification of records, amendment of records, accounting of disclosure of records, or any authorized holder of classified information whose classification challenge has been denied, has a right to appeal the denial to the Department's Appeals Review Panel. This appeal right includes the right to appeal the determination by the Department that no records responsive to an access request exist in Department files. Privacy Act appeals may be made only by the individual to whom the records pertain.
- (b) *Form of appeal.* There is no required form for an appeal. However, it is essential that the appeal contain a clear statement of the decision or determination by the Department being appealed. When possible, the appeal should include argumentation and documentation to support the appeal and to contest the bases for denial cited by the Department. The appeal should be sent to: Chairman, Appeals Review Panel, c/o Appeals Officer, A/GIS/IPS/PP/LC, U.S. Department of State, SA-2, Room 8100, Washington, DC 20522-8100.
- (c) *Time limits.* The appeal should be received within 60 days of the date of receipt by the requester of the Department's denial. The time limit for response to an appeal begins to run on the day that the appeal is received. The time limit (excluding Saturdays, Sundays, and legal public holidays) for agency decision on an administrative appeal is 20 days under the FOIA (which may be extended for up to an additional 10 days in unusual circumstances) and 30 days under the Privacy Act (which the Panel may extend an additional 30 days for good cause shown). The Panel shall decide mandatory declassification review appeals as promptly as possible.
- (d) *Notification to appellant.* The Chairman of the Appeals Review Panel shall notify the appellant in writing of the Panel's decision on the appeal. When the decision is to uphold the denial, the Chairman shall include in his notification the reasons therefore. The appellant shall be advised that the decision of the Panel represents the final decision of the Department and of the right to seek judicial review of the Panel's decision, when applicable. In mandatory declassification review appeals, the Panel shall advise the requester of the right to appeal the decision to the Interagency Security Classification Appeals Panel under §3.5(d) of E.O. 12958.

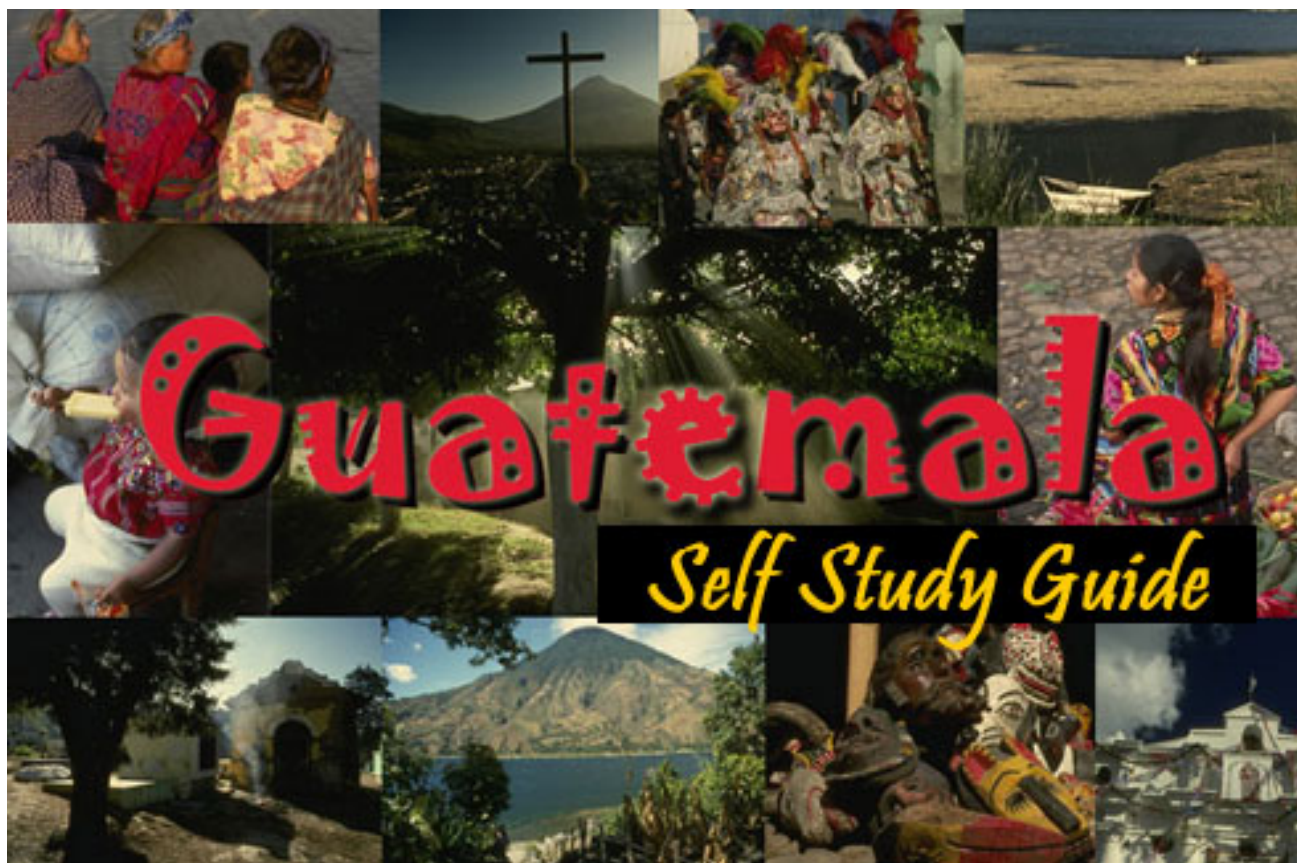
The Freedom of Information Act (5 USC 552)

FOIA Exemptions

- (b)(1) Withholding specifically authorized under an Executive Order in the interest of national defense or foreign policy, and properly classified. E.O. 12958, as amended, includes the following classification categories:
 - 1.4(a) Military plans, systems, or operations
 - 1.4(b) Foreign government information
 - 1.4(c) Intelligence activities, sources or methods, or cryptology
 - 1.4(d) Foreign relations or foreign activities of the US, including confidential sources
 - 1.4(e) Scientific, technological, or economic matters relating to national security, including defense against transnational terrorism
 - 1.4(f) U.S. Government programs for safeguarding nuclear materials or facilities
 - 1.4(g) Vulnerabilities or capabilities of systems, installations, infrastructures, projects, plans, or protection services relating to US national security, including defense against transnational terrorism
 - 1.4(h) Information on weapons of mass destruction
- (b)(2) Related solely to the internal personnel rules and practices of an agency
- (b)(3) Specifically exempted from disclosure by statute (other than 5 USC 552), for example:
 - ARMEX Arms Export Control Act, 22 USC 2778(e)
 - CIA Central Intelligence Agency Act of 1949, 50 USC 403(g)
 - EXPORT Export Administration Act of 1979, 50 App. USC 2411(c)(1)
 - FSA Foreign Service Act of 1980, 22 USC 4003 & 4004
 - INA Immigration and Nationality Act, 8 USC 1202(f)
 - IRAN Iran Claims Settlement Act, Sec 505, 50 USC 1701, note
- (b)(4) Privileged/confidential trade secrets, commercial or financial information from a person
- (b)(5) Interagency or intra-agency communications forming part of the deliberative process, attorney-client privilege, or attorney work product
- (b)(6) Information that would constitute a clearly unwarranted invasion of personal privacy
- (b)(7) Information compiled for law enforcement purposes that would:
 - (A) interfere with enforcement proceedings
 - (B) deprive a person of a fair trial
 - (C) constitute an unwarranted invasion of personal privacy
 - (D) disclose confidential sources
 - (E) disclose investigation techniques
 - (F) endanger life or physical safety of an individual
- (b)(8) Prepared by or for a government agency regulating or supervising financial institutions
- (b)(9) Geological and geophysical information and data, including maps, concerning wells

Other Grounds for Withholding

- NR Material not responsive to a FOIA request, excised with the agreement of the requester



[Introduction](#) | [Geography](#) | [History](#) | [Culture](#) | [Social Issues](#) | [Economics](#) | [Political Setting](#) | [Foreign Affairs](#)

The Reader's Guide: Guatemala is intended to provide U.S. government personnel in the foreign affairs community with an overview of important Guatemalan issues related to history, geography, politics, religion, culture, economics, and international relations. The guide merely serves as an introduction and should be used as a self-study resource. Guatemala is far too complex and diverse a society to be covered in any depth using only the text in this guide. Therefore, the reader is encouraged to explore the questions and issues introduced using the Internet site guide and articles and books listed in the bibliography. Most of the bibliographic material can be found either on the Internet or in Foreign Service Institute or Main State Libraries.

Various members of the staff of the Federal Research Division of the Library of Congress contributed to the preparation of this study. Todd Conklin wrote the chapter on the Economy. Rexford Hudson wrote the chapters on Government and Foreign Affairs, and Helen Chapin Metz served as project manager and compiled the remaining chapters. Marilyn L. Majeska edited the study.

The views expressed in this guide are those of the authors and attributable sources and do not necessarily reflect official policy or position of the Department of State or the National Foreign Affairs Training Center. This publication is for official educational and nonprofit use only.

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Introduction

Guatemala is a country with varied terrain and great contrasts in climate. Historically, Guatemala has inherited a legacy from the Mayan culture of the first five or six centuries A.D. Subsequently, beginning in 1549, the area that constitutes present-day Guatemala became the seat of Spanish government for all of Central America. In the more recent past, in the 1960s, following the rule of several military figures and a worsening economy, various guerrilla groups entered into a civil war against the government. Finally, in December 1996, the warring factions signed eleven peace accords. In addition to setting forth constitutional changes, the accords specifically respect Indian culture, languages, religious customs, and agricultural rights. Mayan Indians are believed to constitute at least 50 percent of the population, although some prefer to consider themselves ladinos, a term encompassing all others, including Mayas who have shed their Indian cultural identification.

Religion plays a major role in Guatemala, a Roman Catholic country, and entails the observance of saints' days and other practices. Over the years, Mayan Indians have grafted prehispanic cultural practices onto European Catholicism. Since the 1980s, Protestantism, particularly as observed by evangelical sects, has made significant inroads among the Guatemalan population. Guatemala has a high population growth rate and the second youngest population in Latin America. The social and economic structure is skewed, with some 200 ladino families at the top, a relatively small middle class consisting mainly of ladinos, and most of the population, ladino and Indian, living in relative poverty. Guatemala suffers from a high illiteracy rate, which handicaps economic development. Despite its having the largest gross domestic product in Central America, Guatemala is plagued by high unemployment and under-employment rates. Guatemala's economy relies heavily on the export of coffee, sugar, and bananas. The country, however, imports almost all of its industrial goods, thus maintaining a trade deficit. In addition to agriculture, the economy draws revenue from tourism and construction.

After a series of autocratic rulers, and aided by the signing of the peace accords in 1996, Guatemala is currently striving to engage in more democratic government, committed in principle to eliminate human rights abuses, respect the rights of minorities, and limit the power of the military. By adhering to such principles, Guatemala seeks to improve its standing in the world community, and particularly its relationship with the United States, its major trading partner and source of aid. In practice, however, there is considerable public distrust of government, of the military, and of promises made by various political parties. Time will demonstrate the success of the government in carrying out the needed reforms in various fields.

Chapter 1. Geography

Location and Size

Guatemala is located southeast of Mexico, a country that constitutes its principal border. It also abuts Belize to the east (including the Gulf of Honduras), Honduras and El Salvador to its southeast, and the

northern part of the Pacific Ocean to its west (see map). Guatemala's boundaries encompass approximately 108,780 square kilometers, an area slightly larger than the state of Tennessee.



Climate

Although Guatemala lies entirely within the tropics, its varied terrain provides great contrasts in climate. Heat and humidity characterize most of the lowlands while cold, frost, and occasional snow are common in the highlands. The climate and associated vegetation depend largely on altitude, which ranges from sea level to almost 4,200 meters, and proximity to one of the coasts. The *tierra caliente* (hot country) extends from sea level to about 750 meters; it has average daytime temperatures of 29E to 32EC. The *tierra templada* (temperate country) extends from 750 meters above sea level to about 1,660 meters; daytime temperatures average from 24EC to 26.6EC, and nighttime temperatures average from 15.5E to 21EC. The *tierra fría* (cold country) extends above the 1,660-meter level and has daytime averages as high as 26EC and nighttime averages of 10EC and occasionally lower.

The prevailing winds are the rain-bearing northeast trades that blow inland from the Caribbean. As a result, the northern lowlands, parts of the highlands, and the Caribbean coastal region have humid conditions for most of the year. From November through April, the rest of the country has a distinct dry season, except for a strip of the upper piedmont on the Pacific slope between 1,000 and 1,600 meters

above sea level; there the rainfall conditions are similar to those along the Caribbean coast. The dry season is called *verano* (summer) and the wet season *invierno* (winter).

Topography and Drainage

Guatemala's topography varies greatly but can broadly be divided into four main areas: the Pacific coast, the highlands, the Caribbean coast and river valleys, and Petén. The Pacific coast has no natural harbors, and its offshore waters are quite shallow. The Canal de Chiquimulilla, which runs along the coast for about 100 kilometers, is part of a coastal lagoon that has been dredged to allow small craft traffic. The coastal plain is predominantly savanna interspersed with forests, which line the rivers flowing from the highlands. Farther inland tropical forest covers the foothills and lower slopes of the highlands. The soils are well drained and fertile. Monsoonal winds blowing from the Pacific bring rain to the area but are often destructive to crops, and the pronounced dry season requires irrigation. Farther inland the plain becomes a steeper ascent to the highlands through upper piedmont. Rainfall is heavy, especially in the western section, where high quality coffee is grown.

The highlands, or mountainous area, constitutes about half the country. The dominant mountain range is the Sierra Madre, which runs roughly parallel to the Pacific coast from the border with Mexico to that with El Salvador. There are fourteen major volcanoes in this range. Guatemala is situated in an exceptionally seismic zone in which five major tectonic plates meet: American, Caribbean, Cocos, Nazca, and Pacific. Earthquakes, therefore, are frequent and at times violent. An earthquake in February 1976 was perhaps the most destructive to date, affecting more than 8 percent of the national territory and killing some 30,000 people.

A number of rivers flow from the Sierra Madre to the Pacific Ocean. They are navigable for only short distances, but they have considerable potential for hydroelectric power. The range has two lakes, Lago de Atitlán, considered one of the world's most beautiful, and Lago Amatitlán, just south of Guatemala City.

The Caribbean coast along the Gulf of Honduras is flat and open to storms. However, the Bahía de Amatique, on which Puerto Barrios is located, is sheltered. The climate of the coastal area, including the valleys that extend inland, is humid and tropical throughout the year. Tropical rain forest covers much of the region.

The fourth area, Petén, constitutes about one-third of Guatemala's territory and extends into the Yucatan Peninsula. It is a rolling limestone plateau, between 150 and 225 meters above sea level, covered with tropical rain forest interspersed with wide savannas. Because of the porous soil, much of the drainage is underground. However, when the rains are particularly heavy, the numerous small lakes overflow and flood the land.

Issues to Explore:

1. The impact of Guatemala's varied topography on economic development

2. The impact of Guatemala's varied topography on transportation

Further Reading:

Booth, J.A., and T.W.Walker. *Understanding Central America*. 2d ed. Boulder, Colorado: Westview Press, 1993.

Kluck, P.A. "The Society and Its Environment." Pages 45-48 in Richard F. Nyrop, ed., *Guatemala: A Country Study*. 2d ed. Washington: American University, 1983.

Chapter 2. History

For several centuries a center of Mayan culture, one of the most advanced pre-Columbian civilizations of the New World, the area that is now Guatemala became the seat of Spanish government for all of Central America beginning in 1549. During the colonial period and the early days of independence, the captaincy general of Guatemala consisted of the present-day republics of Central America—Guatemala, El Salvador, Honduras, Nicaragua, and Costa Rica—plus the present-day Mexican state of Chiapas. The present-day boundaries of Guatemala date only from 1838.

Preconquest Guatemala

The earliest archaeological evidence of permanent settlement dates from the second millennium B.C. Such settlements have been excavated on the outskirts of Guatemala City, in the highlands, and in the hot rain forest area of northern Guatemala known as Petén. Major achievements of Mayan culture, however, are found in the lowlands, dating from the classical period of the first five or six centuries A.D. Mayan civilization was noted for its accomplishments in the fields of architecture, mathematics, astronomy, and chronology. Reasons for the decline of Mayan civilization are obscure, but by the time of the Spanish arrival in the sixteenth century the various political entities in the highlands, which included Mexican invaders, were in continuous war with each other.

Early Settlement

In 1523 Hernán Cortés, the viceroy of New Spain, sent Pedro de Alvarado, accompanied by Spanish troops and their Mexican auxiliaries, to conquer the region that included present-day Guatemala. Although the Spanish force was outnumbered by the local armies, their horses and firearms gave them an easy victory. By July 1524 Alvarado had established a capital, which he called Santiago de los Caballeros, on the site of present-day Antigua Guatemala (leveled by earthquake in 1773; subsequently Guatemala City was established adjacent to it). Initially, the conquering Spanish soldiers were given *encomiendas* (tracts of land) along with numbers of Indian laborers. In return for the labor of the Indians, who were treated as slaves, the landowners were to convert them to Christianity. The New Laws of 1542 (which were never enforced) gave rights to the Indians, however, and stated that thenceforth no Indians would be

enslaved. Indians who had not been enslaved prior to the New Laws were resettled in villages where they were liable to tribute but left to rule themselves. However, the Indians revolted and killed the Spanish friars who had been placed among them, leading to another conquest by Spain. A new *audiencia* (Spanish colonial governmental authority) of Guatemala was established in 1570. The governors of Guatemala were subject to the Viceroyalty of New Spain based in Mexico City; for some 250 years, relatively stable Spanish colonial rule prevailed.

Independence

In the eighteenth century, the liberal ideas of the French enlightenment penetrated Guatemala. The liberal movement had the support not only of intellectuals and urban professionals but also of agriculturists and merchants excluded from Spain's trade monopoly who would benefit from free trade. Following Mexico's declaration of independence on April 10, 1821, the acting president of the *audiencia*, Gabino Gaínza, proclaimed Guatemala's independence on September 15, 1821, designating himself president of the Federation of Central America. The following years found Guatemala and other areas of Central America in a state of confusion; the situation led eventually, in 1838, to the autocratic rule in Guatemala of José Rafael Carrera. By the time of his death in 1865, Carrera had revoked all the liberal legislation of his predecessors. Carrera, a rigorous Roman Catholic and a political reactionary, was the first of a series of four caudillos (dictators). The second caudillo, Justo Rufino Barrios (1873-85), was known to many as the "Great Reformer." He stripped the Roman Catholic Church of many of its privileges, established a national school system and civil code, and introduced private property rights into Indian villages. The third caudillo, Manuel Estrada Cabrera (1898-1920), was noted for the corruption of his regime and its favoritism toward the wealthy. The fourth caudillo, Jorge Ubico (1931-44), ruled, through repression, in favor of the economic elite and executed or exiled his potential enemies.

In the interval between the rule of Cabrera and Ubico, Guatemala enjoyed prosperity, democracy, and government competence under José María Orellana (1921-26) and Lázaro Chacón (1926-30). In 1945, following the overthrow of Ubico by a military junta and the adoption of a new constitution, Juan José Arévalo won the presidency in a free election. A social democrat, Arévalo implemented long-overdue structural reforms such as a social security system and a labor code. In 1950 he was succeeded by Jacobo Arbenz Guzmán, who encouraged the participation of Indian peasants in an agrarian reform program directed particularly against the U.S. United Fruit Company. Some 100,000 peasant families benefited from the redistribution of about 884,000 hectares of land. Arbenz also encouraged student and labor activists. As a result of these measures, the new administration of President Dwight Eisenhower, which in 1953 was stressing "containment of communism," decided that Guatemala posed a grave threat to Western Hemisphere security. The U.S. Central Intelligence Agency in 1954 devised Operation Success to create an "invading army" of foreign-armed Guatemalan exiles to overthrow Arbenz and substitute Carlos Castillo Armas.

Counterrevolution

Castillo Armas launched a thorough counterrevolution designed to demobilize the Indian population, most

of whom were disenfranchised, and to reestablish ladino (a term used to include all non-Indians; see chapter 3) hegemony. Land reform laws were annulled, and expropriated land was returned to its former owners. The new constitution outlawed left-wing parties and made various political crimes punishable by death; many political prisoners were executed without trial. Castillo Armas was assassinated in 1957; his regime was followed by several regimes of an oppressive, authoritarian kind. Even after presidential elections were resumed in 1966, the armed forces dominated the three presidencies, and the country suffered excesses at the hands of extreme right-wing groups. The army backed Fernando Romeo Lucas García in 1978, who for almost four years instituted a reign of terror that led to opposition even from the middle class.

As a result of these oppressive regimes, which were dominated by the military, and of resentment over unequal land distribution, as well as the example of Fidel Castro Ruz's success in Cuba in 1959, a guerrilla insurgency began to develop in the 1960s. The early poorly organized stages of the movement were put down by the use of U. S. counterrevolutionary techniques. In the late 1970s, however, political violence resumed, in part as a result of the social dislocation caused by the 1976 earthquake. Labor unions began voicing political demands, strike activity picked up (numerous workers had lost their jobs), and an active guerrilla insurgency reappeared. Active in both urban and rural areas, the insurgency succeeded in recruiting within the Indian population. In May 1978, in an attempt to put down an Indian demonstration, government troops massacred more than 100 men, women, and children. By the early 1980s, almost the entire leadership and many members of popular organizations that opposed the government were dead, in exile, or operating clandestinely in antigovernment political or guerrilla organizations. The principal guerrilla groups came together in February 1982 to form the Guatemalan National Revolutionary Unity (URNG).

New Constitution

Meanwhile, in March 1982 a military junta led by Efraín Ríos Montt overthrew the newly elected president. Ríos Montt was himself overthrown the following year by another general. Then, in July 1984, elections were held for a Constituent Assembly to draft a new constitution. Under the new constitution, which became effective on January 14, 1986, Mario Vinicio Cereno, the first civilian president since 1954, took office in January 1986. Cereno needed to keep army support to prevent a coup while simultaneously reining in human rights abuses, curbing the insurgency, developing the economy, and improving Guatemala's standing in the world community. In the face of these various challenges, Cereno adopted a cautious stance and failed to achieve hoped-for reforms or changes. His successor, Jorge Serrano Elías, another civilian, assumed the presidency in 1990, again facing human rights issues and peace negotiations with the insurgents. In its 1992 report to Congress on human rights the U.S. Department of State for the first time blamed Guatemalan security forces (specifically, the armed forces) for most 1991 human rights abuses.

In January 1993, Serrano stated his commitment to signing an agreement with the URNG. However, on May 25, 1993, faced with increasing popular and military opposition, he dissolved the legislature and Supreme Court, stating that he would rule by decree. The consequent cutting off of foreign aid and popular discontent caused the army to remove Serrano from office on June 1, 1993. Ramiro de León

Carpio was promptly elected to complete Serrano's term, pledging a war against poverty and government corruption. In March 1994, de León signed a human rights agreement, which led to the entry in September of a United Nations mission, the Human Rights Verification Mission in Guatemala (MINUGUA), to supervise the process. MINUGUA's March 1995 report outlined continuing human rights abuses by the security forces. De León also failed to conclude peace with the URNG because the URNG withdrew from negotiations as a result of the government's violation of the human rights agreement.

Alvaro Enrique Arzú Irigoyen of the National Progressive Party, a pro-business party backed by technocrats and professionals, assumed the presidency in 1996. In March 1996, a temporary cease-fire was signed with the URNG; finally, on December 26, 1996, after a thirty-six-year civil war and some 100,000 dead, a series of eleven peace accords were signed in Guatemala City. Under the accords, constitutional changes and legislation placed the armed forces and the intelligence services under the control of an elected body. However, the guerrilla forces were disappointed at the limited amnesty, and the Commission for Historical Clarification established in February 1997 was not allowed to bring charges against those guilty of human rights abuses. Furthermore, right-wing elements of the military and the landed gentry strongly opposed many proposed political and social reforms.

Issues to Explore:

- 1. The major continuing problems not settled by the peace accords and the Commission for Historical Clarification and ways in which Guatemala might deal with them**
- 2. The implications of Guatemala's tradition of military rule and its effect on the success of democratic governments in the country**

Further Reading:

Black, Jan Knippers, and Martin C. Needler. "Historical Setting." Pages 1-39 in Richard F. Nyrop, ed., *Guatemala: A Country Study*. 2d ed. Washington: American University, 1983.

Pearce, Jenny. "Guatemala: History." Pages 361-63 in *Central America, South America, and the Caribbean - 1999*. 7th ed. London: Europa, 1999.

http://www.state.gov/www/background_notes/guatemala_0500_bgn.html

Chapter 3. Culture

Language and Dialects

Spanish is the official national language of Guatemala, but only about 50 percent of Indians have indicated some proficiency with Spanish. The Mayan Indians speak some twenty distinct indigenous

languages. Of these, one of four languages—QuichJ , Kakciquel, Kekchi, or Mam—is spoken by 75 percent of all Indians. Ten other languages are spoken in only a small number of municipalities; the Ixil language, for example, is spoken in only three municipalities of northern Quiché. Another six Mayan languages do not extend beyond a single municipality.

Ethnic Composition

Official projections place Guatemala's population in 1998 at 10.8 million (the Department of State *Background Notes* gives the estimated 1999 population as 11.1 million; the most recent census in 1994, which reported a total of 8.3 million persons, did not cover remote areas). An estimated 65 percent of the total population are Indians of Mayan origin living primarily in Guatemala's highlands in the north and west. In addition, small numbers of Xinca live on the Pacific coast near El Salvador. The remainder of the population are ladinos, a term that as currently used includes Caucasians, mestizos, black Caribs, or Garifuna (descendants of fugitive slaves and Carib Indians, found on the Caribbean coast), and Mayans who have shed their Indian cultural identification.

The figures for the population's Indian ethnic composition are considered debatable, however, given the above definition of ladino. Government censuses have recorded a steady decline in the overall percentage of Indians; the percentage dropped from some 70 percent in 1880 to 50 percent in 1964 and to 37 percent in 1989. Critics question the accuracy of these figures, however, noting that the census required participants to self-identify as either Indian or ladino. In a society that discriminates against Indians, it is likely that many Indians concluded that it was safer to be listed as ladino. Thus, more than half of all Guatemalans may be ethnically Indian.

Religious Beliefs

In principle, Guatemala is a Roman Catholic country that follows the religious observances of that faith and claims some 80 percent Catholic adherents. In practice, however, contemporary Mayan religious practices involve an unusual grafting of selected European Catholic concepts onto a prehispanic culture. As Joaquín Noval has observed, the Maya venerate a vague hierarchy of supernatural beings with a distant God on top. Between God and man stands a number of other important religious forces, including Jesus, the Virgin Mary, various Catholic saints associated with community and family, and spiritual entities such as the wind, rain, sky, and mountains.

Of the various concepts assimilated by the Maya, *cofradía* is of special significance. Introduced during the Spanish colonial period, *cofradía* originally referred to labor guilds, each with a patron saint. In the Mayan context, *cofradía* serves to direct civil and religious community life through the annual celebration of the patron saints of respective villages. Beginning at about age fifteen, and continuing over the next thirty years, village men assume increasingly burdensome and expensive *cofradía* posts. This effort culminates in responsibility for organizing and financing the village fiesta, an activity that can consume an entire year's income. Upon completion of the final post, the individual joins the ranks of the village elders, who are entrusted to organize communal affairs.

In addition to Roman Catholics and Mayan religious adherents, since the 1980s Protestantism, particularly evangelical sects, has made inroads among the Guatemalan population. In the 1980s, as many as one-third of the population were thought to be evangelicals, but this number subsequently declined and the number of current members is not available (see also *The Role of Religion*, chapter 4).

National Holidays

The celebration of holidays, many of which have a religious association, assumes an important place in Guatemalan culture, especially for the Mayan Indian people. The fixed holidays are:

January 1 New Year's Day

May 1 Labor Day

June 30 Army Day

August 15 Assumption of the Blessed Virgin Mary (the patron saint of Guatemala)

September 15 Independence Day

October 20 Revolution Day (commemorates 1944 revolution)

November 1 All Saints Day

December 25 Christmas Day

December 31 New Year's Eve

Easter, which in 2001 falls on April 15, is a movable holiday. Furthermore, each town and village has its own fiesta day.

Issues to Explore:

- 1. The impact of religious beliefs on Guatemalan culture and society**
- 2. The role of language in maintaining separate Guatemalan ethnic groups**
- 3. The degree to which Guatemalans share a common culture, given the differences between ladinos and Indians**

Further Reading:

Carmack, Robert M., John D. Early, and Christopher H. Lutz, eds. *Historical Demography of Highland Guatemala*. Albany: Institute for Mesoamerican Studies, State University of New York, 1982.

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Stoll, David. *Is Latin America Turning Protestant? The Politics of Evangelical Growth*. Berkeley: University of California Press, 1990.

Wantabe, John M. *Maya Saints and Souls in a Changing World*. Austin: University of Texas Press, 1992.

http://www.mayaparadise.net/guafacte.htm#gua_holiday

Chapter 4. Social Issues

Population Growth

Guatemala's population growth rate exceeds that of Latin America as a whole. The country's population more than tripled between 1953 and 1993, from some 3 million to slightly more than 10 million. The increase resulted from gains in life expectancy (the UN estimates that in the year 2000 Guatemalan life expectancy will be 68.1 years, almost the Latin American average) and extraordinarily high fertility rates (in 1985-90 the rate was 5.8 children per woman of child-bearing age—the highest in the region; the Latin American average is 3.4). The result was the second youngest (after Nicaragua) population in Latin America. In 1990, 45.4 percent of Guatemalans were less than fifteen years of age compared with a Latin American average of 35.8 percent. Between 1950 and 1990, Guatemala's population density increased from 27.3 to 84.5 residents per square kilometer. This number far exceeded the Latin American average of 21.5 residents per square kilometer and was surpassed only by El Salvador, Haiti, Cuba, and the Dominican Republic. Although the UN forecasts a decrease in Guatemalan fertility rates to 3.6 and 2.7 by 2010 and 2025, respectively, the projected total population is 15.8 million by 2010 and 21.7 million by

2025. In summary, these figures represent catastrophic levels, and the rapid population increase has already placed enormous strains on Guatemalan society and overwhelmed the delivery of essential services.

Issues to Explore:

1. **The implications for Guatemalan society of the large youthful population**
2. **The implications for Guatemalan society of the high fertility rate and the population density**

Ethnic and Social Diversity and Social Structure

As outlined under "Ethnic Composition" in chapter 3 above, almost all Guatemalans are characterized either as ladinos or as Mayan-speaking Indians. Most ladinos live modestly, but almost all elites are ladinos. Indians, on the other hand, are largely poor, uneducated, and subject to social discrimination. Evidence of the historic legacy of such discrimination is found in one of the substantive peace accords, part of the settlement between the Government of Guatemala and the URNG—an umbrella organization grouping four insurgency movements. Signed in March 1995, the accord on Indigenous Rights calls for recognition of Guatemala's ethnic, cultural, and linguistic diversity and for the right of indigenous people to live by their own cultural norms.

Guatemala's tiny upper class historically has consisted of some 200 ladino families, linked through a network of alliances and marriages, who control most commercial, agricultural, financial, and political affairs. Since the 1870s, ladinos have lived in towns and municipal capitals throughout the Indian-populated highlands, where they control local administration and commerce. In the 1990s, however, the ladino presence was most prominent in four of Guatemala's eight regions: the Southeast (the departments of Santa Rosa, Jalapa, and Jutiapa), the Northeast (the departments of El Progreso, Izabal, Zacapa, and Chiquimula), Metro (the department of Guatemala representing Guatemala City), and Petén. Ladinos average some 90 percent of the population of each of these regions—98 percent in the case of the Southeast.

In contrast to the ladino concentrations indicated above, Indians comprise more than 80 percent of all residents in the North (the departments of Alta Verapaz and Baja Verapaz) and the Northwest (the departments of Huehuetenango and Quiché) and almost 50 percent of those living in the Southwest (the departments of Quetzaltenango, San Marcos, Totonicapán, Sololá, Retalhuleu, and Suchitupéquez). Ninety percent of residents of the North and Northwest, mainly Indians, barely survive because of their low incomes. The plight of Indians in the North and Northwest was worsened as a result of the political violence of the late 1970s and the early 1980s and the actions of the government military. The violence caused many to flee to other areas, particularly Mexico.

The some 200 ladino families that historically have constituted Guatemala's upper class derive their wealth primarily from key agricultural exports such as cotton and sugar; their landholdings are among the most concentrated in Latin America. A few such upper class families obtain their wealth from industrial

activities, which are mainly located in Guatemala City. Since 1970 key military leaders, enriched by ownership of large portions of land in the Northern Transversal Strip where they have established huge cattle ranches, also have entered the elite upper class.

The middle sector is mainly urban and ranges from business people and professionals to public employees, office workers, and organized labor. As formal sector workers, this group qualifies for Guatemala's modest retirement and disability programs. Only about 5 percent of the workforce belongs to unions, a figure probably overstated because it includes small farmers whose "unions" operate as cooperatives. The lower class is largely unorganized and works primarily in the agricultural sector or in the urban informal market.

Although ladinos control the coffee, cotton, and sugarcane *fincas* (landed estates devoted to agriculture) of the coastal plain and the *boca costa* (the upper piedmont slopes) near the Pacific, most ladino farmers engage in subsistence agriculture on plots too small to support their families. In the 1990s, some 75 percent of ladinos lived in poverty, but in instances where they occupy the same economic stratum as Indians a wide cultural gulf separates the two groups.

The principal cultural differences between Indians and ladinos relate primarily to such areas as religion, education, and rural as opposed to urban life. In the sphere of religion, Indians traditionally have combined aspects of prehispanic cultural beliefs with the tenets of European Roman Catholicism. The *cofradía* system (see Religious Beliefs, chapter 3), for example, has helped differentiate Indians from ladinos both as regards religious beliefs and placement in a rural as opposed to an urban social structure. Education, which is relatively limited in rural areas, also constitutes an overarching distinction between the two cultures.

Issues to Explore:

1. **The impact of ladino/Indian differences on Guatemalan economic development**
2. **The impact of ladino/Indian differences on Guatemalan social structure**
3. **The impact of ladino/Indian differences on Guatemalan politics**

The Role of Religion

Since independence, religion has played a complex role in Guatemalan society. During the nineteenth and first half of the twentieth century, religion, particularly the dominant Roman Catholic Church that historically was part of Guatemala's Hispanic heritage, was a critical element in recurring conflicts between liberals and conservatives. The Catholic Church hierarchy strongly supported the conservative cause.

Yet despite its national importance, the church has had a weak institutional presence in Guatemala, especially in the countryside. Beginning in the 1940s, however, church leaders sponsored the Catholic Action movement to develop rural communities, strengthen the church in areas rarely visited by priests,

and enforce a more orthodox belief system among adherents of folk Catholicism. In conjunction with other significant changes, such as population growth and land scarcity, Catholic Action unintentionally helped undermine the authority of village elders and set the stage for the phenomenal expansion of the Protestant evangelical movement. By the mid-1980s, the latter movement contained an estimated one-third of the national population. During the late 1980s and early 1990s, however, the Catholic Church, which had evolved into a strong critic of human rights violations by the military, experienced a resurgence of membership and a detente with evangelical congregations.

In its program of expansion beyond Guatemala City, which began in the 1940s and 1950s, the Catholic Church used foreign missionary orders to set up social action programs, including schools, clinics, and credit cooperatives. In addition, Catholic Action catechists traveled the countryside spreading an orthodox Christianity at odds with the *cofradía*-grounded folk Catholicism of the highlands. Meanwhile, the position of village leaders had been undermined by their inability to continue providing for the stable egalitarianism that had formed the basis of rural life. As the population swelled in the absence of meaningful land reform, landholdings became increasingly subdivided and incapable of meeting the most basic needs of families. The situation led to migration to Guatemala City and elsewhere. The evangelical movement stepped into the leadership void, offering Guatemalans an ordered social existence and personal salvation. Evangelicals also, however, preached social change, condemning village fiestas as alcohol-filled and sinful events.

The earthquake of 1976 is considered pivotal in the expansion of the evangelical movement. Evangelicals responded to the resulting devastation with a massive outpouring of assistance while concurrently stressing the importance of religious conversion. Moreover, when the military targeted rural Catholic leaders who criticized the government, killing or kidnapping many, evangelicals, who took no political stance, filled the void. In 1982-83, Guatemala's head of state, General Efraín Ríos Montt, an evangelical, speaking to Guatemalans in his weekly radio and television addresses, urged them to convert to Christ, thus providing support to evangelical efforts.

Most Guatemalan evangelicals are also Pentecostals, emphasizing baptism in the Holy Spirit as expressed in speaking in tongues. Among the problems that evangelicals continue to face are local leadership struggles and disputes that have led to ongoing fragmentation of groups. The Roman Catholic Church, in turn, must balance the interests of folk Catholics, orthodox Catholics, and the rapidly expanding Catholic charismatics, who often have more in common with Pentecostal adherents than with their local congregation.

Issues to Explore:

1. **The differences in the roles played by the Roman Catholic Church in urban as opposed to rural areas; the influence of each role on Guatemala's present situation**
2. **The relationship/similarity of factors responsible for the rapid growth of the evangelical movement in Guatemala with such occurrences elsewhere in the region**

Education

Guatemala faces daunting educational challenges. According to the United Nations, the average Guatemalan has only four years of schooling. The illiteracy rate of 31.7 percent is the second highest in Latin America. Illiteracy is higher in rural than in urban areas and higher among women than men. As part of the peace process and in an effort to conquer educational shortcomings, the government is implementing programs to encourage community- and parent-managed primary schools and increase bilingual education in Spanish and one of the major Mayan languages (see below). To stimulate improvements, the annual budget for education in 2000 has been raised 20 percent over the 1999 amount to US\$457 million (Q3.5 billion). According to the Ministry of Education, in 1998 some 1.8 million students attended 13,631 primary schools, of which 10,765 were public schools. At the secondary level, 259,807 students in 1998 attended 1,645 secondary schools of which 1,408 were private; the secondary student total represented a 10.4 percent increase over 1994.

Education in Guatemala consists of preschool, primary, secondary, and university levels, with a special bilingual program for Indian students. The bilingual program provides instruction from preprimary through the fourth grade in the four most widely spoken Mayan languages. A one-year preschool program exists for five- and six-year-olds. Children between the ages of seven and twelve follow a theoretically mandatory six-year primary school curriculum. Secondary education consists of a three-year basic cycle for those between the ages of thirteen and fifteen and a three-year diversified cycle for those aged sixteen to eighteen. The recently privatized but state financially supported University of San Carlos, founded in 1676, has a central campus in Guatemala City and eleven smaller campuses in the principal provincial capitals. In 1998 San Carlos had more than 88,000 students while the four private universities had some 53,000. (According to *The World of Learning, 1998*, in 1997 the University of San Carlos had 70,431 undergraduates, 768 postgraduates, and the other four Guatemalan universities had a total of 37,464 undergraduates.)

Several reasons account for the considerable numbers of secondary and university students. Secondary schools and universities are located almost exclusively in urban areas the populations of which have been steadily increasing as a result of rural to urban migration. In addition, most secondary and university students are ladinos, who are to be found primarily in urban areas. And lastly, secondary and higher education is viewed more and more as necessary for remunerative employment.

Great disparities exist in school enrollment, reflecting strong regional, gender, and ethnic biases. For example, primary school attendance for boys and girls in Guatemala City is about 90 percent, whereas in some areas it is less than 40 percent. In general, more boys than girls attend school and average a longer attendance. The urban bias in Guatemalan education is particularly pronounced at the secondary level. More than 90 percent of all secondary students live in urban areas, with Guatemala City alone representing about 50 percent.

Issues to Explore:

1. **Ways in which Guatemala can best reconcile differences between urban and rural education**
2. **Ways in which Guatemala can best reconcile differences between the education of male and female students**

Indian Culture

The degree to which Indians have maintained their indigenous culture varies widely with reference to individuals and different geographic areas. A significant factor influencing the retention of Indian culture is the degree of isolation from ladino culture. Self-identification has proved to be a useful concept in evaluating the individual's relationship with what has been called the "Mayan cosmic vision." In its ideal form, such a vision contains numerous interlocking components: a syncretic belief system (see Religious Beliefs, chapter 3), a community-based egalitarianism, an emphasis on subsistence agriculture, the use of a Mayan language (see Language, chapter 3), and a distinctive style of dress, especially for women.

The *cofradía* system (see Religious Beliefs, chapter 3) helps both to tie the individual into the community and to level wealth within the community. Through their active participation in fiesta tasks, villagers learn that they function as members of a larger group and are subordinate to that group. The individual has a responsibility to promote the group's interests, not his own. *Cofradía* reinforces these notions by requiring those with above-average resources to invest their surplus in community-enhancing activities. Although participants receive prestige, power, and the respect of their village, their actions also effectively prevent the formation of a stratified local community.

Indian life in its most authentic form is intrinsically rural in nature, emphasizing village life and the predominance of the community. Roughly 80 percent of all self-identified Indians live in rural Guatemala. Land represents a spiritual link to one's ancestors and constitutes a Maya's most important possession. Milpa (cultivation of a small field that is cleared from the forest, cropped for a few seasons, and abandoned for a fresh clearing) provides not only the means to the staple of the Mayan diet, corn, but also helps establish the rhythm of communal life. Mayan plots generally are non-mechanized and employ very low technology.

Although important, language (see Language and Dialects, chapter 3) by itself is not critical to defining Indian life. Some Indians in Quetzaltenango, for example, continue to maintain Indian culture without an understanding of the Indian languages spoken in their region, Quiché and Mam.

In the past, a distinctive style of dress served as yet another means of differentiating Indians from ladinos. Although some men, especially in Solalá and Huehuetenango, continue to wear Indian dress, most men wear Western garb similar to that worn by ladinos. In contrast, most Indian women wear a long skirt with a sash and a distinctive blouse (*huipil*).

Indian identity is easiest to maintain in conditions of relative isolation from the dominant ladino culture. In 2000, however, few Indian communities can truly be described as isolated. Since the 1880s, Indians in the Altiplano have migrated to the *fincas* (landed agricultural estates) of the Southwest in search of

seasonal labor. Many have settled permanently as salaried employees, severing ties to traditional values. During the second half of the twentieth century, numerous internal and external factors have further weakened Indian self-identification. Internally, rising population pressures have generated subdivision of already minuscule plots and growing landlessness for many Indians. As Indians have migrated permanently to Guatemala City, their adherence to the customs of their village community has lessened. Externally, Guatemalan social forces as varied as the Roman Catholic Church, Protestant evangelical pastors, and the military—all dominated by ladinos—have impinged on Indian communities, interjecting new concepts that have ruptured the homogeneity of Indian life.

Still, numerous examples abound of the resilience of Indian culture. The lifestyles of the Chortis of Chiquimula and of the Pocomes Orientales of Jalapa are evidence that the Maya tradition can be preserved even in regions where ladinos are a clear majority. The selection of Rigoberta Menchú, a Mayan woman, as recipient of the 1992 Nobel Peace Prize represented an historic event in Guatemala and has helped solidify a more assertive Indian national presence. Menchú's Committee for Peasant Unity has organized Mayas (and poor ladinos) and has led strikes in the Southwest to demand increases in the minimum wage. In March 1995, the government and the guerrilla umbrella organization Guatemalan National Revolutionary Unity (URNG—see chapter 6) reached agreement on a comprehensive accord to respect Indian culture, language, religious customs, and agricultural rights. Time alone will demonstrate the commitment of the government to implement this accord and the strength of the Mayan Indians' desire to maintain their traditional culture.

Issues to Explore:

1. **Ways in which the Guatemalan government can best preserve the positive aspects of Mayan Indian culture**
2. **To benefit the present situation of the Mayas, are there cultural elements that need to be changed**

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Chapter 5. Economics

Overview

Guatemala's economy ranks as the largest in Central America, with a government-estimated gross domestic product (GDP) of about US\$23 billion (all statistics, unless otherwise indicated, are late 1990s figures; the Economist Intelligence Unit gives 1999 GDP as US\$18.3 billion). Despite its comparatively large GDP, Guatemala is perpetually in economic peril. Unemployment and under-employment levels are extremely high. Official statistics estimate that the unemployment rate is at 9 percent while the under-employment rate is between 30 percent and 40 percent. Official statistics are skewed, however, because they include only persons belonging to the Social Security Institute, many of them civil servants. This cohort represents only 28 percent of the total population. The International Monetary Fund (IMF) estimates that currently more than two-thirds of Guatemala's working-age population is under-employed; the IMF also estimates the unemployment rate to be much higher than the official statistic of 9 percent. Further, the IMF notes that even though Guatemala has made progress in improving social conditions and economic stability over the course of the 1990s, "extreme poverty continues to be widespread and the income distribution is highly skewed."

Guatemala's external debt, which is listed by the Central Bank as US\$2.6 billion (14 percent of GDP), is one of the most manageable external debts in the region. Despite the low external debt, the overall budget deficit expanded sharply in the late 1990s because an extremely low tax burden (9.6 percent of GDP), combined with expansionary fiscal and monetary policies, came up against decreasing revenues. The gradual economic progress and hope of the early and mid-1990s were decreasing by the end of 1999, despite some improvement in Guatemala's economic landscape in the latter half of the year.

High crime rates, endemic official corruption, and political unrest make Guatemala unattractive to foreign investors. In addition, the government's political and economic policies have been poorly thought out, inconsistently applied, and poorly executed. As a consequence, the rate of inflation has risen sharply, productivity has collapsed, and economic output has slowed. Without a significant influx of foreign capital and a consistent economic policy, Guatemala will remain in its current state of poverty into the foreseeable future. Many Guatemalans combat the bleak economic outlook with their feet: the country has one of the highest rates of outward migration in Latin America.

Agriculture

The agriculture sector accounts for one-fourth of Guatemala's GDP, two-thirds of all exports, and employs more than half of the labor force (60 percent). The performance of the economy relies heavily on exports of coffee and sugar. Money earned from the exportation of coffee alone (US\$586 million) is equivalent to one-quarter of Guatemala's total export earnings. Guatemala is the fifth largest exporter of coffee in the world. In addition to coffee, sugar has become one of Guatemala's most dynamic traditional crops; export earnings of sugar are 12 percent (US\$315 million) of Guatemala's total export earnings. Guatemala's other top agricultural products/exports are bananas, corn, black beans, rice, and cardamom.

The uneven distribution of agricultural land remains a severe problem and parallels the economic divisions among Guatemalans. A mere 2.5 percent of the country's farms, with an average area of 200 hectares (ha) each, occupy more than 65 percent of all agricultural lands. The remaining 88 percent of the country's farms, with an average of 1.5ha each, occupy only 16 percent of the land. As a result of the distribution pattern, the majority of Guatemalan workers are limited to farming only 1.5ha of land and consequently fall below the poverty level. In general, the economic future for Guatemala is not bright. Changing weather patterns are adversely affecting crop production, and the country is still recovering from Hurricane Mitch, which struck in 1999 and wreaked havoc in the sector. Short-term improvement is not likely.

Foreign Trade

The United States is the main destination for Guatemalan products and accounted for more than half of all exports throughout the 1990s. The agricultural sector produces the top exports: coffee, sugar, bananas, and cardamom. Central America accounts for 30 percent of all Guatemalan exports. El Salvador is the largest Central American export market, taking in US\$340 million over the course of 1998. Guatemala

traditionally holds a trade surplus over its Central American neighbors. However, in terms of the rest of the world, the increase in Guatemala's exports has been outpaced at an even greater rate of growth by the amount of goods imported. In 1998 Guatemalan exports totaled US\$2.9 billion, while the total dollar amount of imports was US\$3.3 billion. The two nations responsible for the majority of imports are the United States (42.8 percent) and Mexico (9.9 percent). Industrial equipment comprises the majority of imports; fuel, machinery, grain, fertilizers, and motor vehicles are consistently on top of Guatemalan yearly import lists.

Between 1999 and 2000, Guatemala signed a significant number of trade agreements. In 1999 it signed a trade agreement with Cuba to promote bilateral trade. Another 1999 free trade treaty involved Chile, El Salvador, Nicaragua, Costa Rica, and Honduras—a market of more than 50 million people. In early 2000, Mexico and the United States signed trade agreements with Guatemala, enabling Guatemala to trade freely in almost the entire Western Hemisphere. As a result of the trade agreements, foreign direct investment in Guatemala appears to be increasing. It is estimated that by 2002 thousands of new industrial jobs will have been created by the new agreements. Yet, despite the agreements and analyst predictions of new jobs, the value of goods exported from Guatemala in 1999 actually decreased by US\$75 million from 1998. Guatemala remains an agrarian nation, depending mainly on exports of coffee, sugar, and bananas for its income and importing nearly all of its industrial goods. As long as this balance of trade continues, the country will continue to run a trade deficit.

Commerce and Industry

Since 1997 the construction industry has witnessed strong and steady growth. This growth has largely been the outcome of the peace accords signed with the nation's insurgent organizations. These accords required the government to strengthen the nation's infrastructure and build affordable housing for all citizens. These investments have helped revitalize the once moribund construction industry.

Tourism also strengthened throughout the 1990s and now ranks alongside sugar as the second highest foreign exchange earner after coffee. From 1998 to 1999, the number of tourists increased by 10 percent to 636,276. North America accounted for the largest share of tourists (39 percent), followed by Central America (35 percent), and Europe (18 percent). However, the momentum gained by tourism during the late 1990s was lost by the events of 2000. A number of highly publicized kidnappings, homicides, and crimes against foreigners have greatly diminished Guatemala's appeal to tourists. The weakness of the judicial system and high levels of corruption among public safety agencies only add to the problem.

Foreign franchises also make a significant contribution to the economy. At present, there are more than 150 different foreign franchises comprising more than 450 units. This segment makes up more than 85 percent of Guatemala's industrial market. United States firms account for 90 percent of all foreign franchises. Mexico, Spain, Great Britain, Chile, Canada, France, and Israel help make up the remaining 10 percent. Along with the typical U.S. food chains, foreign franchisers are responsible for hotels, clothing, cosmetics, advertising, candy, security, and restaurants. As a result, foreign nations control the Guatemalan economy in almost every aspect other than agriculture.

Another rapidly emerging sector is the in-bond manufacturing facilities (*maquiladoras*), most of which are engaged in manufacturing clothes, personal hygiene items, and small electronics. This segment is significant because it provides employment to two of the most marginalized segments of Guatemalan society, women and the middle-aged. However, the same factors that have hampered other economic sectors, for example, official corruption, high levels of crime, poor labor rights, and economic changes, have precluded significant growth here as well.

Issues to Explore:

1. **The ability or the desire of Government of Guatemala leaders to make a positive impact on Guatemala's economic condition**
2. **The political consequences of the state of Guatemala's economy**
3. **The implications of the Guatemalan economy for the nation's role within the Central American region and the world**

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Chapter 6. The Political Setting

Since a revolution in 1944 ended a century-old tradition of strongman rule, Guatemalan politics have been a struggle between contrasting forces of society—democracy and dictatorship, civilian and military, Indian and ladino, Christian fundamentalism and Marxism-Leninism, war and peace. Although the country has had civilian government and formally has been a presidential democracy since 1988, the army has remained the dominant political actor.

General elections for president, members of the Congress (*diputados*), and mayors (*alcaldes*) throughout the country were held on November 12, 1995, followed by a presidential runoff election held on January 6, 1996. In that election, Alvaro Enrique Arzú Irigoyen of the National Advancement Party (Partido de Avanzada Nacional—PAN) defeated Alfonso Antonio Portillo Cabrera of the Guatemalan Republican Front (Frente Republicano Guatemalteco—FRG) by a vote of 51.2 percent to 48.8 percent in a free and fair election. Arzú's narrow margin of victory was equivalent to 32,000 votes, and the abstention rate was 63 percent.

In late 1996, the country's thirty-six-year civil conflict ended when the Arzú administration signed peace accords with the guerrilla organization, the Guatemalan National Revolutionary Unity (Unidad Revolucionaria Nacional Guatemalteca—URNG). The accords called for implementing the constitutional reforms proposed in 1995 concerning the multiethnic, multicultural, and multilingual composition of the state; the role of the armed forces and the police in society; and the strengthening of the judicial system. On October 26, 1998, Guatemala's Congress approved the forty-seven constitutional reforms. However, in a national referendum on May 16, 1999, the proposed reforms were defeated by a wide margin. Their rejection was blamed on a lack of information and mistrust of the political establishment by the electorate; only 18.6 percent of the 4 million registered voters took part in the referendum. Although ordinary laws could be enacted to accomplish many of the reforms, the constitutional reforms nonetheless held great symbolic value for the peace process.

Although the Arzú administration achieved respectable economic growth in addition to restoring peace, the country's socioeconomic conditions have deteriorated since the end of the civil war. In addition, economic benefits have been distributed unevenly, markedly increasing unemployment, crime, and poverty. Despite improved conditions since 1996, much of the country has yet to benefit from the peace accords. The decline in the value of the currency, the quetzal, during 1999, added to popular pressure for a change of leadership.

In the first round of the presidential election on November 7, 1999, which had an unusually high voter turnout of 53.4 percent, Alfonso Portillo of the FRG failed to gain a majority, garnering 48 percent of the vote. However, in the runoff election held on December 26, 1999, which had a voter turnout of 40.86 percent, Portillo won the presidency over the favorite, Oscar Berger Perdomo of the governing PAN, by drawing 68.3 percent of the vote. Portillo even defeated Berger in the PAN's traditional stronghold of Guatemala City.

Portillo's wide margin of victory in the December 1999 elections has been attributed to a well-managed campaign that portrayed him as a charismatic, populist leader, as well as to a large protest vote against the ruling PAN. Born in 1951, Portillo, a trained economist and lawyer, was once a dedicated Marxist

academic and a member of the centrist Guatemalan Christian Democracy (Democracia Cristiana Guatemalteca—DCG). Although his views have evolved, they remain wide-ranging and discordant; he continues to advocate both class warfare against the A oligarchies and cooperation with establishment institutions such as the military and business.

The Governmental System

Overview

Guatemala has been governed under various constitutions since becoming a republic. Since World War II, the countrys constitutions have been short-lived. The constitution of May 31, 1985, which became effective on January 14, 1986, provides for a separation of powers among the executive, legislative, and judicial branches of government. The country is divided into twenty-two administrative departments (*departamentos*). The twenty-two departments are further subdivided into 331 municipalities (*municipalidades*). Guatemala has universal and secret adult suffrage. Beginning at age eighteen, voting is compulsory for literates who are not serving on active duty with the armed forces and voluntary for illiterates. Presidential and congressional elections are held concurrently every four years.

President José Serrano Elias (president, 1991-93) suspended the constitution on May 25, 1993. However, it was reinstated on June 5, 1993, following Serranos forced resignation and Congresss selection of Ramiro de León Carpio, the former human rights ombudsman, as interim president. A referendum on constitutional reform was held on January 30, 1994. Although voter turnout was only 17.5 percent, 83 percent of voters approved the reforms. Under the November 1993 constitutional reforms, new congressional elections were held, the number of congressional representatives (*diputados*) was reduced from 116 to eighty, and the justices of the Supreme Court of Justice (Corte Suprema de Justicia) were replaced and their number increased from nine to thirteen. In addition, the terms of office for president and congressional representatives were reduced from five to four years and for Supreme Court justices from six to five years.

There are no legal impediments to women's participation in Guatemalas politics and government, but women are underrepresented in the political arena. Nevertheless, women hold some prominent political positions. Voters elected nine women to Congress in November 1999, women hold two seats on the Supreme Court, and one on the Constitutional Court. There were two female ministers in the Arzú government, and there is one, the minister of culture, in the Portillo government.

The Executive

The executive branch consists of the president, vice president, and the Council of Ministers (Consejo de Ministros). The president is both the chief of state and head of government. The president is directly elected under universal suffrage by absolute majority for a single term of four years and cannot serve a successive term or prolong the four-year term. Beginning with the 1995 elections, the president began serving a four-year term. Alfonso Portillo took office as president on January 14, 2000. His vice president

is Juan Francisco López Reyes. The vice president, whose duties include presiding over Congress and participating in discussions of the Council of Ministers, also serves a four-year term. The president appoints the members of the Council of Ministers. Portillo's cabinet appointments include several allies of General Efraín Ríos Montt, who is the most influential figure in the FRG and leader of the Congress.

The Legislature

The legislative branch consists of a unicameral Congress (Congreso de la República), whose members were traditionally elected by proportional representation. Under the constitutional reform of November 1993, 75 percent of the members of Congress are elected directly by the people through universal suffrage, and 25 percent are elected on the basis of proportional representation. The reforms reduced the term of the legislative deputies from five to four years, with unstagged terms. Congress can and does act independently of the executive, but fragmentation along party lines and a weak support and staff structure result in a legislature that is relatively weak.

As a result of a revision by the Supreme Electoral Tribunal (Tribunal Supremo Electoral), the new Congress elected on November 7, 1999, now totals 113 members, as opposed to the eighty members agreed to by Congress in 1993. Ninety-one of the members were elected according to departmental representation and twenty-two by national listing. Although the sixty-three seats won by the FRG are short of the two-thirds majority required to pass constitutional amendments, they are more than the fifty-seven votes required for a simple majority. The FRG's gains represent the largest congressional majority of any party in contemporary Guatemalan history.

The Judiciary

Guatemala has a U.S.-style civil law and Supreme Court system in which legislative acts are subject to judicial review. The judicial branch consists of the Supreme Court, the Court of Constitutionality (Corte de Constitucionalidad), the Supreme Electoral Tribunal, the Court of Appeals (Corte de Apelaciones), and local courts. The Court of Constitutionality is presided over by the president of the Supreme Court.

The Supreme Court and local courts handle civil and criminal cases. The Congress appoints the members of the Supreme Court based on a selection list submitted by the bar association, law school deans, a university rector, and appellate judges. Using a similar procedure, Congress also appoints members of the Court of Appeals. There are ten civil courts of appeals and two labor courts of appeals. On October 13, 1999, Congress elected magistrates to fill all seats on the Supreme Court and Court of Appeals. The Supreme Court nominates all lower judges. Other judicial offices include the Office of the Attorney General, the Office of the Public Prosecutor, and the Commission of Human Rights. Judges serve five-year terms. The death penalty is authorized for murder and kidnapping.

Guatemala has not accepted compulsory International Court of Justice (ICJ), that is, World Court, jurisdiction. A mid-1999 survey revealed that 88 percent of Guatemalans considered the administration of justice in the country inadequate. Although the judiciary is independent, judges and other law

enforcement officials are subject to intimidation and corruption, and the inefficient judicial system frequently is unable to ensure fair trials and due process. Efforts to reform the judiciary are ongoing, but the climate of impunity persists. Intimidation of witnesses, victims, prosecutors, and judges continues to be a problem. Allegations persist that Guatemalan security forces infringe on citizens' privacy rights.

Vigilantism and escalating crime have been consequences of the inefficient judicial system. In August 1999, a UN investigating commission concluded that the Guatemalan judicial system needed substantial reform. Human rights organizations claim that the inefficiency, incompetence, and corruption of the Supreme Court that was replaced in October 1999 had left Guatemala's justice system in its worst state ever.

Key Political Parties

Guatemala's constitution guarantees the free formation and growth of political parties whose aims are democratic. The November 1999 elections involved thirteen political parties, including two two-party coalitions. Four parties and both coalitions won seats in the legislature, led by the FRG with a sixty-three-seat majority, followed by the PAN with thirty-seven seats, and the New Nation Alliance (Alianza Nueva Nación—ANN) coalition, which included the URNG party, with nine seats.

Guatemalan Republican Front (FRG)

The Guatemalan Republican Front (Frente Republicano Guatemalteco—FRG), founded in 1988, won the presidency and a clear majority in the Congress in the 1999 elections. The FRG is a loose-knit alliance of conservatives, Pentecostal Protestants, evangelicals, Indians, members of the middle class, and reformist politicians. It includes both President Portillo and Ríos Montt, president of the Congress.

National Advancement Party (PAN)

The National Advancement Party (Partido de Avanzada Nacional—PAN) is a conservative, pro-business party founded in 1985 as a committee to advance the independent candidacy of Arzú for mayor of Guatemala City. In the November 1999 elections, the PAN won only thirty-seven congressional seats, as compared with forty-four in 1995. Although Arzú has continued to use the PAN as a vehicle for furthering his political ambitions, Oscar Bergers emergence as the PAN's presidential candidate in the 1999 election reflected the party's growing tendency to develop an identity independent of Arzú.

Left-Wing Groupings

The URNG registered as a political party on December 20, 1998, and competed in the November 7, 1999, general elections as part of the New Nation Alliance (ANN). The left-wing ANN was formed in 1999 as an alliance of the Authentic Integral Development (Desarrollo Integral Auténtico—DIA), the Unity of the Democratic Left (Unidad de Izquierda Democrática—UNID), and the URNG. The ANN placed a distant third in both the November 1999 presidential and congressional elections. DIA-URNG candidates won a

respectable 11 percent of the vote and nine seats in the Congress. The ANN's prospects remain good for becoming the nation's third political force. Its 1999 presidential candidate, Alvaro Colón Caballeros, emerged as a charismatic leader. The pro-URNG New Guatemala Democratic Front (Frente Democrático Nuevo Guatemala—FDNG) won no seats in 1999, and therefore lost its registration status. As a result, many of its supporters have since joined the ANN, with which the FDNG is likely to merge.

Interest Groups

The Military

The military has been involved in all major political developments since 1964. The army controls the armed forces and much of the security apparatus. As a result of stipulations in the 1996 peace agreement, the military was reduced in strength from nearly 40,000 members in mid-1996 to approximately 30,000 by 1997. The military also manages substantial economic resources, including holdings in banking, manufacturing, and transportation. The military lost some influence as a result of its role in the political turmoil of 1993, and, as a consequence, presidents have been able to exploit divisions within the military to limit its political effectiveness. The rapid turnover of defense ministers has also prevented any single individual from gaining personal control over the armed forces. In 2000 President Portillo appointed Colonel Juan de Dios Estrada Velásquez, a junior officer, as minister of defense, bypassing twenty higher-ranked officers. The post had been held for decades by the ranking military general. (The constitution requires the minister of defense to be either a colonel or a general.) Although there is a growing trend to hold lower-ranking officers and enlisted men accountable for major human rights violations, most of the military still attempts to resist civilian control of its internal affairs. However, most officers are reluctant openly to confront civilian authority.

Economic Associations

After the army, the private sector has remained the best-organized and most powerful political interest group in the country. Business chambers or associations, most of which are conservative and often support extreme right-wing political parties, represent the interests of the large exporting producers. These interest-group associations have been the most important vehicles of political influence used by the private sector. Since 1957, the influential Coordinating Committee of Agricultural, Commercial, Industrial, and Financial Associations (Comité Coordinador de Asociaciones Agrícolas, Comerciales, Industriales y Financieras—CACIF) has served as the powerful umbrella organization of these groups, which include the owners of large plantations and ranches. Throughout the 1990s, Guatemalan governments found themselves at odds with the CACIF over its strongly pro-business policies and its opposition to many economic policies.

The Church

Although Roman Catholicism is Guatemala's predominant religion, the Roman Catholic Church has not sought to develop its potential for influence. It has significant influence on some causes, such as issues

concerning agrarian reform, human rights, and social inequalities, but is neither outspoken nor radical. Most of its 600 priests are foreign nationals. However, support of the church is widely considered as necessary for a government to have legitimacy. The church has helped to publicize past human rights abuses and pressed for negotiations and accommodation with the URNG guerrillas. The church's relations with the government were severely strained as a result of the assassination on April 26, 1998, of a bishop, Juan José Gerardi Conedera, who had authored an extensive study of human rights violations during Guatemala's decades of civil conflict. Members of the Presidential Staff (Estado Mayor Presidencial—EMP), the notorious presidential guard, were suspected of involvement in the murder.

Labor Unions

The constitution and the Labor Code provide workers with freedom of association and the right to form and join trade unions. Unions may and do form federations and confederations and affiliate with international organizations. According to the Ministry of Labor, only 2 percent of the 3.5 million-person work force belong to labor organizations. The approximately 1,300 registered unions and 400 company-sponsored "solidarity organizations" are independent of government and political party domination. The government does not control unions. However, in its Fourth Report on the Peace Process, the United Nations Mission for Guatemala (Misión de Naciones Unidas para Guatemala—MINUGUA) noted that "genuine trade union freedom does not exist" because of anti-union violence. Workers have the right to strike, but Labor Code procedures for having a strike recognized as legal are cumbersome. Although the public sector historically has been the scene of frequent strikes, almost always called without legal authorization, there were no public sector strikes during 1999. Trade union leaders and members generally did not suffer labor-related violence in 1999.

Prospects

President Portillo and his FRG can be expected to dominate the government until the next general elections, scheduled for November 2003. The main elements of the Portillo administration's agenda are reform of the fiscal system, revision of the privatizations carried out under the Arzú administration, revision of the Armed Forces Code and dissolution of the Presidential Staff, restoration of economic stability, curbing of the perceived privileges of large businesses, and compliance with the peace accords and the recommendations of the Truth Commission.

Although Portillo has vowed to keep the promises that he made during his electoral campaign, these promises were extravagant and contradictory and he is unlikely to fulfill them. For example, he will be expected to explain the April 1998 murder of Bishop Juan José Gerardi, to make the judicial system more effective and fair, and to reduce the high levels of crime. He will struggle to satisfy most of the expectations that he raised. His invitation to work with all social and political forces to reach consensus on national issues (a Agovernability pact) is unlikely to have much effect because most leading figures are skeptical. Previous presidents have suggested similar projects to no avail. Despite its 1999 electoral defeat, the PAN could still thwart the FRG by forming a majority coalition with other parties in the Congress, although not before the November 2003 elections. In the meantime, the PAN could frustrate the FRG administration's legislative agenda.

Furthermore, Portillo, who campaigned as the people's champion against the excesses of the ruling elite, faces a dilemma. Should he move too rapidly in attempting to curb the military and punish violations of human rights, the military and other members of the establishment, particularly the powerful business interests, could retaliate. Decisive actions by Portillo to enhance social justice may also disrupt relations with international financial institutions that have conditioned aid on austere economic reforms. The chance of a military coup is quite small, however, because the officer corps has been purged substantially, the civil war was resolved peacefully, the FRG government is sympathetic to the military's interests, and the business sector and international community would strongly oppose a coup. Nevertheless, should Portillo move too slowly he could alienate many of the FRG's dispossessed voters and strain relations with the United States and other developed countries, as well as with international human rights organizations.

Perhaps the key to determining whether Portillo succeeds or fails in implementing his proposed changes is Efraín Ríos Montt, who, as leader of the ruling FRG, is president of the Congress. Most of the FRG's congressional members are loyal to Ríos Montt. Ríos Montt, a former dictator who seized power in 1982, serves as a symbol of the previous status quo. Although he is constitutionally banned from running again for president, he has the power to shape the Portillo administration's future changes. Portillo claims to have reached a governability agreement with Ríos Montt, but it remains to be seen if Portillo is able to balance the conservative forces within the FRG, represented by Ríos Montt, with his own more liberal stance.

Issues to Explore:

1. **The prospects for building consensus on issues of national importance, including implementation of as yet unmet peace accord commitments, in view of the electorate's having voted out the ruling party in the past several elections**
2. **How the army would react if the government attempts to neutralize the military's traditionally assertive political role through revision of the Armed Forces' Code, appointment of a civilian minister of defense, additional purges of senior officers, and prosecution of senior officers for human rights violations**
3. **How the business elite would respond if the government attempts to make the elite's traditional protector, the army, submissive to the masses**
4. **The prospects for reforming the judicial system, which is considered corrupt and inadequate by most Guatemalans, and the consequences of failing to do so**

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Chapter 7. Foreign Affairs

Guatemalan-U.S. Relations

Relations between the United States and Guatemala traditionally have been close, although at times strained by human rights and civil/military issues. The United States has long been the most important actor in Guatemalan foreign relations. After 1954, when the United States supported the counterrevolutionary invasion, the United States became the key foreign ally of successive Guatemalan governments, largely through the provision of economic and security assistance. The U.S. government suspended military aid to Guatemala in 1977 following an upsurge in death squad activity and the publication of the U.S. Department of State's first human rights report. Modest training assistance was reinstated in 1983. Relations between Guatemala and the United States deteriorated considerably in 1990. U.S. military assistance to Guatemala was again suspended in December 1990 as a result of the murder in June of American citizen Michael Devine, a hotel owner and longtime resident of Guatemala, by members of the Guatemalan armed forces. The soldiers responsible for Devine's murder were tried, convicted, and imprisoned, but the officer who led the killers escaped from detention in May 1993. The United States views his capture and imprisonment as fundamental to improved relations with the Guatemalan military.

U.S. government and business interests have long exercised substantial influence in Guatemala. The

United States provides economic assistance and is Guatemala's largest trading partner, providing 44 percent of the country's imports and receiving 31 percent of its exports. U.S. official assistance to Guatemala since 1986 exceeds US\$1 billion. The United States also plays an important role in Guatemala's relations with international financial organizations, such as the International Monetary Fund (IMF) and the Inter-American Development Bank (IDB).

Several contentious issues have divided the two countries. Under the short-lived administration of José Serrano (president, 1991-93), U.S. influence was instrumental in the initiation of investigations of human rights violations and in the reduction of labor abuses. The United States played a critical role in the events of May and June 1993, when it moved quickly to oppose President Serrano's attempts to suspend the constitution and impose dictatorial rule. Suspending all aid and threatening to end Guatemala's most-favored nation trade status, the United States brought about the fall of Serrano and the installation of de León as president. The United States continued its attention to human rights abuses under the de León administration. Although some elements in the Guatemalan military and security forces have fiercely resented the U.S. role, Guatemalan governments have preferred to accommodate the United States rather than risk U.S. sanctions or damage to the important tourism industry. More than 150,000 U.S. citizens visit the diverse attractions in Guatemala each year. In 1995, the U.S. government eliminated Guatemala's access to International Military Education Training (IMET) funds over human rights concerns. Guatemala later became eligible for expanded IMET, and a program resumed in 1997.

The United States, as a member of "the Friends of Guatemala" along with Colombia, Mexico, Spain, Norway, and Venezuela, played an important role in the UN-moderated peace accords of 1996, providing public and behind-the-scenes support. The United States strongly supports the six substantive and three procedural accords, which, along with the December 29, 1996 final accord, form the blueprint for profound political, economic, and social change. Tangible support for the implementation of the accords has come from a number of sources. Development assistance through the U.S. Agency for International Development (USAID) is concentrated in programs to strengthen democratic institutions, improve health and education, and protect the environment. The United States also provided up to US\$25 million in FY 1998 Economic Support Funds, including a grant of US\$5 million. The aid was directed toward the most immediate needs associated with the implementation of the peace accords, such as demobilization of the former combatants. To address the issue of impunity, USAID and the U.S. Department of Justice have funded programs to strengthen the courts, the Office of the Public Prosecutor, and the civilian police. Other U.S. federal agencies, such as the Departments of Agriculture, Labor, and the Treasury, have programs either in place or in the planning stages to support specific aspects of the peace accords.

Guatemalan-U.S. relations worsened significantly in 1996, when the United States revived accusations of past human rights abuses, including the murder of Michael Devine in 1990 by members of the Guatemalan Army and the death of a guerrilla commander married to an American lawyer. The conclusion of the peace accords at the end of 1996 eased tensions, and the United States pledged more than US\$50 million in additional assistance. In May 1997, President Arzú met with President Clinton and his counterparts from Central America, Belize, and the Dominican Republic to celebrate the remarkable democratic transformation in the region. The leaders reaffirmed their support for strengthening democracy, good governance, and promoting prosperity through economic integration, free trade, and

investment. They also expressed their commitment to the continued development of just and equitable societies and responsible environmental policies as integral elements of sustainable development.

The direct role of the United States in Guatemalan affairs has declined since the Central American conflicts have ended, and U.S. aid levels have diminished. In 1998, Guatemala became the first government outside the United States to file a lawsuit against U.S. tobacco manufacturers in an attempt to recover the costs of treating tobacco-related illnesses. The rape and robbery of several U.S. college students in early 1998 badly soured relations. In February 1999, three of five defendants in the case were sentenced to twenty-eight-year prison terms. In late 1998, Guatemala and its Central American neighbors asked the United States to give greater access to their products under the Caribbean Basin Initiative and to grant them parity under the North American Free-Trade Agreement (NAFTA) to help their economies recover from the destruction caused by Hurricane Mitch.

Current U.S. policy in Guatemala includes supporting the institutionalization of democracy; encouraging Guatemalan respect for human rights and the rule of law; supporting broad-based economic growth and sustainable development; cooperating with the Guatemalan government to combat narcotics trafficking; supporting Central American integration and regional peace efforts, including the dialogue process with the Guatemalan insurgency that ended successfully in 1996; maintaining mutually beneficial trade relations; and supporting a solution to the Belize dispute acceptable to the parties involved.

Regional Relations

Guatemala is a member of the Organization of American States (OAS). The country's major diplomatic interests are regional security and, increasingly, regional development and economic integration. The Central American Ministers of Trade meet on a regular basis to work on regional approaches to trade issues. In March 1997, Guatemala hosted the second annual Trade and Investment Forum, under the sponsorship of the U.S. Department of Commerce. The two-day event highlighted the growing relationship that Guatemala has with its closest trading partners and offered regional opportunities to foreign investors. In March 1998, Guatemala joined its Central American neighbors in signing a Trade and Investment Framework Agreement (TIFA). Guatemala also originated the idea for, and is the seat of, the Central American Parliament (Parlacen). Guatemala participates in several regional groups, particularly those related to the environment and trade. For example, President Clinton and the Central American presidents signed the Central American-USA Pact (Conjunto Centroamerica-USA—CONCAUSA) agreement at the Summit of the Americas in December 1994. CONCAUSA is a cooperative plan of action to promote clean, efficient energy use; conserve the region's biodiversity; strengthen legal and institutional frameworks and compliance mechanisms; and improve and harmonize environmental protection standards.

Guatemala's long-laid claim to Belize caused problems with Britain and later with Belize following its 1981 independence from Britain. Relations have since improved. In 1986 Guatemala and Britain re-established commercial and consular relations; in 1987 they re-established full diplomatic relations. In December 1989, Guatemala sponsored Belize for permanent observer status in the Organization of American States (OAS). In September 1991, Guatemala recognized Belize's independence and established

diplomatic ties, while acknowledging that the boundaries remained in dispute. Although Belize has recognized Guatemalan diplomatic representation at the ambassadorial level for several years, the Guatemalan government did not accredit the first ambassador from Belize until December 1996. Although Belize continues to be a difficult domestic political issue in Guatemala, the two governments have quietly maintained constructive relations. In anticipation of an effort to bring the border dispute to an end, in early 1996, the Guatemalan Congress ratified two long-pending international agreements governing frontier issues and maritime rights.

Having recognized British sovereignty over Belize, Guatemala is trying to settle disputed territorial issues through direct talks. Instability has increased on Guatemala's border with Mexico because of the insurgency in the Mexican state of Chiapas and the Mexican heroin producers operating in Guatemala. The repatriation of an estimated 40,000 Guatemalan refugees who had fled to Mexico during the 1980s was completed in early 1999, with another 22,000 choosing to remain in Mexico.

Other Foreign Relations

Guatemala is a member of the United Nations and many of its specialized agencies, as well as numerous other international organizations. As part of an agreement on human rights negotiated with the insurgents, the UN deployed an observer mission, the MINUGUA (United Nations Mission for Guatemala), to Guatemala in November 1994. The MINUGUA has become a significant source for curbing potential human rights abuses. Despite criticism from the government and business community, the MINUGUA has continued its activities since the December 1996 peace agreement. In January 1997, a consultative group of international donor countries and financing institutions pledged US\$1.9 billion to help implement programs in fulfillment of the peace accords. The group included the World Bank, the IDB, the Central American Bank of Economic Integration, the United States, the European Union, Spain, and Germany. UN Secretary General Kofi Annan promised support for recovery from the civil war when he visited Guatemala in July 1998. However, the international donor community will condition further financial assistance in the peace process on fiscal reform. Guatemala maintains relations with Taiwan, long an important supplier of training and technical assistance to the Guatemalan Army, at the risk of losing trade with China.

Issues to Explore:

- 1. Implications for Guatemala's relations with the United States, other developed countries, and international organizations should the Portillo government and/or successor governments fail to carry out its promised reforms and the terms of the peace accords**
- 2. Possible actions that could be taken by the United States and the international community should the army and business sector block the reform efforts called for by the peace accords**

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