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Guatemala: Peace Accords Offers Blueprint for Reform



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Key Findings

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Ten years after the signing of the peace accords, the Guatemalan Government has successfully maintained a cease-fire and demobilized combatants, but its failure to fully implement key aspects of the agreements has impeded efforts to overcome high rates of poverty and strengthen democratic institutions. The 1996 peace accords uniquely aimed to address not only the immediate consequences of the violent struggle, but also to overcome the root causes of the conflict:

- Successive peaceful transitions of power during the past decade demonstrate significant progress toward political stability.
- The government's most visible achievements has been dramatically reducing the military budget to 0.33 percent of GDP—half of the peace accords target—drawing down the armed forces, and carrying out intelligence reforms.
- The sustainability of President Oscar Berger's efforts to increase health and education spending and finance other reforms will be determined primarily by the government's ability to increase revenue through tax collection, which is currently among the lowest in the Hemisphere.
- The government's insufficient capacity to provide public security and reduce the alarming rates of violence could negatively impact the success of implementation efforts.

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While the general public does not closely follow peace accords implementation, there is consensus that the key components of the accords such as poverty reduction, protection of human rights, and racial equality should be the focus of policy dialogue in Guatemala. Encouraging the government to fulfill peace accords commitments will help to strengthen democratic institutions, spur economic development, and support political stability. Specific areas in which the international community could provide assistance include strengthening the rule of law, carrying out land reform, and furthering police reform efforts.

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Scope Note

[Redacted]

This paper provides an assessment of the Guatemalan Government's efforts during the past decade to implement the 1996 peace accords, which were designed to remedy the root causes of nearly four decades of internal conflict. The paper focuses on the implementation of accords agreements in the following areas: human rights, demilitarization, and the strengthening of civilian authority; socioeconomic development and agrarian reform; identity and rights of indigenous peoples; and administration of justice and the fight against impunity. The paper also identifies opportunities to support implementation of the peace accords and strengthen democratic governance in Guatemala. [Redacted]

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Twenty-nine December 2006 marked the 10-year anniversary of the peace accords that ended 36 years of internal conflict between the Guatemalan Government and the Guatemalan National Revolutionary Unity (URNG) guerrilla movement. More than 100,000 Guatemalans were killed and 1 million refugees were created from the conflict between leftist guerilla forces and a series of military-dominated governments, according to estimates from various NGOs.¹² The 1996 accords aimed to address not only the immediate consequences of the violent struggle but also to overcome the root causes of the conflict.³

- Guatemala's human development is ranked by the UN as the second lowest in the Western Hemisphere.⁷ The UN human development index is a comparative measure of life expectancy, literacy, education, and standard of living for countries worldwide.

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Dissecting the Peace Accords

The Guatemalan peace accords consist of 13 agreements including more than 300 specific commitments—some narrow and specific, others vague and sweeping—that attempt to address complex and longstanding political, economic, and social issues. The agreements can be divided into four thematic categories: human rights, demilitarization, and the strengthening of civilian authority, socioeconomic development and agrarian reform, identity and rights of indigenous peoples, and administration of justice and the fight against impunity. The peace accords are unique in that they comprehensively address both peace and development issues. The accords were signed by nearly 60 individuals, including representatives of the government, the URNG, all major political parties and UN officials, but the national government was primarily responsible for implementation of the agreements.

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The absence of armed hostilities 10 years after the signing of the peace accords demonstrates a significant achievement; however, the government's implementation efforts have stalled due to the broad scope and ambitious nature of the accords, a deteriorating security situation that has consumed the government's attention, and a lack of international and public pressure to show progress on implementation. While the public is frustrated with the government's failure to adequately address unemployment and rampant crime, most Guatemalans are not focused on peace accords implementation as a means to solving these problems. Local and international observers agree, however, that the reforms encompassed in the peace accords constitute a fundamental blueprint to address the complex social and economic development issues that plague Guatemala.⁴

- Guatemala continues to face some of the greatest poverty and inequality in Latin America— 56 percent of the population lives in poverty, one in five in extreme poverty.⁵⁶

Fundamental Peace Efforts Successful

In less than a decade, successive administrations have made dramatic progress in reducing human rights violations and gradually reducing the role and influence of the armed forces. President Alvaro Arzu's government

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(1996-2000) demonstrated a firm commitment to the peace accords process initially⁸ and achieved essential progress in maintaining the cease-fire, demobilizing and disarming guerrilla forces, disbanding an extensive structure of civil defense patrols, and returning refugees to their homes.⁹ However, this tangible progress was soon overshadowed by the need to implement comprehensive institutional reforms in a relatively short time frame. Most observers agree that the initial four-year timeline for implementation and the subsequent extension to 2004 were unrealistic given the scope of the agreement and the institutional weakness of a government emerging from nearly four decades of conflict. [redacted]

for political assassinations during the civil war.¹³¹⁴

The administration of President Oscar Berger (elected in 2004) made important strides in achieving military reform by dramatically reducing the military budget and the overall number of troops:

- In June 2004, the number of military personnel was reduced from 27,214 to 15,500 and other downsizing efforts included the closure of 13 bases and the termination of seven counterinsurgency-era military commands.¹⁵¹⁶
- The military's budget comprised 0.99 percent of GDP in 1995 and was reduced to 0.33 percent of GDP in October 2004, which is half the ceiling stipulated by the peace accords.¹⁷ [redacted]

Respect for Human Rights

On the whole, respect for human rights, a major component of the accords, has greatly improved since the end of hostilities, and violating human rights is no longer an institutional policy of the state:

- Despite various allegations that the government has engaged in social cleansing of suspected criminals, [redacted] there is no indication of a state policy to pursue extrajudicial executions of delinquents.¹⁰
- As of August 2006, a UN Special Rapporteur was unable to identify a serious problem of extrajudicial, summary, or arbitrary executions by the government.¹¹ [redacted]

These reductions were supposed to be part of a broader modernization effort, [redacted]

[redacted] has not materialized, and prevents the military from fulfilling its mission.¹⁸

[redacted] continued development of Guatemala's National Security Strategy will further the military reform envisioned in the peace accords, as the plan prioritizes the military's mission of combating threats from international drug traffickers over assisting law enforcement through joint patrols with civilian police.¹⁹ [redacted]



Military and Intelligence Reform

The past three administrations have made slow, piecemeal progress toward reducing the influence of military and intelligence agencies. President Alfonso Portillo (2000-04) successfully dismantled the Presidential Military Guard, which was responsible

Socioeconomic Reforms Need Funding [redacted]

Many of the social reforms are fundamentally tied to the government's ability to generate tax revenue, but successive administrations have shown scant desire to increase taxes, rationalize its tax system, or advance the economic reforms that would increase growth prospects. Guatemala has consistently had one of the lowest tax collection rates in Latin America, thus hindering its ability to finance many peace accords commitments:

- The accords set a tax collection target of 12 percent of the GDP, which is a 50-percent increase over the 1995 rate, but some observers believe even this

target is probably inadequate to fund necessary programs.^{20,21}

- In 2005, tax collections only amounted to 9.5 percent of the GDP, although a recent revision in base-year data increases this figure to 11 percent.²²

The government is working to increase tax revenues, and in June 2006 the Congress approved a bill aimed at preventing tax evasion by increasing penalties, specifically for business owners.

Social and Economic Agreements

The government has only partially implemented socioeconomic accords that deal with multifaceted development issues. Government initiatives that have helped reduce illiteracy rates to 30 percent reflect incremental progress on improving the quality and accessibility of education.

However, formidable challenges remain in expanding the coverage of primary and bilingual education in rural departments and lowering the infant mortality rates, a key indicator of public health services.

President Berger has shown a strong commitment to improve social indicators by increasing health and education spending for the past three years.²⁵

- Government expenditures on health rose to 1.71 percent of GDP in 2005, which is higher than the 1.3 percent target mandated by the peace accords.²⁶
- In 2001, the government achieved the peace accords goal of increasing education spending by 50 percent.²⁷

Land Reform

Government efforts to improve access to land ownership and resolve land conflicts have been insufficient due in large part to budget shortfalls that have prevented government agencies from providing credit for land purchases and mediating land disputes.

The creation of a national land registry and other key land-related legal reforms have not been enacted,

Other pending reforms include creating an agrarian legal code, reviewing the status of idle and illegally acquired lands, and establishing legal security for communal property.²⁹

Indigenous Rights

Legal and institutional reforms mandated by the accords have failed to significantly remove formal and informal barriers to advancement for indigenous people and to generally improve their quality of life:

- indigenous people are generally underrepresented in politics and have high rates of illiteracy.
- Legally mandated court interpreters for criminal proceedings are often not available, placing indigenous people at a disadvantage.

Violence Threatens Progress

The prevalence of violent crime will continue to be the primary concern for Guatemalan society during the 2007 presidential campaign and poses the greatest risk to advancing economic and social reforms encompassed in the accords. Excessive crime rates divert resources and political capital away from peace accords implementation and overwhelm the weak judicial system:

- The government's inability to provide public security has led to incidents of vigilante justice in rural areas, setting back efforts to boost protection of human rights.
- In 2005, there was a 2-percent conviction rate for the 5,400 murders nationwide³²; the low conviction rate has created a climate of de facto impunity, even as human rights abuse by the state has dramatically declined.

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- Local and US business leaders fear organized crime and drug trafficking are hurting the investment climate and could overshadow potential benefits from the US-Central America Free Trade Agreement, [redacted]

Shortages of qualified police and entrenched corruption in law enforcement and the judiciary have exacerbated the soaring violence. Vice President Stein publicly admits the police force of approximately 22,000 is riddled with corruption³⁵:

- In February 2007, four Guatemalan police officials, including the head of the organized crime division, were charged with the murder in Guatemala of three Salvadoran deputies to the Central American Parliament,³⁶ and the police officers were subsequently killed in prison.³⁷
- In June 2006, two government officials were wounded and several taken hostage in an armed attack by squatters in a remote national park,³⁸ exemplifying the loss of government control in some rural areas, [redacted]
- A series of apparently politically motivated crimes in 2006—assassinations of several political party activists, a national legislator, and a provincial governor, in which organized crime and narcotraffickers are the primary suspects—contribute to the climate of insecurity.⁴⁰⁴¹⁴² [redacted]

The government's stopgap response to crime—using the military in police patrols—is fueling concern among human rights groups:

- A local human rights group says that a policy of joint military-police patrols will draw the military into internal security matters and inevitably lead to abuses.
- [redacted] concern about reports that military officers have conducted street patrols without the presence of the National Police.⁴³
[redacted]

Opportunities To Support Peace Accords and Strengthen Democratic Governance [redacted]

Key aspects of the peace accords—particularly social reform, modernizing state institutions, and poverty alleviation—will be fundamental to economic and democratic development in Guatemala. Countries that played an important role in the peace accords negotiation process such as Mexico, Colombia, Spain, and Norway, most likely would have a vested interest in encouraging further implementation of the accords.⁴⁴ [redacted]

International Role in the Peace Accords Process

UN Verification Mission in Guatemala (MINUGUA)

The UN played a key role in mediating an end to the Guatemalan conflict and has been the most important third party in the monitoring and verification of the peace accords. The MINUGUA mission (1994-2004) contained four roles: verification, good offices between the parties, technical assistance, and public information concerning the peace accords. [redacted]

Consultative Group

A consultative group comprised of the World Bank, Inter-American Development Bank, and various donor countries was formed to coordinate donor community efforts. The donors formally stated the \$2.4 billion of initial reconstruction assistance would be conditioned to government performance on specific objectives such as increasing fiscal revenues from 8 to 12 percent of GDP.⁴⁵ [redacted]

Norway actively supported implementation of the accords through support to NGOs and its Ministry of Foreign Affairs published a comprehensive study entitled "Guatemala: Five Years After the Peace Accords," which was based on findings from an international conference it sponsored on the topic. A similar conference 10 years after the peace accords would help to raise the profile of peace accords implementation.⁴⁶ [redacted]

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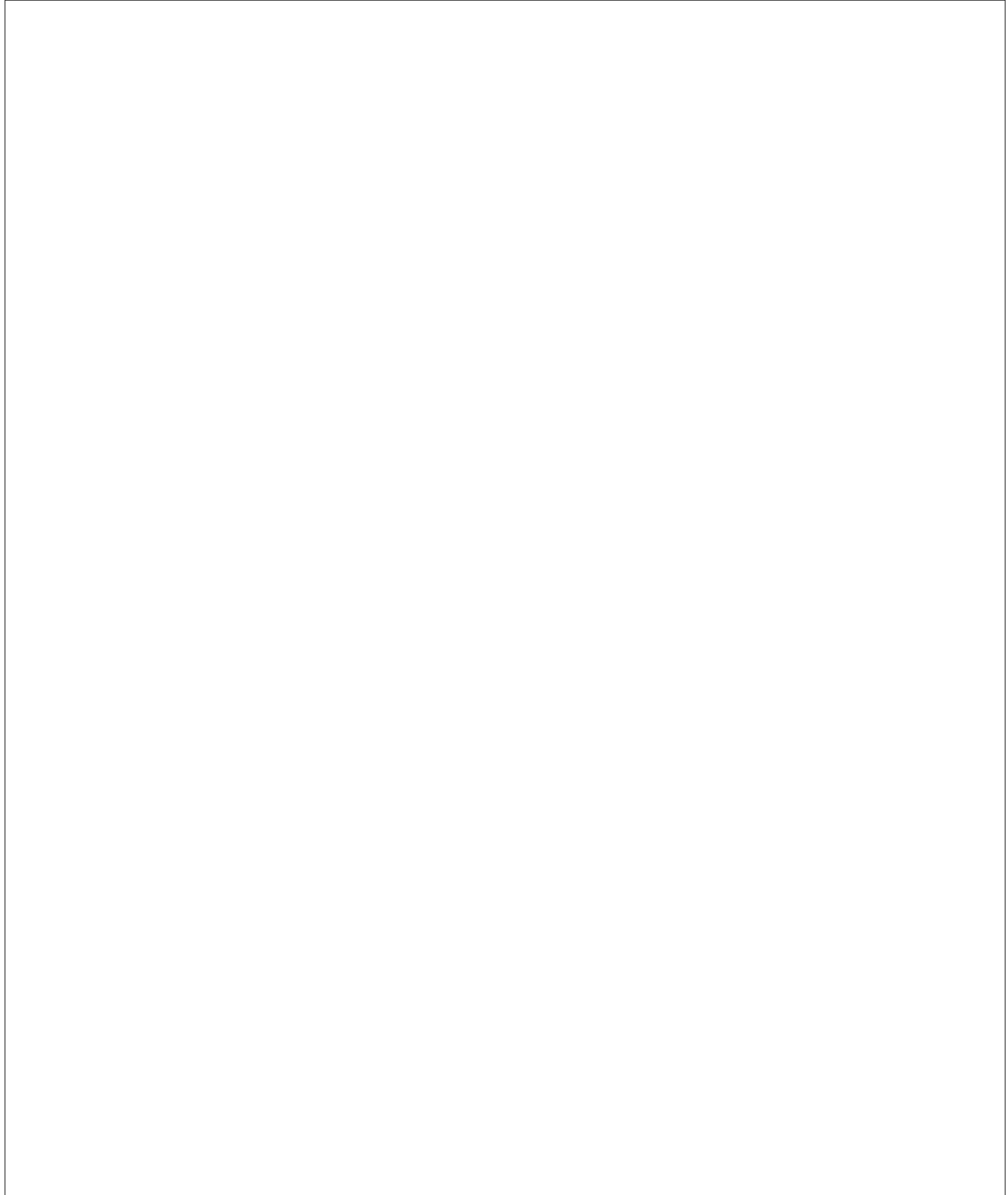
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Targeted international assistance in the following areas will assist the Guatemalan Government to continue implementation efforts:

- Programs that improve the rule of law in Guatemala would help the government qualify for Millennium Challenge assistance that focuses on overcoming obstacles to economic growth. For example, USAID-funded programs helped to dramatically reduce trial delays by uniting police, prosecutors, judges, public defenders, and translators in an effort to streamline administration of justice.
- El Salvador and Colombia successfully implemented targeted community policing programs that increased public confidence in local police and could serve as models for reform. The Inter-American Development Bank has financed a police reform program in Guyana and could potentially be a source of revenue for Guatemala's reform efforts.
- Support for a UN-led international commission designed to strengthen the rule of law by investigating organized crime groups—now pending approval by Guatemala's legislature—would help prosecute individuals that threaten human rights in Guatemala.
- Development of a land registry would help marginalized peasants from rural areas to secure title to their land, thus allowing them greater access to credit. Chile successfully developed a land registry, and perhaps it would be willing to offer technical assistance to Guatemala.

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