

## Topic 1: Status of Cuba

### Introduction



In October 1962, the world was brought to the threshold of nuclear war after the Soviet Union placed nuclear weapons in Cuba, causing President Kennedy of the United States of America to quarantine the island and demand that the Soviets remove the weapons.<sup>1</sup> Earlier in January of the same year, Cuba's participation in the Organization of American States (OAS) was suspended as a result of its government's incompatibility with the principles and objectives of the OAS's inter-American system. Fidel Castro's Marxist-Leninist government and its alignments with the Soviet bloc were seen as a contradiction of the OAS mandate, which

promotes the ideal that "representative democracy is an indispensable condition for the stability, peace and development of the region<sup>2</sup>." As a result of its international isolation, Cuba became heavily dependent on the Soviet Union, and after the USSR's collapse in 1991, Cuba experienced an economic crisis that lasted for a decade. This crisis became known as the Special Period, and it occurred due to the disintegration of the COMECON, which was an economic organization of communist states. Since then, Cuba's economic situation has improved, but living standards are still lower than they had been in 1991.

### ***Fidel Castro and Cuban Involvement in the Cold War***

After organizing a failed coup attempt to overthrow Fulgencio Batista's dictatorship in 1953 and being released from prison in 1955, Fidel Castro spent a year in exile with his brother Raúl Castro and the Argentine revolutionary Ernesto "Che" Guevara. The following year, he mounted a guerrilla campaign against Batista from the Sierra Maestra Mountains, eventually bringing the leadership down in 1959. While the United States initially acknowledged the legitimacy of the new government, friction erupted between the two countries after Cuban expropriations and the nationalization of American factories and plantations occurred, leading to the US to sever all diplomatic ties with Cuba in January 1961, under President Eisenhower.<sup>3</sup>

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<sup>1</sup> Neill, Morgan, Pam Benson and Shasta Darlington . "Cuba quiet after Castro announces resignation." *CNN News*. 30 Jul 2009. <<http://www.cnn.com/2008/WORLD/americas/02/19/castro/index.html>>

<sup>2</sup> "Charter of the Organization of American States." Department of International Law (Organization of American States) . 30 Jul 2009 <<http://www.oas.org/juridico/English/charter.html>>.

<sup>3</sup> Neill, Morgan, Pam Benson and Shasta Darlington . "Cuba quiet after Castro announces resignation." *CNN News*. 30 Jul 2009. <http://www.cnn.com/2008/WORLD/americas/02/19/castro/index.html>

Castro's efforts to promote betterment of health services and the creation of a more equal society in the country have been globally acknowledged. That being said, he has been criticized for leading an intolerant totalitarian regime that refused to integrate economic liberalization even in the face of poverty in the nation. Added to this, Castro's role as a Communist revolutionary has led to much tension with the United States. In the early years of Reagan's administration, Castro was alleged to be taking over Central America by revolution for the USSR. Washington's suspicions of "a path that led from the guerrillas of El Salvador through Nicaragua to Cuba and right up to the door of the Kremlin" were verified in 1983 when Cuba provided support to the small island of Grenada, which was at the time undergoing a period of revolution—Cuba's actions eventually frightened the American administration to the point that the American army invaded Grenada.<sup>4</sup> This tension was augmented by the dynamics of the Cold War between the USSR and the US—an inevitable clash in their conflicting ideologies of communism and capitalism conjoined with their zeal for dominance and the establishment of their respective spheres of influence. With the Cold War at its height, the U.S. government launched a covert operation known as the Bay of Pigs Invasion in 1961 in an attempt to overthrow Fidel Castro's regime. President Kennedy invoked the Monroe Doctrine to authorize the invasion, as the Doctrine had as one of its main points that "any attempt by a European power to oppress or control any nation in the Western Hemisphere would be viewed as a hostile act against the United States"<sup>5</sup>; however, the invasion ultimately failed. Two weeks after the Bay of Pigs, Castro declared Cuba to be a socialist state.<sup>6</sup>



Castro with Soviet Premier Nikita Khrushchev  
 Source: [http://news.bbc.co.uk/2/hi/in\\_pictures/4392634.stm](http://news.bbc.co.uk/2/hi/in_pictures/4392634.stm)

In the midst of Cold War politics, Cuba's suspension from the OAS occurred in 1962, with the latter declaring at its Eighth Meeting of Consultation of Ministers of Foreign Affairs "that adherence by any member of the Organization of American States to Marxism-Leninism is incompatible with the inter-American system, and the alignment of such a

<sup>4</sup> Reynolds, Paul. "Fidel: The world icon." 27 Jan 2009. *BBC News*. 22 Jul 2009  
 <<http://news.bbc.co.uk/2/hi/americas/5243500.stm>>.

<sup>5</sup> "Monroe Doctrine." *Encyclopædia Britannica*. 2009. Encyclopædia Britannica Online. 30 Jul. 2009  
 <<http://www.britannica.com/EBchecked/topic/390243/Monroe-Doctrine>>.

<sup>6</sup> Neill, Morgan, Pam Benson and Shasta Darlington. "Cuba quiet after Castro announces resignation." *CNN News*. 30 Jul 2009. <http://www.cnn.com/2008/WORLD/americas/02/19/castro/index.html>



government with the communist bloc breaks the unity and solidarity of the hemisphere.”<sup>7</sup> Cuban officials declared that Cuba was “arbitrarily excluded” and that the OAS had illegally deprived Cuba of its rights in order to appease the powerful United States.<sup>8</sup> Indeed, President Kennedy alluded to the Monroe Doctrine at a news conference on August 29, 1962 to explain “why [they] (the US government) worked in the OAS and in other ways to isolate the Communist menace in Cuba.”<sup>9</sup>

The crescendo of the Cuban chapter of the Cold War occurred in October 1962 when the Cuban Missile Crisis occurred. Castro agreed to a Soviet deployment of nuclear missiles in Cuba, which were aimed at the United States<sup>10</sup>; the USSR sought to place these intermediate-range missiles there as a counter-measure to the American development and deployment of missiles in Turkey. Castro’s agreement was mainly based on his fear of another American invasion attempt. President Kennedy responded by imposing a naval blockade of Cuba in an effort to stop the construction of the missile installations. Later that month, an agreement was reached by Kennedy and Soviet Premier Nikita Khrushchev whereby the missiles in Cuba were to be dismantled in exchange for the removal of American missiles in Turkey and assurances that the U.S. would not invade Cuba.

### ***Foreign Policy of Cuba***

Cuba declares its foreign policy to be based on the basic principles of international law, with emphasis on respect for states’ sovereignty and non-interference in international relations. Cuban foreign policy focuses on anti-imperialism and unity among Third World countries.<sup>11</sup>

Cuba enjoys full diplomatic relations with twenty-nine countries in the Western hemisphere, and has been building improved relations with Latin American countries in many spheres, including the economic, commercial, educational, and health care spheres. Cuba is a member of several regional organizations, including the Association of Caribbean States, the Latin American Integration Association, the Latin American Economic System, and the African Caribbean and Pacific Group of States.<sup>12</sup>

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<sup>7</sup> *Eighth Meeting of Consultation of Ministers of Foreign Affairs*. Final Act. Punta Del Este, Uruguay: OAS Official Records, 1962. Digital. <<http://www.oas.org/columbus/docs/OEASerCII.8Eng.pdf>>.

<sup>8</sup> "The situation of Human Rights in Cuba." 04 Oct 1983. [Inter-American Commission on Human Rights, the Organization of American States](http://www.cidh.oas.org/countryrep/cuba83eng/TOC.htm). 22 Jul 2009 <<http://www.cidh.oas.org/countryrep/cuba83eng/TOC.htm>>.

<sup>9</sup> Kennedy, John. "News Conference 42." John F. Kennedy Presidential Library and Museum. 30 Jul 2009 <[http://www.jfklibrary.org/Historical+Resources/Archives/Reference+Desk/Press+Conferences/003POF05Pressconference42\\_08291962.htm](http://www.jfklibrary.org/Historical+Resources/Archives/Reference+Desk/Press+Conferences/003POF05Pressconference42_08291962.htm)>.

<sup>10</sup> "Timeline: Cuba ." 11 Mar 2009. [BBC News](http://news.bbc.co.uk/2/hi/americas/1203355.stm). 22 Jul 2009 <<http://news.bbc.co.uk/2/hi/americas/1203355.stm>>.

<sup>11</sup> "CubaMinRex." Ministry of Foreign Affairs of Cuba. 30 Jul 2009 <<http://www.cubaminrex.cu/English/Ministry/ministry.htm>>.

<sup>12</sup> "Multilateral affairs." *CubaMinRex*. Ministry of Foreign Affairs of Cuba. 30 Jul 2009 <<http://www.cubaminrex.cu/English/Multilaterales/inicio.html>>.

Outside the Latin American region, Iran and China have been in the process of building strong economic and political connections with Cuba. China is currently Cuba's second largest trading partner, after Venezuela, with bilateral trade amounting to 2.3 billion dollars in 2007. Iran and Cuba signed a preferential trade agreement in April of 2006, with the aim of boosting mutual trade exchange. Russia, after a brief bout of poor relations with Cuba in the early 1990s, has taken steps to rebuild its longstanding relationship with the socialist country, despite this being viewed negatively by its new partner the United States.

### Regional Dimensions



Castro and Chavez

Source:

[http://aftermathnews.files.wordpress.com/2006/11/castro\\_chavez\\_military\\_dictators.jpg](http://aftermathnews.files.wordpress.com/2006/11/castro_chavez_military_dictators.jpg)

Venezuelan president Hugo Chavez has maintained a close and warm relationship with Fidel Castro since 1991. The bilateral relationship includes the exchange of development aid, joint business ventures, exchange of energy resources and information technology, and cooperation in intelligence services and military. The trade is based on comparative advantages that highly benefit both countries. Venezuela provides Cuba with subsidized oil to meet its consumption demands, and in exchange, Cuba provides Venezuela

with technical personnel such as physicians and teachers.

The Inter-American Commission on Human Rights, which is the human rights body of the OAS, released a report in May 2009 that found that restrictions on political rights and freedom of expression over a period of decades in Cuba have created a situation of permanent and systemic violations of fundamental rights. On June 1, 2009, Human Rights Watch called on the OAS to maintain Cuba's suspension based on the OAS's commitment to promote human rights and the rule of law in the region. The NGO group accused Cuba of violating the fundamental freedoms enshrined in the Inter-American Democratic Charter.

### Transnational Issues

Cuba witnesses, and is a source country for, the trafficking of children and women for the purpose of sexual exploitation or forced labor. Many parts of the country also face the problem of sex tourism, especially child sex tourism. Many Cuban migrants to the United States are exploited by their smugglers. Also, Cuba serves as a transit point to the US and Canada for illegal immigrants from China, Sri Lanka, Bangladesh and Lebanon. Added to

these issues, Cuba is also a transit point for the smuggling of drugs into the US and Europe.<sup>13</sup>

### ***Timeline of the Past Decade***

Much development has occurred in the past decade, especially in the last year, regarding Cuba's relations with the United States and the OAS. Cuba's relations with several countries in Latin America have also improved. US-Cuban relations were slow to thaw, however; the US embargo against Cuba has been in place since 1990, and the US has stated that it will continue this embargo "so long as it (Cuba) continues to refuse to move toward democratization and greater respect for human rights."<sup>14</sup> The Bush administration had also put in place restrictions regarding travel for families and for remittances being sent to Cuba.

Furthermore, in 2000, nation members of the OAS signed the Inter-American Democratic Charter, which states that representative democracy is a condition for belonging to the OAS. The Charter defined democracy as respect for human rights and fundamental freedoms, as well as the conduction of periodic free and fair elections based on secret balloting. The Charter also called for the separation of powers between truly independent branches of government and a pluralistic system of political parties and organizations. According to these requirements, Cuba clearly did not fit the criteria for a representative democracy, and its official suspension from the OAS was therefore continued.

Three years later, in 2003, seventy-nine Cubans were arrested in the Black Spring crackdown, including human rights activists, journalists, librarians, and democracy activists, all of whom were dissidents against the regime. As a result of that mass arrest, the European Union (EU) imposed an embargo against Cuba in 2003 after it accused the Castro regime of continuing violations of human rights and fundamental freedoms. However, as a result of developments in the years that followed, the embargo was



The Ladies in White, women whose male relatives were imprisoned during the Black Spring crackdown

Source: <http://www.liberal-international.org/contentFiles/images/Cuba,%20Damas%20Blanco.jpg>

<sup>13</sup> "Cuba." *CIA - The World Factbook*. 30 Jul 2009 <<https://www.cia.gov/library/publications/the-world-factbook/geos/cu.html>>.

<sup>14</sup> "Cuban Democracy Act of 1992." The United States of America Department of State. 30 Jul 2009 <[http://www.state.gov/www/regions/wha/cuba/democ\\_act\\_1992.html](http://www.state.gov/www/regions/wha/cuba/democ_act_1992.html)>.



lifted in 2008, and the EU resumed full ties with Cuba<sup>15</sup>.

On July 31, 2006, Fidel Castro's brother Raul Castro temporarily assumed the duties of President of the Council of State after the Fidel's illness. When Fidel Castro announced his resignation in 2008, Raul Castro was elected President on February 24 of that year. He has since announced several economic reforms intended to allow for a more market-friendly form of communism; currently, Cuba is suffering from shortages of food, and Raul Castro has attempted to ease this by lifting bans on cell phones and by abolishing its system of equal pay for all, both of which have led to inefficiency and underproduction. Raul has also called for a national dialogue on corruption and inefficiency, and in March 2009, he replaced twelve ministers. Furthermore, several dissidents arrested in years prior have been released but there are still about two hundred political prisoners being held. These developments have appeared to the international community as the initial signs of reform in Cuba and have led to improved relations with many formerly critical states.

In February 2009, five different bills were submitted in the US House of Representatives aimed at easing or lifting American trade and travel restrictions against Cuba. On February 26, 2009, the US House of Representatives passed the HR1105 Omnibus Appropriations bill that reversed Section 621 amendments that restricted travel to Cuba and narrowed the category of relatives who could be visited in Cuba. Section 622 of the bill significantly weakened the restrictions on the payment and financing terms for authorized exports of agriculture and medical supplies from the United States to Cuba, as well as suspended funds to enforce the "cash in advance" payment structure that required Cuba to pay US agriculture sellers in advance of shipment. On March 11, 2009, the US Senate passed the Omnibus spending bill that sought to ease restrictions and sanctions against Cuba. On March 17, 2009, Venezuelan President Chavez challenged President Obama to discuss Cuba before and during the Fifth Summit of the Americas. The following day, the Obama administration called on the Cuban government to release political prisoners. Ironically, a day later on the 18<sup>th</sup>, President Arias of Costa Rica announced that his country would re-establish ties with Cuba.

On the 31<sup>st</sup> of March, 2009, President Jose Miguel Insulza of the Organization of American States stated that the OAS should take steps to readmit Cuba after serious study and dialogue, since of all OAS member states only the United States did not yet have full diplomatic ties with Cuba. US President Barack Obama announced on April 13, 2009, that restrictions on Cuban American travel and remittances to Cuba would be lifted, and restrictions regarding cell phone, satellite radio and television transmissions would be loosened. The Obama administration announced on May 21, 2009, that it would be open to discuss Cuba migration issues, and on June 1, Cuba agreed to talks with the US regarding migration and direct mail services.

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<sup>15</sup> "EU lifts sanctions against Cuba." BBC News. 30 Jul 2009  
<<http://news.bbc.co.uk/2/hi/americas/7463803.stm>>.



On June 1, 2009, President Funes of El Salvador announced, after his swearing-in ceremony, that his government would normalize relations with all Latin American countries, and that diplomatic, commercial, and cultural ties with Cuba would be re-established. Mere days later, on June 3, 2009, the OAS voted at last to lift Cuba's suspension, despite protests by American Secretary of State Hillary Clinton, who was present at the Summit. Cuba had rejected any preconditions to a suspension revocation a few days earlier, but was nonetheless invited to begin a dialogue by which it may rejoin the OAS.

### ***Cuba's Response***

On June 6, 2009, Cuban officials stated that Cuba would not be rejoining the OAS. In an announcement published in the state newspaper, *Granma*, Fidel Castro stated, "Ever since the triumph of the revolution, the Organization of American States has taken an active part in support of Washington's policy of hostility toward Cuba. It made official the economic blockade, arranged for the embargo of arms and strategic products and stipulated the obligation that its member countries should break diplomatic relations with our revolutionary state... It is an organization with a role and trajectory that Cuba repudiates."<sup>16</sup> It therefore now remains up to the international community and, more specifically, members to the Organization of American states to decide what, if any, steps should be taken next.

### ***Questions to Consider:***

1. *Even though Cuba has rejected the OAS's invitation to join the organization again, is it worthwhile to try persuading Cuba to accept it to maintain a sense of cooperation in the Western hemisphere? If so, what incentives should be given to Cuba?*
2. *How would Cuba's individual relations with OAS member states affect the dynamic of the organization? Would differing opinions on the status of Cuba create a divide among the members?*
3. *Cuba continues to remain a communist state.<sup>17</sup> Would the OAS strive for the establishment of a democratic system in Cuba or integrate Cuba as a member, irrespective of the fact that it is a violation of the ideal of representative democracy?*
4. *Does Cuba's rejection of the OAS's offer of readmission weaken the OAS ideal of regional cooperation? Since Cuba has normalized relations with all OAS members but for the United States, is there any need for it to join the organization? If not, what incentive do other states have to remain in the OAS?*

### ***Conclusion***

Any formulation of policy on the status of Cuba is intertwined with numerous other aspects of the issue—the politics of the Cold War, tensions between Cuba and the US, an ideological

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<sup>16</sup> Robles, Frances. "Cuba rejects rejoining OAS." *The Miami Herald* Web. 30 Jul 2009. <<http://www.miamiherald.com/581/story/1088353.html>>.

<sup>17</sup> "Cuba." *CIA - The World Factbook*. 30 Jul 2009 <<https://www.cia.gov/library/publications/the-world-factbook/geos/cu.html>>.



divide between Cuba and all other OAS member-states, and the Cuban socioeconomic situation. Delegates are therefore urged to analyze this multifaceted problem keeping their country's diplomatic relations with Cuba in mind and placing them in the wider perspective of sociopolitical and economic equilibrium in the Western hemisphere.

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<<http://news.bbc.co.uk/2/hi/americas/5243500.stm>>.



Robles, Frances. "Cuba rejects rejoining OAS." *The Miami Herald* Web.30 Jul 2009.  
<<http://www.miamiherald.com/581/story/1088353.html>>.

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## Topic 2: Maintenance of Indigenous Peoples' Rights

### Introduction

The countries that form the American continent are incredibly diverse, not only amongst each other, but within themselves. Each individual country is made up of unique peoples and societies, with each possessing differing and occasionally competing interests. *Indigenous people* are the descendants of those who inhabited an area before it was colonized or settled by outsiders, who later proceeded to become the dominant group. They are strongly linked to their territories and natural resources; they have languages, cultures, beliefs, and social and political systems distinct from those of the dominant populations; and they are almost always disadvantaged socially, politically, and economically.<sup>18</sup>



UN Indigenous Peoples' Day

Source: [http://www.survival-international.org/lib/img/gallery/User\\_Galleries/news/original/west\\_papua\\_protest.jpg](http://www.survival-international.org/lib/img/gallery/User_Galleries/news/original/west_papua_protest.jpg)

Despite having suffered years of marginalization under colonial systems, there are over an estimated 370 million indigenous people throughout the world today.<sup>19</sup> While not a majority, indigenous people comprise a significant portion of the population, especially in Latin America, where 10 percent of the region's population is indigenous.<sup>20</sup> Within the past few decades, indigenous movements have been gaining momentum in the region and throughout the entire Western hemisphere.

In 1999, the OAS Permanent Council created the Working Group to Prepare the Draft American Declaration on the Rights of Indigenous Peoples,<sup>21</sup> and in 2001 the first Indigenous Leaders Summit of the Americas (ILSA) was held.<sup>22</sup> Indigenous leaders have

<sup>18</sup> United Nations Permanent Forum on Indigenous Issues (UNPFII). "Indigenous Peoples, Indigenous Voices: Factsheet." UNPFII, 2006. Retrieved May 2009 from <[http://www.un.org/esa/socdev/unpfi/documents/5session\\_factsheet1.pdf](http://www.un.org/esa/socdev/unpfi/documents/5session_factsheet1.pdf)>.

<sup>19</sup> Ibid.

<sup>20</sup> Javier, Evangeline. "Building a Better Future for Latin America's Indigenous Peoples." World Bank News and Broadcast. Retrieved 13 May 2009 from <<http://go.worldbank.org/9C3MTGBZ50>>.

<sup>21</sup> Organization of American States (OAS). "The Rights of Indigenous Peoples." Retrieved May 2009 from <[http://www.oas.org/key\\_issues/eng/KeyIssue\\_Detail.asp?kis\\_sec=13](http://www.oas.org/key_issues/eng/KeyIssue_Detail.asp?kis_sec=13)>.

<sup>22</sup> Indigenous Leaders Summit of the Americas. Information Bulletin #1." 2009. Retrieved May 2009 from <[http://www.summit-americas.org/V\\_Summit/CS/clia\\_inf\\_bulletin\\_en.pdf](http://www.summit-americas.org/V_Summit/CS/clia_inf_bulletin_en.pdf)>.



been making significant progress in the Americas and around the world, but they have a long way to go in accomplishing their goals.

### ***Effects of Colonial Practices on Indigenous Communities***

In both the developed and developing world alike, indigenous peoples find themselves in the lowest socioeconomic groups. This can be attributed to both historical colonial acts, as well as to current patterns of discrimination. Not only are a majority of indigenous peoples living in extreme poverty, but they are also kept far from any political power, which makes improving their situations even more difficult. Economic and political marginalization has a number of unfortunate social consequences as well.<sup>23</sup>

Throughout the colonial history of most countries, not just those in the Americas, vast landholdings were taken from the native peoples, often through unethical means. Whether via unfair deals or outright theft, colonial governments acquired a majority of the land and left the indigenous populations with barely enough to survive on. Without their fundamental resources, indigenous peoples throughout the world descended into economic, physical, political, and social destitution. Unable to survive as they had done for hundreds and even thousands of years, many communities began to fall apart as their cultural ties weakened under duress.<sup>24</sup> Prevented by colonial and national governments from managing their own resources and rights, it became increasingly difficult for indigenous people to maintain the social systems that formerly held their communities together.

In spite of such adverse circumstances and vastly reduced populations, indigenous communities in the Americas have proven to be resilient and determined to reduce the inequalities faced by their people while maintaining their distinctive characteristics as indigenous communities.

### ***Indigenous People and the International Community***

Even though every indigenous group is culturally unique, there are a number of problems common to most, including but not limited to: violations of human rights, struggles for recognition of unique identities and ways of life, and rights to land and occasionally the sea. These issues that have plagued most indigenous groups ever since the coming of settlers and colonizers made indigenous people some of the most vulnerable on earth. Over the past thirty years, however, indigenous leaders and representatives have exponentially

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<sup>23</sup> Anaya, James. OAS. Lecture Series of the Americas. "The Contribution of Indigenous Peoples to the International Human Rights System." Washington, D.C.: Department of International Affairs, 2008. Retrieved May 2009 from <<http://www.der.oas.org/lecture.html>>.

<sup>24</sup> Anaya, James. OAS. Lecture Series of the Americas. "The Contribution of Indigenous Peoples to the International Human Rights System." Washington, D.C.: Department of International Affairs, 2008. Retrieved May 2009 from <<http://www.der.oas.org/lecture.html>>.


increased their lobbying efforts to national governments and supranational organizations like the UN, and have subsequently achieved much recognition and aid for their cause.<sup>25</sup>

### The United Nations Declaration on the Rights of Indigenous Peoples

The most groundbreaking recent development in the area of indigenous peoples' rights was the adoption of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) in 2007. The Declaration was the result of 20 years of negotiations between indigenous peoples and nation-states, and it provides a framework for mutual respect and justice in future actions. A staggering majority of UN member-states voted in favour of the Declaration, with only four votes against it: the United States, Canada, Australia, and New Zealand. Colombia was one of 11 abstentions.<sup>26</sup>

On April 3<sup>rd</sup>, 2009, Australia reversed its decision and put its support behind the Declaration.<sup>27</sup> Since the adoption of the Declaration, and especially after Australia's recent switch to support it, the United States, Canada, and New Zealand have been under considerable pressure from the international community to support it as well.

An important concept in the discourse on indigenous issues is that of *self-determination*, which UNDRIP defines as the right of a people "to freely determine their political status and freely pursue their economic, social, and cultural development."<sup>28</sup> Traditionally, this right has been assumed to signify independent statehood and to therefore belong solely to nation-states, but indigenous peoples have made it clear that communal self-determination does not need to undermine state sovereignty. Articles 3, 4 and 5 allow indigenous communities to control their own local governments and cultural, social, economic, and political

United Nations	A/RES/61/295
 <b>General Assembly</b>	Distr.: General 2 October 2007
Sixty-first session Agenda item 68	
<b>Resolution adopted by the General Assembly</b> <i>[without reference to a Main Committee (A/61/L.67 and Add.1)]</i>	
<b>61/295. United Nations Declaration on the Rights of Indigenous Peoples</b>	
<i>The General Assembly,</i> <i>Taking note of the recommendation of the Human Rights Council contained in its resolution 1/2 of 29 June 2006,<sup>1</sup> by which the Council adopted the text of the United Nations Declaration on the Rights of Indigenous Peoples,</i> <i>Recalling its resolution 61/178 of 20 December 2006, by which it decided to defer consideration of and action on the Declaration to allow time for further consultations thereon, and also decided to conclude its consideration before the end of the sixty-first session of the General Assembly,</i> <i>Adopts the United Nations Declaration on the Rights of Indigenous Peoples as contained in the annex to the present resolution.</i>	
<i>107th plenary meeting 13 September 2007</i>	
<b>Annex</b> <b>United Nations Declaration on the Rights of Indigenous Peoples</b>	
<i>The General Assembly,</i> <i>Guided by the purposes and principles of the Charter of the United Nations, and good faith in the fulfilment of the obligations assumed by States in accordance with the Charter,</i> <i>Affirming that indigenous peoples are equal to all other peoples, while recognizing the right of all peoples to be different, to consider themselves different, and to be respected as such,</i> <i>Affirming also that all peoples contribute to the diversity and richness of civilizations and cultures, which constitute the common heritage of humankind.</i>	
<b>Source:</b> <a href="http://www.undp.org/partners/cso/images/Publications/UNDRIP.jpg">http://www.undp.org/partners/cso/images/Publications/UNDRIP.jpg</a>	

<sup>25</sup> United Nations. Office of the High Commissioner for Human Rights (OHCHR). "Leaflet no. 1." Geneva: UN, 2009. Retrieved May 2009 from <[www.ohchr.org/Documents/Publications/GuideIPleaflet1en.pdf](http://www.ohchr.org/Documents/Publications/GuideIPleaflet1en.pdf)>.

<sup>26</sup> United Nations. International Work Group on Indigenous Affairs (IWGIA). "Declaration on the Rights of Indigenous Peoples." *IWGIA*. Retrieved May 2009 from <<http://www.iwgia.org/sw248.asp>>.

<sup>27</sup> "Australia Backs UN Declaration on Indigenous Rights." *CBC News*, 3 Apr. 2009. Retrieved 13 May 2009 from <<http://www.cbc.ca/canada/north/story/2009/04/03/australia-indigenous.html>>.

<sup>28</sup> United Nations. General Assembly (GA). "A/RES/61/295 United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)," Article 3. 2007. Retrieved May 2009 from <[www.iwgia.org](http://www.iwgia.org)>.

institutions, *within* the context of their overarching national governments. Most indigenous and non-indigenous peoples agree with a statement made by James Anaya, a professor of human rights law and policy and a lecturer for the Lecture Series of the Americas sponsored by the OAS, who stated that “indigenous communities are different from but not inferior to states.” It is now assumed that, rather than either being dominated by nation-states or undermining their sovereignty, indigenous communities can work in tandem with national governments to come to mutual agreements.

The Declaration is nonbinding, meaning that it does not put any legal boundaries on supporting nation-states. Rather, it is a display of moral commitment by nations to protect the rights of indigenous peoples, and it provides a number of procedures for conflict resolution that are deemed acceptable and fair by both indigenous peoples and their nation-states.<sup>29</sup>

### **The Draft American Declaration on the Rights of Indigenous Peoples**

OAS Assistant Secretary-General Ambassador Albert Ramdin stated, “There can be no question that indigenous peoples have been excluded for too long from the political and economic life of many of our societies,” but conditions are beginning to improve with increased political participation by marginalized groups.<sup>30</sup> The Draft American Declaration on the Rights of Indigenous Peoples forms the most prominent aspect of the attempt by the OAS as a whole to include indigenous peoples in their negotiations.



Ambassador Albert Ramdin

Source:

<http://www.sedi.oas.org/dttc/TRADE/IMAGES/Ramdin.jpg>

However, when the Working Group to Prepare the Draft American Declaration on the Rights of Indigenous Peoples was first established in 1999, it was based on a closed-door system that excluded civil society as well as the very indigenous people it aimed to promote. Instead of consulting with indigenous peoples, the member states chose to consult with anthropologists and members of other related academic fields. The demands by indigenous leaders for inclusion in the meetings, combined with gradual moves toward collaboration by certain member states, resulted in the granting of equal participatory status to indigenous peoples in the Working Group’s meetings

in 2003.<sup>31</sup> Since then, much progress has been made on the Draft Declaration,<sup>32</sup> though there is still no definitive end in sight for its completion.

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<sup>29</sup>United Nations. International Work Group on Indigenous Affairs (IWGIA). “Declaration on the Rights of Indigenous Peoples.” *IWGIA*. Retrieved May 2009 from <<http://www.iwgia.org/sw248.asp>>.

<sup>30</sup> Organization of American States (OAS). “The Rights of Indigenous Peoples.” Retrieved May 2009 from <[http://www.oas.org/key\\_issues/eng/KeyIssue\\_Detail.asp?kis\\_sec=13](http://www.oas.org/key_issues/eng/KeyIssue_Detail.asp?kis_sec=13)>.

<sup>31</sup> “Draft American Declaration on the Rights of Indigenous Peoples.” *Indian Law Resource Center (ILRC)*. Retrieved 16 May 2009. <<http://www.indianlaw.org/en/projects/ihr/oas/draft>>.



The main purpose behind the Draft American Declaration is to bolster recognition of indigenous peoples' rights as equal to those of non-indigenous peoples, and to put an end to the glaring abuses of these rights within OAS member states. Anaya said, "For indigenous peoples of the Americas and elsewhere, historical acts of oppression are not just blemishes of the past, but rather translate into current inequities."<sup>33</sup> Indigenous leaders and everyone involved in the creation of the Draft Declaration aim to overcome these inequities and barriers in place since colonization. With the ongoing development of national and international human rights regimes, indigenous leaders are ever more able to use the law as an instrument for voicing their concerns and working toward justice.

Work on the Draft Declaration has slowed in recent years, but a number of national and regional indigenous representatives have emphasized the importance of its continuation. Indigenous leaders have been expressing their concerns about a state of mounting violations of indigenous rights, and are increasing their efforts to create dialogues with government officials, financial managers, civil society members, and even development agents.<sup>34</sup>

### ***Globalization, the Environment and Current Issues***

As people around the Earth become increasingly aware of occurrences in other parts of the world, issues and information that were once only local are now becoming global concerns. Through this process of globalization, indigenous communities are benefiting from increasing recognition and aid; however, not all of the attention furthers indigenous causes.

Many worldwide organizations aiming to promote biodiversity, for example, do not have goals as closely aligned with those of the indigenous populations as one might imagine. Both interest groups want to protect the existence of unique environments like the Andean wetlands, but perception each has of the act of 'protecting' differs. Even now, it is commonly assumed by academic biodiversity experts that in order to protect natural habitats, these places need to be *preserved*, which usually results in the banishment of the human populace in the area. This is in contrast to the idea that natural habitats which include indigenous populations need to be *conserved* in order to protect the continuing

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<sup>32</sup> The most recent version of the document can be found by clicking on "New Base Text" in the article entitled "Draft American Declaration on the Rights of Indigenous Peoples" at [www.indianlaw.org](http://www.indianlaw.org).

<sup>33</sup> Anaya, James. OAS. Lecture Series of the Americas. "The Contribution of Indigenous Peoples to the International Human Rights System." Washington, D.C.: Department of International Affairs, 2008. Retrieved May 2009 from <<http://www.der.oas.org/lecture.html>>.

<sup>34</sup> Crippa, Leonardo A. "Indigenous Leaders Highlight Human Rights Abuses and Need for an American Declaration on Indigenous Rights." [Indian Law Resource Center](http://www.indianlaw.org/node/400). 26 Mar. 2009. Indian Law Resource Center. 1 July 2009 <<http://www.indianlaw.org/node/400>>.



existence of all members of the environment—flora, fauna, amphibians, *and* humans included.<sup>35</sup>

This seemingly minute difference in perspective illustrates the challenge in integrating indigenous peoples' views and agendas into the political sphere. While indigenous peoples are undeniably becoming a greater political presence, the fact that they are vastly outnumbered and less supported than non-indigenous parties and interest groups cannot be ignored.

### **Indigenous People of the Americas and the Environment**

It is impossible to exclude the environment from a complete discussion on indigenous issues. The environment and its resources are undeniably vital to the survival of all humans, but people have different relationships with them and exist at varying levels of dependence upon them. The average North American, for example, certainly eats food harvested from the ground, a natural resource. He or she, however, has an abundance of choice: if it is a bad corn season in Illinois, a person can go to the grocery store and purchase corn from another part of the country—or the world, for that matter—or simply purchase another type of vegetable.

Not everyone has this luxury. About 70% of the poor worldwide are *directly* dependent upon their natural resources,<sup>36</sup> and the percentage of indigenous peoples in this situation is likely even higher. This means that a bad crop year devastates such farmers and puts them at risk of malnutrition, disease, and greater economic misfortune. This direct dependence on land and other natural resources often puts indigenous communities at odds with national governments; mining, gas, and hydroelectricity companies; commercial developers; and countless other interest groups.

Indigenous people today, with a much greater presence in local, national, and supranational politics, are not facing these challenges sitting down. Throughout the Americas and the world at large, a rapidly growing number of indigenous groups are mobilizing to protect their rights and resources, channeling their efforts through grassroots movements, non-governmental organizations (NGOs) and political maneuvers. Below are a few examples of current clashes between indigenous communities and other interests in OAS member states:

- **Peru:** Tensions between indigenous communities and the Peruvian government escalated to a fatal confrontation in Bagua on June 5, 2009, after a number of legislative decrees were passed by the administration without the consent of the

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<sup>35</sup> "Conservation vs. Preservation: What's the Difference?" Texas Environmental Profiles. Texas Center for Policy Studies and Environmental Defence. 1 July 2009  
<[http://www.texasep.org/html/lnd/lnd\\_5pub\\_cons.html](http://www.texasep.org/html/lnd/lnd_5pub_cons.html)>.

<sup>36</sup> Eldis - Livelihoods Connect. 2009. Institute of Development Studies (IDS). 25 May 2009  
<<http://www.eldis.org/go/livelihoods/>>.

affected indigenous communities. The administration justified this bypass of the usual discussion process by stating that the decrees were necessary for the speedy implementation of the Peru-U.S. free-trade agreement. The numerous decrees allow developers access to immense tracts of the Peruvian Amazon (about 60% of Peru's territory) and make acquiring indigenous title less difficult. Within a week after the violent outbreak in Bagua, officials suspended two of the decrees, but tensions and hostility are still high.<sup>37</sup>



Confrontation in Bagua, Peru

Source:

<http://www.indymedia.org/images//2009/06/925339.jpg>

- **Canada:** In the province of British Columbia, the proposed development of a copper and gold mine led to a petition against it by the indigenous Nak'azdli Band. The Band states that after agreeing to a government-to-government arrangement that would grant decision-making influence to both the Nak'azdli people and the provincial government, the provincial government approved the mine project without consulting the Nak'azdli people. The petition was presented on the grounds that the Nak'azdli people were not taken into consideration by the provincial government, and that the mine would bring about much harm to the surrounding environment and wildlife in Nak'azdli Territory.<sup>38</sup>

### Questions to Consider

1. *Why should or should not the US and/or Canada support UNDRIP? Should the OAS urge them to support it, or leave them to make their own decisions?*
2. *Should self-determination belong only to nation-states? What might the consequences be of granting indigenous communities this right? What are some issues on which national governments might wish to cooperate with indigenous communities, and how might they best go about this?*
3. *Should the Draft American Declaration on the Rights of Indigenous Peoples be a priority for the OAS? What are some methods that the OAS and indigenous leaders can*

<sup>37</sup> Barrera-Hernández, Lila. "Peruvian Indigenous Land Conflict Explained." Indigenous Peoples Issues & Resources. 16 June 2009. Bauu Institute and Press. 30 June 2009 <<http://indigenouspeoplesissues.com/index.php?>>.

<sup>38</sup> "Nak'azdli Band Files Petition Against Mt. Milligan Gold Copper Project." Indigenous Peoples Issues & Resources. 2009. Bauu Institute and Press. 30 June 2009 <<http://indigenouspeoplesissues.com/index.php?>>.



*use to better facilitate cooperation and agreement? What are some issues that should be discussed and agreed upon?*

4. *Should local indigenous populations have more influence over decisions concerning the environment, or should national governments take control for their countries? What might the consequences of either arrangement be, and how might they best be overcome?*
5. *What are some of the benefits of working more closely with indigenous peoples? Consider their knowledge of, and their abilities to survive in, their specific environments, and how this might be useful. For example, many biologists, pharmaceutical companies, and others are very interested in indigenous knowledge of medicinal plants, animal migration patterns, etc.*
6. *Why is a framework of cooperation, as opposed to an authoritarian approach, between indigenous peoples and national governments more likely to be successful in aiding indigenous peoples? Consider the social and cultural differences between the two parties, and how these might affect their perspectives, goals, and means of achieving their objectives.*

### **Conclusion**

As all aspects of our world continue to transform drastically, no one can avoid being swept into the changes, even those in the most remote areas. Few people live in complete isolation anymore, and this has both its benefits and drawbacks. For indigenous peoples, globalization has brought about awareness and recognition of their situations, and indigenous peoples and their proponents have made enormous headway in gaining social and economic aid and in pushing their ways into the political sphere. Despite this progress of the past few decades, however, indigenous peoples are still among the poorest and most politically disadvantaged on earth.

Today, indigenous peoples constitute approximately 5% of the world's total population but over 15% of its poor.<sup>39</sup> In order to ensure the survival of millions of people in our hemisphere, it is necessary to take indigenous needs seriously. With the 2007 adoption of the United Nations Declaration on the Rights of Indigenous Peoples, most of the world showed that it was ready to acknowledge the injustices borne by indigenous peoples, and to work toward cooperation and equal treatment. If OAS member states wish to show their support for a significant portion of their populations, they must pursue a working relationship with their indigenous citizens. Whether via individual government-to-government agreements, regional organizations, OAS declarations, or any other means of collaboration, relationships based on mutual respect and cooperation must be pursued with indigenous peoples.

Delegates, you are encouraged to familiarize yourself with some of the indigenous communities in your countries and to make an effort to understand their concerns.

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<sup>39</sup> World Bank. 25 May 2009 <<http://www.worldbank.org>>.



Thereafter, keeping these concerns in mind, you should formulate your policies to integrate the same and ensure the stable and progressive existence, as well as assimilation, of indigenous people into the different political and socioeconomic realms of your respective nation state.

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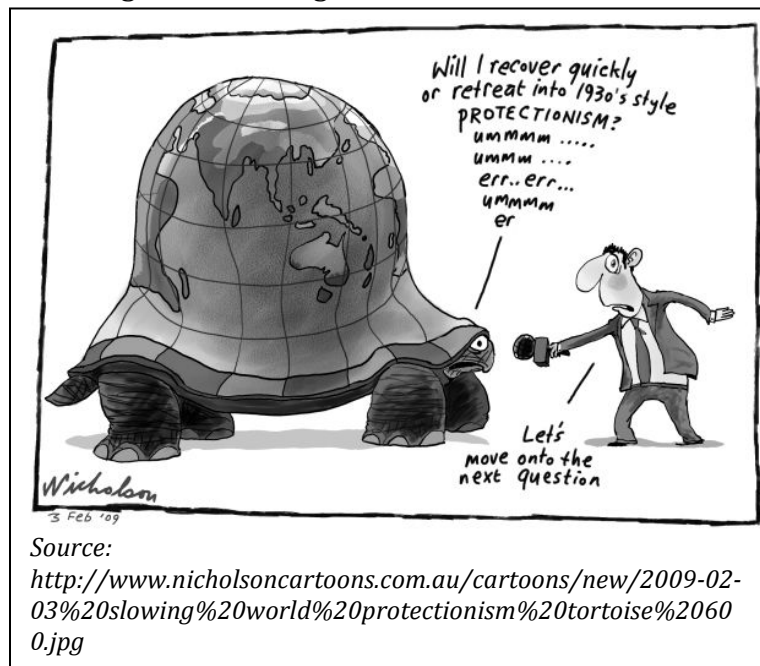
World Bank. 25 May 2009 <<http://www.worldbank.org>>.

### Topic 3: Creation of a Free Trade Area in the Americas

#### Introduction

International trade faces many obstacles, including but not limited to language barriers, differences in local laws, customs, and currency, all of which when amalgamated together complicate transactions. Beyond these barriers are difficulties regarding different governments' trade policies, specifically those involving restrictions placed on international trade.<sup>40</sup> One extreme is a policy of free trade, where there is an absence of governmental interference with the free flow of international trade. At the other extreme is protectionism, where a government works to protect domestic industries from foreign competition. The debate among contemporary economists focuses on which trade policy is the most beneficial, and it is your responsibility as a delegate to determine the position of your state and to understand all aspects of both pro- and anti-free-trade opinions. You must identify the advantages and disadvantages of creating a free trade area in the Americas, keeping in mind the objective of *expanding trade, as a means of boosting growth and the capacity to generate more, higher quality, and better-paying jobs*<sup>41</sup>, as enshrined in the Declaration of Mar del Plata. (Fourth Summit of the Americas, November 2005)

With the global economy flagging and leading economic organizations and business leaders talking about a “global recession,” the discussion is often centered on what can be done to prevent further economic downturn. The recession the world is currently in the midst of can be defined as a “sharp slowdown in global growth.”<sup>42</sup> The volume of world trade is projected to contract sharply in 2009 by as much as -9%, as it is being driven lower by the collapse in global demand.<sup>43</sup> While no one can truly predict how deep this recession may be or how long it might last, the existent fragility of the global economy is incontrovertible. Given this economic situation,



<sup>40</sup> Richard G. Lipsey and Christopher T. S. Ragan, *Economics* (Toronto: Addison Wesley, 2003), 841.

<sup>41</sup> "Declaration of Mar del Plata: Fourth Summit of the Americas." 05 Nov 2005. U.S Department of State. 3 Aug 2009 <<http://www.state.gov/p/wha/rls/56901.htm>>.

<sup>42</sup> Andrew Walker, "What is a global recession?," *BBC News* 10 Feb 2009.

<sup>43</sup> *World Economic Outlook: Crisis and Recovery*, (Washington: International Monetary Fund, April 2009).



many countries are left to consider whether to open their economies to free market reforms, or to become more introverted and to favor protectionism.

### ***History and Current State of the Topic***

The International Monetary Fund's (IMF) World Economic Outlook, a report issued in April 2009, provides an analysis of and future projections for the world's economy; it currently warns against turning to protectionism because protectionism "hampers productivity growth."<sup>44</sup> Past episodes of financial crisis have shown that delays in tackling the underlying problem lead to an even more protracted economic downturn and even greater costs in terms of both taxpayer money and economic activity.<sup>45</sup> As compared to the financial Great Depression of the 1930s, the economic crisis the world is witnessing today is on a scale much vaster than before. The Depression of the 1930s saw little international cooperation, given the political tensions that existed among major countries and the increasing protectionist tendencies that were cropping up. However, today an international monetary system, unprecedented policy support, and more favorable initial macroeconomic conditions are the key features that distinguish the current crisis from the Great Depression.<sup>46</sup> Thus, the world is currently in a situation where global dialogue on a crisis which impacts the international community at large is both integral and crucial. Closely intertwined with this crisis are questions about protectionism and free trade, which are numerous and vital.

One of the key responsibilities of the OAS today is to help member states, particularly those with smaller economies, "to develop the capacity they need to negotiate, implement and administer trade agreements and to take advantage of the benefits offered by free trade and expanded markets."<sup>47</sup> The OAS encourages the development of multiple trade agendas, which have become a necessary aspect of globalization, and also facilitates sub-regional and bilateral trade agreements.

Discussions of protectionism and free trade are, in essence, a discussion of perspective: is it more important to protect *domestic* industries and encourage their economic development, or is it more essential to sustain a *global* economic system? It is important to note that domestic and global systems are not mutually exclusive; one must understand both the micro- and the macro- aspects in order to comprehend the current economic crisis. There are aspects of each which must be investigated while analyzing the other. It is thus essential to maintain a multi-level analysis of an economic system which is inherently multi-dimensional itself, due to the kaleidoscopic world we inhabit.

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<sup>44</sup> Ibid., 53.

<sup>45</sup> Ibid., 15.

<sup>46</sup> Ibid., 124.

<sup>47</sup> Organization of American States. "Key OAS Issues: The OAS and Free Trade." July 2007. <[http://www.oas.org/key\\_issues/eng/KeyIssue\\_Detail.asp?kis\\_sec=15](http://www.oas.org/key_issues/eng/KeyIssue_Detail.asp?kis_sec=15)>.

### The Case for Free Trade

International trade is essential in today’s world. Based on factors such as geography and climate, it is necessary for countries to forge relationships so that all citizens may have access to a range of commodities. The creation of trade relationships allows countries to specialize in producing products in which they have a comparative advantage—that is, are able to more easily produce than are other countries—and still have access to any necessary items.<sup>48</sup> This maximizes world production and subsequently average world living standards.

However, while free trade has the potential of improving every individual’s standard of living, this does not always occur in practice. Disparities in income, for example between a business-owner and a farmer in Latin America, may be exacerbated as smaller business owners are unable compete on a global level. For example, if tariffs are reduced, there is a greater flood of international competition into any given country. Without any protective tariffs, it is possible that big businesses would commandeer an even greater percentage of the market, leaving small and medium-sized businesses in their dust.

When the North American Free Trade Agreement (NAFTA) was established in 1994, approximately one fifth of the Mexican population pursued corn farming as their main source of living. However, after NAFTA and the consequent entry of American corn imports into an enlarged market, the domestic price of corn dropped by 70 per cent and the income levels of Mexican farmers declined by 30 per cent when compared to their pre NAFTA levels.<sup>49</sup>



### The Case for Protectionism

Traditionally, protectionism—that is, the establishment of tariffs or other means to protect a country’s businesses from the potentially lower prices that result from international competition—has been looked upon with disfavor by the international community. Yet, protectionism does not necessarily entail the extreme measures that the term has come to connote, which are usually those characteristic of a fully closed economy. This general perception

<sup>48</sup> Lipsey and Ragan, *Economics*, 842.

<sup>49</sup> "Trading out of poverty in Latin America." Institute for the study of the Americas. 3 Aug 2009 <<http://fpc.org.uk/fsblob/822.pdf>>.



of and attitude towards protectionism was recently demonstrated in the outcry over the *Buy American* Clause in the 2009 U.S. American Recovery and Reinvestment Act. This Act was an economic recovery package which called for modernization of America's infrastructure, expanding educational opportunities and providing tax relief in order to stimulate the receding economy. However, the *Buy American* clause in this act has caused an international uproar and outrage over potentially protectionist policies. The clause seeks to ensure that only US iron, steel and manufactured goods are used in projects funded by the bill. European and Canadian ambassadors immediately criticized the clause, stating that it could "provoke protectionism and trigger retaliatory moves [and] erode global leadership on free trade."<sup>50</sup> The main concern with the clause is that it would set a precedent: in a time of a *global* economic crisis, small protectionist legislation has the potential to snowball and trigger trade wars, destroy public confidence, and spur greater economic decline. Due to the outcry, a subsequent "saving clause" was added to the legislation which stated that the clause would be enacted "in a manner consistent with United States obligations under international agreements."

The reaction to the potentially protectionist clause of this legislation displays the generally accepted opinion when it come to protectionist policies. Many believe that if countries do desire some level of protectionism to dig themselves out of the economic crisis, it should be achieved through the use of minimal **tariffs** or by implementation of **nontariff barriers (NTBs)**. Tariffs are taxes applied on the import of goods and services and are designed to raise the prices of foreign goods, while NTBs are restrictions other than tariffs designed to reduce the flow of imported goods or services, such as restrictions on products imported from a certain location or held to a certain health standard.<sup>51</sup> Both tariffs and NTBs, however, are often viewed as means to avoid free trade and can be highly criticized.

The case for protectionism does arise from two main arguments: the first concerns national objectives *other than* maximizing total income while the second concerns the desire to increase a country's national income, possibly at the expense of the national incomes of another country.

Free trade could allow a small country to focus on the production of only a few goods while reaping the benefits of the manufacturing power of larger countries. This scenario, however, may not be as beneficial as it sounds, as specialization in only a few products opens up the door to many risks. One risk is that technological advances can render the basic product obsolete, and another risk is that fluctuations in world prices could lead to a large output of a product with little revenue. A pro-tariff argument would mean that a domestic government would be able to encourage a more internally diversified economy by protecting industries that otherwise could not compete with other such industries on a global scale.<sup>52</sup> For example, it is much cheaper for a country like Canada to import goods

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<sup>50</sup> "EU attacks 'Buy American' clause," [BBC News](#) 3 Feb 2009.

<sup>51</sup> *Ibid.*, 841.

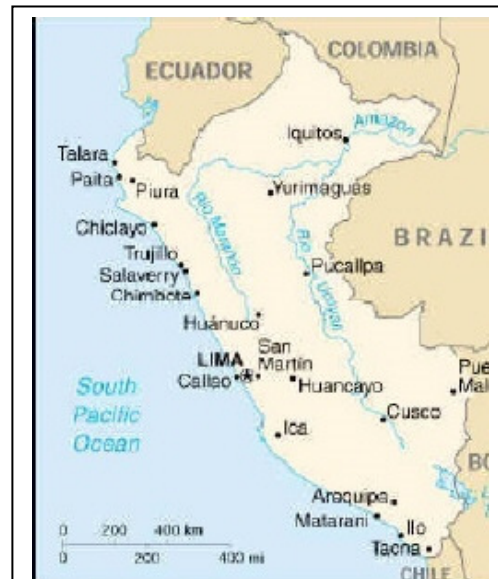
<sup>52</sup> *Ibid.*, 843.

made by unskilled laborers from another country than to buy items from unskilled laborers within Canada; however, the implementation of protectionist policies would raise the incomes of unskilled Canadian workers, as they would no longer have to compete against the low-labor costs in other countries.

The use of tariffs also allows for protection of infant industries. Protection encourages local industries to look within their own country so as to minimize the costs of importing labor and products. Also, a developing country may find that in the early stages of development, its industries are unable to compete with established foreign rivals. A trade restriction may protect these industries from foreign competition long enough to establish themselves.

**The OAS and Free Trade**

The role of the OAS is crucial to the progress of the Western hemisphere in attaining its goal for increased trade in the Americas. Through the Department of Trade and Tourism, the OAS not only reinforces the human and institutional resources available, but also catalyzes trade opportunities in the region. The OAS has supported the process of the Free Trade Area of the Americas (FTAA), as well as other agreements in the region, which would enable the growth of new markets and provide new job opportunities and adequate avenues for investment. The role of the OAS is also instrumental in providing the required resources to build adequate capacity in the face of changing market adjustments. In addition to the aforementioned, the OAS collaborates with organizations such as the International Development Bank (IDB), the United Nations Economic Commission for Latin America and the Caribbean (ECLAC), the World Trade Organization (WTO), the UN Conference on Trade and Development (UNCTAD) and the World Bank to strengthen and build partnerships in and for the betterment of the region.<sup>53</sup>



Peru

Source:

[http://www.export.gov/wcm/groups/exportgov/documents/web\\_content/~export/Peru\\_MoM~5~exp\\_centercontent2/21856-3.jpg](http://www.export.gov/wcm/groups/exportgov/documents/web_content/~export/Peru_MoM~5~exp_centercontent2/21856-3.jpg)

**Case Study: The US-Peru Trade Promotion Agreement (US-Peru TPA)<sup>54</sup>**

The United States and Peru signed the U.S.-Peru Trade Promotion Agreement on April 12, 2006. The goal was to take advantage of the Peruvian framework to develop businesses by making it

<sup>53</sup> "The OAS and Free Trade." July 2007. Organization of American States. 3 Aug 2009 <[http://www.oas.org/key\\_issues/eng/KeyIssue\\_Detail.asp?kis\\_sec=15](http://www.oas.org/key_issues/eng/KeyIssue_Detail.asp?kis_sec=15)>.

<sup>54</sup> "Peru Trade Promotion Agreement." Office of the United States Trade Representative. 01 June 2009. 03 August 2009. <<http://www.ustr.gov/trade-agreements/free-trade-agreements/peru-tpa>>



accessible to U.S. exporters and creating a good trade and policy partner for the United States. The agreement involves a graduated system of tariff elimination on goods and services between the two countries, with goods categorized according to the amount of time it would take for tariffs to be removed. For example, Category A encompasses goods that became duty-free immediately, whereas goods in Category C would have their duties be eliminated in ten equal annual stages.

The goals of the Agreement are to consolidate and extend bilateral trade between the US and Peru, attract foreign investment to Peru, generate employment, increase income and curb poverty levels. As well, it would strengthen US investments and inhibit the spread of drug trafficking by having increased US checks and balances on exports from Peru.

There is still a considerable amount of criticism surrounding this agreement, however. Many people believe that it will encourage child labor in Peru and debilitate already Peru's weak labor rights in order for the country to keep up with its increased desire to export to the US. In addition, smaller industries and farmers in Peru will not be able to compete with big businesses based in the US, a state that will expose subsistence farmers to disruptive competition. This agreement could also open up indigenous land to foreign investment and timber, oil, and mining exploitation.

### **Questions to Consider**

1. *How have protectionist policies come to possess negative connotations in the global community? Think about what fears may have surfaced with the introduction of a potentially protectionist agenda during a global economic crisis.*
2. *If there is so much outcry against protectionism, why might there be an intriguing gravitation towards it? Consider the potential for the "Buy American" clause setting a precedent for creating global checks against protectionism.*
3. *What specific efforts could the OAS undertake to assist your country's needs? What is more important when discussing the economic dynamic of the Western hemisphere— regional or local welfare?*
4. *How could the socio-economic status of a country, such as its classification as a 'developed' or 'developing' nation, impact its opinion on the protectionism vs. free trade debate? Think about what the advantages and disadvantages are for free trade and protectionism depending on a country's economic state.*
5. *How does the protectionism vs. free trade debate influence a concern on the maintenance of democracy, an ideal enshrined in the mandate of the OAS? Are democratic ideals questioned by attempts to instigate protectionism? Is a free market economy an aspect of an ideal democratic system? Remember that the debate over a free market economy goes beyond simple economic concerns.*
6. *What barriers can be put in place to either inhibit protectionism, or to encourage a free market economy? Is there such thing as a true "free trade"? Is it possible for there to be a middle ground?*



### **Conclusion**

International trade is becoming increasingly important. As the world begins to progress towards creating a global community, with highways of information becoming more and more efficient, the global economy has to become increasingly open as well. Actively engaging in international trade means that resources are more widely produced and readily available for consumption all over the world. In this type of economic system, both a free market economy and protectionism have their benefits and their downfalls, and it is important to be able to create a working balance between the two. Free trade increases the world output of all products, which means an overall increase in standards of living, while protectionism restricts regional specialization, encouraging the creation of a diverse and initially “infant” economic system especially in less developed countries. Whether policies are in favor of protectionism or a free market economy, it is critical to comprehend how vast the world has become. In the midst of this debate, delegates, you bear upon yourself the onus of deciding whether it would be wise to create a free trade area in the American continents and if so, what steps should be taken to assure the same.

*Delegates are also encouraged to refer to*

*<http://www.imf.org/external/pubs/ft/weo/2009/01/index.htm>*

A link to the IMF's World Economic Outlook (WEO), an IMF analysis and projections of economic developments at the global level, in major country groups (classified by region, stage of development, etc.), and in many individual countries. It focuses on major economic policy issues as well as on the analysis of economic developments and prospects. It is usually prepared twice a year, as documentation for meetings of the International Monetary and Financial Committee, and forms the main instrument of the IMF's global surveillance activities. It is an excellent source for gaining an overview of the global economy and current economic crisis.

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