Guatemala: Political and Socioeconomic Conditions and U.S. Relations

Maureen Taft-Morales
Specialist in Latin American Affairs

October 17, 2017
Summary

Guatemala, the most populous Central American country, with a population of 16.3 million, has been consolidating its transition to democracy since the 1980s. Guatemala has a long history of internal conflict, including a 36-year civil war (1960-1996) during which the Guatemalan military held power and over 200,000 people were killed or disappeared. A democratic constitution was adopted in 1985, and a democratically elected government was inaugurated in 1986.

In 2015, Jimmy Morales, a political newcomer, won the presidential election with 67% of the vote on an anticorruption platform; he took office in January 2016. The previous president and vice president had resigned and been arrested after being implicated in a large-scale corruption scandal. In what many observers see as a step forward in Guatemala’s democratic development, the Public Ministry’s recent corruption and human rights abuse investigations have led to the arrest and trial of high-level government, judicial, and military officials. They have also led to a backlash against those reform efforts, and a political crisis involving current President Morales. The Public Ministry is responsible for public prosecution and law enforcement, and works in conjunction with the United Nations-backed International Commission against Impunity in Guatemala (CICIG) to strengthen rule of law in Guatemala. As their anticorruption efforts prove effective, the circle of those feeling threatened by investigations broadens, and attacks against CICIG and the judicial system it supports broaden and intensify as well.

Guatemala continues to face many other challenges, including insecurity, high rates of violence, and increasing rates of poverty and malnourishment. Guatemala remains a major transit country for cocaine and heroin trafficked from South America to the United States. Although Guatemala recorded record drug seizures in 2016, the lack of law enforcement and/or collusion between corrupt officials and organized crime in many areas enable trafficking of illicit drugs, precursor chemicals, weapons, people, and other contraband. During Morales’s first year, his administration improved tax collection, and the interior ministry reported a 5% drop in homicide rates.

Guatemala has the largest economy in Central America and in recent decades has had relatively stable economic growth. Despite that economic growth, however, Guatemala’s economic inequality and poverty have increased, especially among the rural indigenous population. The Economist Intelligence Unit projects that the country’s economic growth rate will likely peak in 2017 at 3.5%, followed by a slowdown. The World Bank calls for rapid economic growth coupled with increased public investment and pro-poor policies to improve social conditions.

Traditionally, the United States and Guatemala have had close relations, with friction at times over human rights and civil/military issues. Guatemala and the United States have significant trade and are part of the U.S.-Central America-Dominican Republic Free Trade Agreement (CAFTA-DR). Top priorities for U.S. bilateral assistance to Guatemala include improving security, governance, and justice for citizens; improving economic growth and food security; providing access to health services; promoting better educational outcomes; providing opportunities for out-of-school youth to reduce their desire to migrate; and improving natural resource management to mitigate the impact of climate change. The U.S. Strategy for Engagement in Central America is meant to spur development and reduce illegal emigration to the United States. The Trump Administration’s proposed FY2018 budget request would cut funds for Guatemala by 36%.
Guatemala: Political and Socioeconomic Conditions and U.S. Relations

Contents

Political Conditions ................................................................................................................... 1
  President Jimmy Morales’s Administration ........................................................................... 3
  Links Between Morales’s Party and the Military ................................................................. 5
  Efforts to Combat Impunity and Corruption ...................................................................... 6
    Impeachment of Former President ................................................................................... 7
    Current Political Crisis ..................................................................................................... 7
  Judicial Reforms and Efforts to Stop Them ........................................................................ 10
Economic and Social Conditions ............................................................................................. 10
U.S.-Guatemala Relations ...................................................................................................... 12
  U.S. Foreign Assistance ........................................................................................................ 13
  Regional Alliance for Prosperity (AFP) and Security Initiatives ......................................... 15
  Trade and CAFTA-DR .......................................................................................................... 16
  Counternarcotics Cooperation ............................................................................................. 17
  Migration Issues .................................................................................................................. 17
  Intercountry Adoption ......................................................................................................... 18

Figures

Figure 1. Guatemala at a Glance .............................................................................................. 2

Tables

Table 1. U.S. Bilateral Assistance to Guatemala by Account and Fiscal Year .......................... 14

Contacts

Author Contact Information ................................................................................................. 19
Guatemala: Political and Socioeconomic Conditions and U.S. Relations

Political Conditions

President Jimmy Morales, a relative political newcomer, won Guatemala’s 2015 presidential election by a landslide with 67% of the vote. During the campaign, as mass protests calling for then-President Pérez Molina’s resignation and an end to corruption and impunity grew, so did Morales’s popular appeal. Morales framed his lack of political experience as an asset. His campaign slogan was “Neither corrupt nor a thief,” and he ran on a platform of governing transparently and continuing to root out corruption.

Guatemala faces many political and social challenges in addition to widespread corruption and impunity. Guatemala has some of the highest levels of violence, inequality, and poverty in the region, as well as the largest population. Indigenous people, about half of the population, experience higher rates of economic and social marginalization than nonindigenous citizens, and have for decades. Almost half of the country’s children are chronically malnourished.

Guatemala’s homicide rate decreased to 27.3 homicides per 100,000 people in 2016, which nonetheless remains one of the highest rates in the region.1 Guatemala has a long history of internal conflict and violence, including a 36-year civil war (1960-1996). For most of that time, the Guatemalan military held power and violently repressed and violated the human rights of its citizens, especially its majority indigenous population. Reports estimate that more than 200,000 people were killed or disappeared during the conflict, with the state bearing responsibility for 93% of human rights violations. More than 83% of the victims were identified as Mayan.2 In 1986, Guatemala established a civilian democratic government, but military repression and human rights violations continued. Peace accords signed in 1996 ended the conflict. The United States maintained close relations with most Guatemalan governments, including the military governments, before, during, and after the civil war.

### Guatemala at a Glance

<table>
<thead>
<tr>
<th>People</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life expectancy: men, 71; women, 77</td>
</tr>
<tr>
<td>Ethnic groups: Mixed and European (59.4%); Indigenous Maya (40.3%); other (0.3%)</td>
</tr>
<tr>
<td>Literacy: men, 84.7%; women, 73.9%</td>
</tr>
<tr>
<td>Poverty: 67.7% (2014)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP: $63.794 billion (2015)</td>
</tr>
<tr>
<td>GNI per capita: $3,590 (2015)</td>
</tr>
<tr>
<td>GDP composition by sector: agriculture, 13.2%; industry, 23.5%; services, 63.3% (2016 estimates)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Trade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key export partners: United States (36.35%), Mexico (8.74%), El Salvador (7.67%)</td>
</tr>
<tr>
<td>Top exports to the United States (2016): edible fruit and nuts, citrus fruit, or melon peel; apparel articles and accessories; coffee, tea, mate, and spices</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Leadership</th>
</tr>
</thead>
<tbody>
<tr>
<td>President Jimmy Morales (the president is both chief of state and head of government); President of the Congress Oscar Chinchilla</td>
</tr>
</tbody>
</table>

---


Since the late 1980s, Guatemala has sought to consolidate its transition from military and autocratic rule to a democracy. Democratically elected civilian governments have governed for over 30 years, but democratic institutions remain fragile due to high levels of impunity, drug trafficking, corruption, and inequitable distribution of resources. Although state institutions have investigated and arrested high-level officials, including a sitting president, for corruption, high levels of impunity in many cases continue due to intimidation of judicial officials, delays in sentencing, and widespread corruption.

Morales presented his General Government Policy for 2016-2020 in February 2016. The five pillars of this plan are zero tolerance for corruption, and modernization of the state; improvement in food security and nutrition; improvement in overall health and quality education; promotion of micro, small, and medium enterprises, and tourism and housing construction; and protection of the environment and natural resources.

One-and-a-half years into his four-year term, however, Morales is in the midst of a political crisis. In August and September 2017, Guatemala’s attorney general and a United Nations (U.N.) anti-impunity commission announced they were seeking to lift the president’s immunity from prosecution as they investigate alleged violations of campaign finance laws, and bonuses paid to...
him by the military. The president tried unsuccessfully to expel the head of the U.N.-backed International Commission against Impunity in Guatemala (CICIG), Commissioner Ivan Velásquez. (See “Efforts to Combat Impunity and Corruption” below.)

A recent opinion poll found that more than 72% of the population has little or no trust in the police, and about 65% has little to no trust in the government. Conversely, 83% of the population said they supported CICIG and the Public Ministry—which is headed by the attorney general—making them Guatemala’s most trusted institutions.

So far, the judicial process, protests, and mass mobilizations in the wake of high-level government corruption scandals have remained peaceful. Nonetheless, tensions have heightened since President Morales tried to expel CICIG’s commissioner, and the Guatemalan Congress tried to reduce criminal penalties for campaign-related corruption. Renewed public protests have called for the resignations of President Morales and members of Congress seen as protecting corrupt practices.

While some see the corruption charges as a crisis, others—including many within the Guatemalan government—see an opportunity to make the government more honest and accountable. Nonetheless, continued impunity coupled with the state’s failure to provide basic public services to large parts of the population and limited advances in reducing Guatemala’s high poverty levels could prolong protests. Military-criminal enterprises and other powerful interests that have benefited from corruption and the status quo have fought against anticorruption and anti-impunity work since it began. Continued prosecution of corruption could provoke violent responses from those whose wealth or power are threatened—public prosecutors, the attorney general, and members of the judiciary continue to receive threats. Powerful interests also use more subtle methods to try to weaken CICIG, the Public Ministry, and groups pushing for political reform. These include tactics such as discrediting the reputations of officials, activists, and their organizations; spurious legal actions that delay trials and drain fiscal and human resources; attempting to change CICIG’s mandate or terms; and delays or cuts in the judicial system’s budget.

President Jimmy Morales’s Administration

Morales’s administration has achieved a few significant accomplishments, such as substantially increased tax collection. The administration developed tax reform policies, covering tax collection, the tax authority administration, and the customs office structure. He placed experienced professionals in key finance, tax, health, and economic positions. The tax administration (SAT), under the new leadership of Juan Francisco Solórzano, has used judicial measures and intervention to increase recovery of unpaid taxes. Solórzano, a former head of the criminal investigation unit at the attorney general’s office,

President Jimmy Morales

Born in 1969 in Guatemala City, Guatemala, to a family of humble means, Morales entered politics after making a name for himself as a TV comedian. When he lost the mayoral race for Mixco in 2011, Morales joined his current party, the right-wing National Convergence Front-Nacion (FCN-Nación), in 2013 and became secretary general of the party. In 2015, FCN-Nación nominated him as its presidential candidate; he drew on his outsider status to distance himself from the historically corrupt political class. Investigations by CICIG and the Public Ministry (MP) have implicated Morales’s brother and son in a fraud case. The attorney general is seeking to have Morales’s immunity from prosecution lifted so he can be investigated for possible campaign finance violations and payments the military paid to him while president.

had the endorsement of CICIG as well as the Inter-American Development Bank, World Bank, and International Monetary Fund. Under his leadership, the SAT collected $297 million in recovered taxes in 2016 compared to $5 million in 2015. Following austerity measures in 2016 that limited government spending and decreased the deficit, the Guatemalan Congress passed an expansionary budget for 2017.

The interior ministry oversaw a 5% drop in the homicide rate to 27.3 homicides per 100,000 people in 2016, which nonetheless remains one of the highest rates in the region.

In response to the high level of violence, a number of municipalities asked for military troops to augment their ineffective police forces; the Guatemalan government has been using a constitutional clause to have the army “temporarily” support the police in combating crime. Recently, Interior Minister Francisco Rivas announced a two-phase plan to remove the military from citizen security operations by the end of 2017. The new plan includes shuffling military currently involved in citizen security efforts to the country’s borders to control land routes used by traffickers and gangs. This would be a significant effort to comply with provisions of the 1996 peace accord calling on the army to focus solely on external threats. Despite efforts to develop a comprehensive, whole-of-government approach to security, the previous five administrations’ actions have often been reactive and dependent on the military.

Morales had already faced criticism for not acting forcefully enough on his pledge to crack down on corruption, and for his links to family and friends under investigation, before he tried to expel Commissioner Velásquez. Both Attorney General Thelma Aldana and the commissioner of CICIG said that the president had not interfered in corruption cases—even those involving his family. But both also expressed disappointment that he had not spoken out in support of them and their anticorruption efforts when attacked by antireform elements. Attorney General Aldana has said she will resign if the president expels the head of CICIG, with whom she has worked closely to prosecute high-level corruption and human rights violation cases.

Critics also cited Morales’s lack of political ability to build alliances to push reforms through the legislature. President Morales’s political power is limited as a result of his own inexperience and his party’s weak position in the legislature. Morales’s small party, the right-wing National Convergence Front-Nación (FCN-Nación), won 11 of 158 seats in the legislature, and holds no leadership positions on legislative committees. The Guatemalan Congress elected an opposition member to be president of the unicameral chamber. At the beginning of the term, deputies defected from other parties, bringing the FCN-Nación’s seat total to 37. People criticized Morales for allowing the deputies to join his party just before the Congress outlawed the practice. The public prosecutor has received complaints alleging that bribery motivated some defections to the FCN-Nación. The FCN-Nación must still rely on alliances to push forward any new legislation, however, which has proved difficult. As a part of its auditing process, the Supreme Electoral Tribunal (TSE) is investigating multiple political parties for violations of election campaign finance laws in 2014.

---

and 2015. As a result, the TSE has dissolved two major parties, the Partido Patriota—former President Pérez Molina’s party—and LIDER, and could dissolve the ruling party. Such an action would leave Morales with no political party.\(^\text{10}\) As political protests called for the resignation of legislators who voted to reduce penalties for campaign corruption, Morales appeared to be losing support within the Guatemalan Congress.

Morales has also come under fire for two contracts with an Indiana lobbying firm that reportedly has ties to U.S. Vice President Mike Pence.\(^\text{11}\) The firm was hired to improve relations between the U.S. and Guatemalan governments outside of normal diplomatic channels. Guatemalan politicians without the authority to act in foreign affairs signed the contracts. Morales denies knowing about the contract, though one was signed on his behalf, and only he and the foreign ministry are authorized to intervene in foreign affairs.\(^\text{12}\) Furthermore, observers criticize his reclusiveness with the press: he has removed journalist’s access to the presidential palace, and rarely holds press conferences.

Morales’s administration and the secretariat for Social Welfare came under scrutiny after a fire killed 41 girls in a state-run home in March 2017. The director of the shelter, the minister of Social Welfare, and his deputy were dismissed after the fire. Recently, a judge charged the former minister, his deputy, and five additional people (two police officers with abuse, and three senior members of social and child protection agencies with manslaughter or negligence).\(^\text{13}\)

During the campaign, Morales was criticized for a short governing plan with proposals such as tagging teachers with a GPS device to ensure they attend classes and giving every Guatemalan child a smartphone in exchange for advertising on school walls. U.S. embassy officials expressed concern that Morales’s campaign team refused to cooperate with certain elements of Guatemalan civil society, particularly human rights advocates working on the protection of children and trafficking victims, and LGBTI (lesbian, gay, bisexual, transgender, intersex) issues.\(^\text{14}\)

**Links Between Morales’s Party and the Military**

Before the current controversy between Morales and CICIG, human rights and other observers expressed concern that Morales’s party’s ties to former military officers might put pressure on Morales’s support of CICIG, as well as limit his government’s investigation of military corruption and human rights violations. Before the new government was sworn in, Attorney General Aldana requested legal action against retired army colonel Edgar Ovalle, a key advisor to Morales and a legislator-elect with the FCN-Nación, for alleged civil war-era (1960-1996) human rights violations. After declining the request in 2016, Guatemala’s Supreme Court lifted Ovalle’s immunity in 2017. Ovalle’s whereabouts have been unknown since March.

Over a dozen other military officers have been arrested on similar charges. Many of them support the FCN-Nación and belong to a military veterans’ association, Avemilgua, which Ovalle helped found. Avemilgua members created the FCN-Nación in 2004, and testified in court in defense of former dictator Efrain Rios Montt in 2013. Rios Montt, found guilty in 2013 of committing

\(^{\text{10}}\)As of June 12, 2017, the TSE had yet to make a decision on penalizing these parties.


\(^{\text{14}}\)Communication between U.S. State Department officials and CRS Specialist.
genocide and crimes against humanity during the civil war, had his conviction effectively vacated a short time later. On January 5, 2016, a judge suspended a retrial, which began again in March. In 2017, a judge ordered Rios Montt to stand trial in a different case for the massacre of 201 people between 1982 and 1983 in Dos Erres.\textsuperscript{15} Morales reportedly said he did not believe genocide had been committed during the war, but that crimes against humanity had.\textsuperscript{16}

The Defense Ministry recently said that it has been paying President Morales a substantial salary bonus since December 2016 (see “Current Political Crisis” below). Two former presidents, Alfonso Portillo and Alvaro Colom, reportedly said they received no such bonus.\textsuperscript{19}

**Efforts to Combat Impunity and Corruption**

In what many observers see as a step forward in Guatemala’s democratic development, the Public Ministry’s recent corruption and human rights abuse investigations have led to the arrest and trial of high-level government, judicial, and military officials. They have also led to a backlash against those reform efforts, threats against the attorney general and the head of an international commission, and a political crisis involving current President Jimmy Morales. The Public Ministry, which is headed by Attorney General Thelma Aldana, is responsible for public prosecution and law enforcement, and works in conjunction with CICIG to strengthen rule of law in Guatemala.

Since 2007, CICIG has worked with the Public Ministry and the attorney general’s office to reduce the country’s rampant criminal impunity by strengthening Guatemala’s capacity to investigate and prosecute crime. The government invited

---

\textsuperscript{15} Henry Estuardo Pocasangre and Jerson Ramos, “Ríos Montt Enfrentará Juicio Especial por Masacre de Dos Erres,” Prensa Libre, March 31, 2017.


CICIG to assist with constitutional reforms and restructuring the judicial system. As a result of collaboration with CICIG, prosecutors have increased conviction rates in murder trials, and targeted corruption and organized crime linked to drug trafficking. The Guatemalan public widely supports CICIG. The United States, other governments, and international institutions have expressed broad support for the work of both Attorney General Thelma Aldana’s office and CICIG.

**Impeachment of Former President**

Public Ministry investigations, coupled with mass public protests, forced the resignations of the sitting president and vice president in 2015. Attorney General Aldana and CICIG exposed an extensive customs fraud network, now known as the “La Linea” case, at the national tax agency (SAT), leading to the arrest of dozens of people, including the previous and then-directors of the SAT. After the Guatemalan Congress lifted then-President Otto Pérez Molina’s immunity so he could be investigated, the attorney general’s office indicted him, Vice President Roxana Baldetti, and other officials, who then resigned. The country proceeded lawfully and peacefully to form an interim government, hold scheduled lawful elections, and elect a new president, Jimmy Morales, who took office in January 2016.

The related corruption case implicated dozens of high-level government officials and private-sector individuals as well. Attorney General Aldana asserted that the “La Linea” case represented “just a sliver of a sprawling criminal enterprise run by the state,” which widely tolerated corruption, leading to impunity and the strengthening of criminal structures within the government.\(^{20}\) The attorney general and other observers have raised concerns about unnecessary delays in the sentencing process due to appeals and other litigation by defense teams. Baldetti and Pérez Molina remain in prison as their cases proceed.

Following the historic “La Linea” case, more former and current high-level officials in the executive branch, the legislature, and the judicial system have been implicated in corruption cases. Three justices of the Supreme Court of Justice (CSJ) had their immunity removed to face charges of corruption and influence trafficking. In late March 2017, authorities arrested various congressional representatives for corruption. According to Transparency International, Guatemala ranked 136\(^{\text{th}}\) out of 176 countries on the organization’s Corruption Perceptions Index for 2016, the second-worst score in Central America, behind Nicaragua.

**Current Political Crisis**

Two days after the attorney general and CICIG announced they were seeking to lift President Morales’s immunity from prosecution, Morales declared the head of CICIG, Iván Velásquez, persona non grata and ordered him expelled from the country. One of Morales’s ministers resigned rather than carry out the order, and the constitutional court—Guatemala’s highest court—blocked the order. A Guatemalan congressional committee recommended that the president lose his immunity. Two-thirds of the 158-member legislature, or 105 deputies, are needed to remove an official’s immunity. On September 11, though, the Guatemalan Congress as a whole voted to protect the president from further investigation; only 25 deputies voted to remove his immunity. About 20% of the legislators are also under investigation, with more likely to become so. The legislature fell one vote short of shelving the request permanently, however, so

a member of the Congress may reintroduce the question of lifting President Morales’s immunity at a later date.

On September 13, the Guatemalan Congress passed a “national emergency” bill to reduce penalties for violations of campaign finance laws, and make party accountants—rather than party leaders—responsible for such violations. Public outcry was such that the Congress repealed the bill two days later. Thousands of protesters demanded the resignation not only of Morales, but also of the 107 legislators who voted to weaken anticorruption laws. Legislators have begun to turn away from Morales. On September 21, the Guatemalan Congress again defeated a vote to lift the president’s immunity. This time, however, the number voting to rescind his immunity had risen to 70. In 2015, public protests contributed to the legislature reversing itself and rescinding the previous president’s immunity.

Morales is losing support within his own government. Several officials were fired or resigned rather than carry out his order to expel Commissioner Velasquez. Three cabinet ministers resigned, saying that as a result of the political crisis, “spaces of opportunity to carry out our work programmes have rapidly closed down.”

Also in September, Guatemala’s federal auditor said that it is investigating a substantial salary bonus that the Defense Ministry has acknowledged paying to the president since December 2016. The monthly bonus increases Morales’s salary by more than a third, reportedly making him one of the most highly paid leaders in Latin America. Attorney General Aldana has again asked that Morales’s immunity be lifted, this time so that her office can investigate his bonus from the army. The Supreme Court will decide whether to allow the request to proceed to the Congress for a vote.

As anticorruption efforts prove successful, the circle of those feeling threatened by investigations broadens, and attacks against CICIG and the judicial system have intensified. The U.N. Office of the High Commissioner for Human Rights (OHCHR) issued a report on March 22, 2017, saying it was “seriously concerned” about threats and attacks against various judicial authorities, including both Aldana and Judge Miguel Angel Galvez. The International Commission of Jurists noted concern about efforts to criminalize lawyers, as well as community leaders, human rights defenders, and public employees such as Supreme Court justices.

Attorney General Aldana and CICIG have made progress in pursuing justice for human rights violations that occurred during the civil war. In March 2016 they tried a historic case known as the “Creompaz case”—the first prosecution for sexual violence committed during the civil war. A Guatemalan high-risk court convicted two former military commanders at the Sepur Zarco military base of murder, sexual violence, sexual and domestic slavery, and enforced disappearances. In March 2017, a judge sent to trial a former military chief of staff and four other high-ranking military officials accused of crimes against humanity, aggravated assault, sexual

---

24 Attorney General Thelma Aldana left the country for a month due to death threats. She, as well as judges presiding over prominent cases, continue to face death threats and intimidation. Intimidation has included public and anonymous attempts to discredit the head of CICIG, as well as other officials, activists, and their organizations.
Guatemala: Political and Socioeconomic Conditions and U.S. Relations

violence, and forced disappearance. Also in March, the Supreme Court ruled to remove immunity from FCN-Nación deputy Edgar Ovalle for his alleged involvement in the case. As noted previously, Ovalle, a key advisor to President Morales, has since disappeared. Another case dealing with forced disappearances allegedly committed by the Guatemalan military during the civil war took a dramatic turn on March 31 when a judge seized and made public previously unknown documents detailing information about military counterinsurgency objectives, operations, and campaigns from 1983 to 1990. Since the Peace Accords were signed in 1996, the Guatemalan army has repeatedly denied such documents existed.

Civil society groups and elements of the government have called for further reforms to combat impunity. Early in his term, President Morales reached out to policy experts and international donors for advice on fighting corruption. His recent effort to expel CICIG’s commissioner, however, has raised serious doubts about his stated commitment to fight corruption. An April report from the International Commission of Jurists found that despite tackling historic cases, Guatemalan courts still show signs of irregularity and impunity, such as many judges’ failure to condemn litigation that results in delays of trials. Many of the accused in the La Linea case still await sentencing almost two years after the scandal broke, in part because of litigation filed by their own lawyers in what are widely seen as delaying tactics.

According to CICIG head Iván Velásquez, CICIG and the attorney general’s work has resulted in more than 300 people either in prison, facing trial, or being charged. These include high-level officials such as the former president and vice president, five former cabinet ministers, three former presidents of Congress and various deputies, two former CSJ magistrates, the former president of the Instituto Guatemalteco de Seguridad Social (IGSS), two former banking superintendents, and a director of the prison service, among others. In April 2016, President Morales formally requested the extension of CICIG until 2019, as its two-year mandate was due to expire in September 2017.

Morales said previously that before he left office, he would extend CICIG’s term again, until 2021. In recent months, however, Morales has suggested that he might not renew CICIG. The United Nations and other members of the international community, and many Guatemalan civil society organizations, have expressed strong support for CICIG and its commissioner. Public protests in Guatemala have demanded Morales’s resignation.

Many in the U.S. Congress have expressed concern over President Morales’s effort to expel CICIG’s commissioner. The House Foreign Affairs Committee chairman issued a statement reading, “The U.S. Congress has spoken with one voice in support of the International Commission against Impunity in Guatemala. We will continue to stand with the Guatemalan people, and especially those in poverty, who are hurt most by corruption.” The Trump Administration continues to express support for CICIG. U.S. Ambassador to the U.N. Nikki Haley said that the United States expects the Guatemalan government to allow CICIG to “do its critical work without interference.”

President Morales spoke before the U.N. General Assembly on September 19, 2017. He pledged to strengthen and support CICIG, but also said Guatemala was revising the interpretation and

application of its agreement with CICIG, and that no institution should interfere in Guatemala’s administration of justice. That was the same day that three of Morales’s cabinet members resigned over the political crisis instigated by his effort to expel CICIG’s commissioner.

Judicial Reforms and Efforts to Stop Them
Various Guatemalan and international organizations consider judicial reforms necessary to solidify progress against widespread corruption and to strengthen the judicial branch so it can continue consolidating the rule of law in Guatemala. Nonetheless, forces opposed to the reforms have emerged as well.

The Guatemalan Congress approved changes concerning judge and magistrate selection and requirements. A recent International Commission of Jurists (ICJ) report concluded that reforming the selection process of judges and separating judicial processes from administrative processes could strengthen Guatemala’s judicial system. CICIG and others launched a judicial observatory of criminal justice to analyze judiciary rulings and make recommendations to improve the justice system in other ways as well.

The ICJ found that the Guatemalan state has responded passively to defamation campaigns, attacks on judicial independence, and other forces trying to influence judges, prosecutors, and investigators. According to the director of the Guatemalan Institute of Comparative Studies in Criminal Sciences, the groups seeking to stop the reforms are the same elements that launched defamation campaigns on social media against CICIG head Iván Velásquez in early 2017.

The Guatemalan Congress is considering 60 amendments to its constitution and other laws on judicial reform, but progress has stagnated in recent months. Some observers express concern that the new leaders who assumed office in January 2016 either lack the ability to form the alliances necessary to push the reforms through, or are less committed to doing so due to their links to people under investigation for corruption. This latter view was reinforced by congressional actions in September 2017 preserving the president’s immunity and trying to reduce penalties for violations of campaign finance laws.

Economic and Social Conditions
Guatemala has enjoyed relatively stable economic growth in recent decades, and the World Bank named it a top performer in Latin America. Guatemala has struggled, however, in recent years to address its high poverty rates. The country has the largest economy in Central America, with a gross domestic product (GDP) of $63.794 billion and a per-capita income of $3,590 in 2015. The World Bank characterizes Guatemala as a lower-middle-income country, and it ranks 125th out of 188 on the 2015 Human Development Index.

—

Guatemala’s stable growth rates have not been enough to decrease some of the highest levels of economic inequality and poverty in the region. Instead, Guatemala has backtracked. After decreasing the overall poverty rate from 56% to 51% between 2000 and 2006, the rate increased to 59% in 2014, with a rate just over 79% for indigenous people, according to a national survey. Some elements of Guatemalan society and government have tried to bring about equitable development, yet its rural and indigenous populations remain socially and economically marginalized. For rural municipalities, which constitute 44% of the country, almost 8 out of 10 people live in poverty.\(^{35}\) Demonstrating the difference in economic and social conditions, literacy rates for the nonindigenous population were 88.9% for men and 83.7% for women, but rates decreased to 77.7% for indigenous men and 57.6% for indigenous women 15 years and older.\(^{36}\)

The International Monetary Fund (IMF) concluded that Guatemala met none of the Millennium Development Goals for rural and indigenous populations in 2015 and met only a quarter of them for the country as a whole.\(^{37}\) Furthermore, extreme poverty increased and school enrollment decreased. Nonindigenous children average twice as many years of schooling as indigenous children.\(^{38}\) To improve social conditions, the World Bank calls for rapid economic growth coupled with increased public investment and pro-poor policies. According to the Economist Intelligence Unit (EIU), Guatemala’s economic growth rate declined to 3.1% in 2016. EIU projects growth will likely peak in 2017 at 3.5%, followed by a slowdown to 2.4% for 2019.\(^{39}\) The EIU concludes that slowed economic growth and rapid population growth will keep per-capita income growth too low to reduce poverty.

Factors that impede economic growth and development include corruption, limited government revenues, weak institutions, and weak transportation and energy infrastructure. Guatemala’s persistent failure to deliver services and improve the quality of education and health care contribute to a low-skilled workforce, which also limits growth. According to the U.N. Educational, Scientific, and Cultural Organization (UNESCO), Guatemalan adults had only 3.6 years of education, on average, in 2005, and “if Guatemala had matched the regional average, it could have more than doubled [emphasis in original] its average annual [economic] growth rate between 2005 and 2010.”\(^{40}\)

Guatemala has the lowest tax-to-GDP ratio in the region at 12.4%, compared to 22.8% for Latin America in 2015.\(^{41}\) This is due in part to the high rate of employment in the informal economy—the Informe Nacional de Desarrollo Humano found that 70.2% of the population held informal employment in 2014, with higher percentages for rural and indigenous segments of the population.\(^{42}\) Another contributing factor includes the business and elite sectors’ historical


resistance to paying taxes. While the Morales administration has improved tax collection (see “President Jimmy Morales’s Administration”), the IMF has called for a tax revenue rate increase to at least 15% of GDP in order to address social, security, and infrastructure needs.\textsuperscript{43}

Land conflicts, especially those involving mining, are contentious, and often violent, in Guatemala and elsewhere throughout the region.\textsuperscript{44} Governments often see mines as a source of revenue, potentially for poverty reduction and social programs. Indigenous populations often object to mining under current conditions, however, because they say it violates their ancestral land rights, removes them from and/or damages their source of livelihood, and/or excludes them from the decisionmaking process as to how mine profits should be spent. Guatemala is a signatory to the Indigenous and Tribal Peoples Convention, 1989, also known as the International Labour Organization’s (ILO’s) Convention 169. The treaty calls on governments to consult indigenous peoples before permitting exploitation of natural resources on their land. According to a recent report by the ILO, the Guatemalan government granted 367 mining licenses between its ratification of the convention in 1996 and 2014, and held only 60 community consultations, all of which had expressed opposition to the projects.\textsuperscript{45} The report found that Guatemala’s Constitutional Court had found such consultations nonbinding. Guatemala has not developed regulations to govern prior consultations.

Ongoing conflicts around land use are likely to continue to delay such projects. Other types of land conflicts and evictions are related to biofuels, dams, ranching, and drug trafficking; these are also frequently violent.

Coffee production and prices recovered from a recent decline, and are expected to help growth in the agricultural sector. Remittances from Guatemalans abroad boost the Guatemalan economy. Remittances grew by over 13% in 2016, to the highest level in any year to date.\textsuperscript{46} Private consumption accounts for 85% of GDP.

\section*{U.S.-Guatemala Relations}

Traditionally, the United States and Guatemala have had close relations, with friction at times over human rights and civil/military issues. According to the State Department, current U.S. policy objectives in Guatemala include supporting the institutionalization of democracy; encouraging respect for human rights and rule of law, and the efficient functioning of CICIG; supporting broad-based economic growth and sustainable development and maintaining mutually beneficial trade and commercial relations, including ensuring that benefits of CAFTA-DR reach all sectors of Guatemalan society; cooperating to fight money laundering, corruption, narcotics trafficking, alien smuggling, trafficking in persons, and other transnational crimes; and supporting Central American integration through support for resolution of border and territorial disputes.\textsuperscript{47}

\textsuperscript{43} IMF, op. cit.
\textsuperscript{44} For example, seven Guatemalan protesters recently won the right to sue a Canadian mining company in Canadian courts for injuries sustained when Tahoe Resources security guards sprayed protesters with rubber bullets outside the Guatemalan Escobal mine with rubber bullets in 2013. “Supreme Court Clears Way for Lawsuit by Mine Protesters in Guatemala,” Vancouver Sun, June 8, 2017.
\textsuperscript{45} Organización Internacional del Trabajo, Convenio núm. 169 de la OIT Sobre Pueblos Indígenas y Tribales en Países Independientes y la Consulta Previa a los Pueblos Indígenas en Proyectos de Inversión. Reporte Regional: Colombia, Costa Rica, Guatemala, Chile, Lima, OIT, Oficina Regional para América Latina y el Caribe, 2016. Findings cited here are on pp. 46, 34, and 15, respectively.
\textsuperscript{46} EIU, op. cit, p. 22.
\textsuperscript{47} U.S. Department of State, “U.S. Relations with Guatemala,” Fact Sheet, December 8, 2016, accessed October 2, (continued...)
During his confirmation hearings in January 2017, Secretary of State Rex Tillerson testified that the Trump Administration would continue to support CICIG and provide foreign assistance to Central American allies to help combat crime and impunity, and ensure that citizens of those countries have access to a functioning and fair justice system. In February, then-Homeland Security Secretary John Kelly met with President Morales and Commissioner Velásquez in Guatemala, and reiterated U.S. support for the Public Ministry’s and CICIG’s fight against corruption. On the same day, a U.S. court indicted former Guatemalan Vice President Roxana Baldetti and former Interior Minister Mauricio Lopez Bonilla on criminal drug trafficking charges. A Guatemalan court approved a request for Baldetti’s extradition on June 15, but first she will face prosecution on four charges of corruption in Guatemalan courts. Lopez Bonilla must first face three counts of corruption in Guatemalan courts.

U.S. Vice President Mike Pence, Secretary of State Rex Tillerson, Secretary of Commerce Wilbur Ross, then-Homeland Security Secretary John Kelly, and Secretary of the Treasury Steven Mnuchin attended meetings with President Morales, as well as his Honduran counterpart and the Salvadoran vice president, in June at the Conference on Prosperity and Security in Central America in Florida. Pence said that addressing migration to the United States requires strengthening the sending countries’ economies, including through foreign assistance. The Trump Administration has proposed cutting aid to the region by 30% compared to FY2017.

U.S. Foreign Assistance

The United States has been providing assistance to Guatemala through regional initiatives: the Central American Regional Security Initiative (CARS), for combating narcotics trafficking and preventing transnational crime; the President’s Emergency Plan for AIDS Relief (PEPFAR); and Food for Peace. Currently, U.S. assistance to Guatemala is guided by the U.S. Strategy for Engagement in Central America. The various programs are integrated for a greater impact in the Western Highlands region of the country, which has the highest rates of poverty and chronic malnutrition in Guatemala. According to the State Department, “The overall objective of U.S. assistance efforts is to create effective structures and organizations sustainable by the Guatemalan government.” While some structures, such as the attorney general’s office, have greatly improved their effectiveness with U.S. and other support, other institutions remain weak.

Top priorities for U.S. bilateral assistance to Guatemala include improving security, governance, and justice for citizens; improving economic growth; improving food security and reducing chronic malnutrition; providing access to health services and fostering adoption of healthy behaviors at the household level; promoting better educational outcomes; providing opportunities for out-of-school youth to reduce their desire to migrate; and improving natural resource management to mitigate the impact of climate change.

(...continued)

2017.

In 2014, the Obama Administration launched the U.S. Strategy for Engagement in Central America (the Strategy), a whole-of-government approach aimed at addressing the root causes of illegal immigration from the region by improving prosperity, regional economic integration, security, and governance.\textsuperscript{53} Congress has appropriated $1.4 billion for the Strategy. Much of the aid has yet to be delivered, however, and the 115\textsuperscript{th} Congress and the Trump Administration are reassessing U.S. policy in Central America. Through the 2016 Consolidated Appropriations Act (P.L. 114-113), Congress provided up to $750 million in aid to Central America and placed numerous conditions on aid. The State Department certified that the governments of Guatemala (and El Salvador and Honduras) met Congress’s conditions, which included taking steps to combat corruption, prosecute security forces for human rights violations, and other actions. Consequently, FY2016 money began flowing to the region in early 2017. The Strategy complements the Plan of the Alliance for Prosperity (AFP) in the Northern Triangle proposed by the presidents of El Salvador, Guatemala, and Honduras (see “Regional Alliance for Prosperity (AFP) and Security Initiatives” below).

**Table 1. U.S. Bilateral Assistance to Guatemala by Account and Fiscal Year**

<table>
<thead>
<tr>
<th></th>
<th>FY2015 Actual</th>
<th>FY2016 Actual</th>
<th>FY2017 Estimate</th>
<th>FY2018 Request</th>
<th>Increase/Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Assistance</td>
<td>57,387</td>
<td>112,000</td>
<td>110,000</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Economic Support Fund</td>
<td>34,000</td>
<td>---</td>
<td>---</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>NEW IN FY2018: Economic Support and Development Fund (Pre FY2018 DA + ESF, to compare)</td>
<td>(91,387)</td>
<td>(112,000)</td>
<td>(110,000)</td>
<td>76,900</td>
<td>(-33,100)</td>
</tr>
<tr>
<td>Foreign Military Financing</td>
<td>1,000</td>
<td>1,740</td>
<td>1,740</td>
<td>0</td>
<td>-1,740</td>
</tr>
<tr>
<td>Global Health Programs- USAID</td>
<td>14,000</td>
<td>13,000</td>
<td>13,000</td>
<td>3,000</td>
<td>-10,000</td>
</tr>
<tr>
<td>International Military Education and Training</td>
<td>798</td>
<td>775</td>
<td>800</td>
<td>760</td>
<td>-40</td>
</tr>
<tr>
<td>P.L. 480 Title II</td>
<td>5,914</td>
<td>3,711</td>
<td>5,000</td>
<td>0</td>
<td>-5,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>113,099</strong></td>
<td><strong>131,226</strong></td>
<td><strong>130,540</strong></td>
<td><strong>80,660</strong></td>
<td><strong>-49,880</strong></td>
</tr>
</tbody>
</table>

**Sources:** U.S. Department of State, Congressional Budget Justification for Foreign Operations: FY2015-2018.

On May 5, 2017, President Trump signed into law the Consolidated Appropriations Act, 2017 (P.L. 115-31), which provides $655 million for the continued implementation of the Strategy, with just under $126 million for Guatemala and $329 million for CARSI.\textsuperscript{54} The funds appropriated for Guatemala include $110 million for Development Assistance (DA); $1.74 million for Foreign Military Financing (FMF); $13 million for Global Health Programs through the U.S. Agency for International Development (USAID); and $800,000 for International Military Education and Training (IMET). The measure also provides at least $6.5 million through Economic Support Fund (ESF) for forensic anthropology assistance in six countries, including Guatemala; at least $6 million in International Narcotics Control and Law Enforcement (INCLE) funding for Central


\textsuperscript{54} U.S. bilateral assistance in 2017 included $5 million in food aid (as seen in Table 1), but this is not included in the Strategy total because food aid is considered outside of the Strategy.
America and Mexico to combat human trafficking; $6 million through CARSI to support CICIG; and $11 million mostly through CARSI ($500,000 through DA) to support the attorney general/Public Ministry. The act maintains FY2016 conditions with slightly different language.

The Administration’s FY2018 budget request would cut funds by 36% for Guatemala and 20% for CARSI compared to FY2017. The request includes around $81 million for Guatemala, an overall decrease of almost $50 million from the FY2017 funding estimate (see Table 1). It includes approximately $77 million for Economic Support and Development Fund (ESDF); $3 million for Global Health Programs (USAID); and $760,000 for International Military Education and Training. President Trump’s preliminary 2018 proposal recommends replacing DA and ESF with ESDF. The budget request for Central America would tip the balance toward security and away from traditional development goals—such as good governance, economic growth, and social welfare.

The Administration’s proposed budget would also eliminate traditional food aid (P.L. 480, Title II), and food aid would be provided only through the International Disaster Assistance account. Some critics are concerned that reducing nonemergency food aid could increase the already high levels of malnutrition and stunting in Guatemala. In addition, a recent study by several major international organizations found that “there is clearly a link between food insecurity and emigration from [Guatemala, El Salvador and Honduras].”

**Regional Alliance for Prosperity (AFP) and Security Initiatives**

The Obama Administration and some Members pressed the Northern Triangle governments (Guatemala, Honduras, and El Salvador) to invest more heavily in their own development and security. In response to the Central American immigration crisis in 2014, the Guatemalan, Salvadoran, and Honduran governments proposed the Plan of the Alliance for Prosperity in the Northern Triangle later that year, with the help of the Inter-American Development Bank. The five-year, $22 billion initiative seeks to (1) stimulate the productive sector to create economic opportunities; (2) develop human capital through improved education, job training, and social protections (healthcare, nutrition); (3) improve public safety and access to the legal system; and (4) strengthen institutions and improve transparency to increase public trust in the state. Some observers, including some U.S. officials, criticized the initial plan for not focusing on development and poverty-reduction efforts in the poorest regions, from which the highest numbers of people emigrate. The Guatemalan Embassy says that the government has since shifted some of its programs toward those regions.

In November 2016, Guatemala, Honduras, and El Salvador launched a trinational task force to address the region’s security issues. The task force focuses on greater border protection, undertaking operations to dismantle gangs and criminal structures, taking action against human trafficking, cracking down on terrestrial drug trafficking across borders, and stopping the flow of contraband products through the Northern Triangle. The initiative includes increased

---


information sharing and cooperation among the three countries’ governments, as well as law enforcement and investigative agencies.

Trade and CAFTA-DR

Guatemala and the United States have significant trade relations, and are part of the U.S.-Central America-Dominican Republic Free Trade Agreement (CAFTA-DR), implemented in 2006. Supporters of CAFTA-DR point to reforms it spurred in transparency, customs administration, intellectual property rights, and government regulation. Critics note that the commercial balance between the two countries previously favored Guatemala, and that Guatemala already had duty-free access under the Caribbean Basin Initiative. Since CAFTA-DR, the balance has shifted in favor of the United States. The U.S. goods trade surplus with Guatemala reached $1.9 billion in 2016, an 11.9% increase from 2015. From 2005 (pre-CAFTA-DR) to 2015, U.S. exports to Guatemala increased by 107%, whereas Guatemalan exports to the United States increased by only 31% during the same period. President Trump has ordered reviews of U.S. trade agreements.


The U.S. Labor Department initiated a dispute settlement process alleging that the Guatemalan government violated its CAFTA-DR labor commitments, the first labor rights complaint lodged under a U.S. free trade agreement. In August 2011, the U.S. Trade Representative officially requested an arbitral panel. In June 2017, the panel concluded that although it agreed that Guatemala had failed to effectively enforce its labor laws in certain cases, the United States had failed to prove that the lack of enforcement negatively affected trade, as required under CAFTA-DR. The two parties must now agree on the resolution of the dispute, which normally conforms to the determinations of the panel. Some observers say the finding could bring into question the effectiveness of labor regulations in U.S. free trade agreements and could affect the renegotiation of NAFTA.


Counternarcotics Cooperation

Guatemala remains a major transit country for cocaine and heroin trafficked from South America to the United States. Guatemala’s porous borders and lack of law enforcement presence in many areas enables minor poppy and opium production, as well as smuggling of precursor chemicals, narcotrafficking, and trafficking of weapons, people, and other contraband. Unlike former President Pérez Molina, current President Morales opposes legalization of illicit drugs. According to the State Department, an estimated 1,000 metric tons of cocaine are smuggled through the country every year. In 2016, Guatemala recorded record drug seizures, captured high-profile criminals, and underwent leadership changes in most law enforcement agencies. The United States provides assistance in the areas of vetted units, training, and information sharing. The 2017 International Narcotics Control Strategy Report (INCSR) highlighted the above improvements in Guatemala’s drug control and border security, but noted the following:

The Guatemalan government will not succeed in building sustainable counternarcotics mechanisms until it fully implements its laws, reforms law enforcement and judicial institutions, accelerates judicial processes, improves interagency cooperation, and provides adequate financial support to relevant agencies and government ministries.61

Corruption within the Guatemalan government has enabled illicit drug trafficking. The U.S. Department of Justice requested the extradition of former Interior Minister Lopez Bonilla, who oversaw the Guatemalan police and prisons under the Perez Molina administration. The Justice Department reportedly said that Lopez Bonilla received money from various drug cartels, including the notorious Los Zetas, in exchange for allowing them to operate freely across Guatemala.62

Migration Issues

More than 1.3 million Guatemalans live in the United States, of which the Pew Research Center estimates some 525,000 to be unauthorized.63 From the 1970s to 1990s, the civil war fueled some migration. During the 2000s, migration became motivated by socioeconomic opportunities, natural disasters, social violence, and family reunification. Unlike their neighbors in the region, Honduras and El Salvador, Guatemalans have not received Temporary Protected Status (TPS), which offers immigration relief from removal under specific circumstances.64 Some Guatemalans benefit from the Deferred Action for Child Arrivals (DACA) program, which allows people without lawful immigration status who came to the United States as children and meet certain requirements to request deferred removal for two years, subject to renewal.65 The Trump Administration announced plans to phase out the DACA program on September 5, 2017.66

64 See CRS Report RS20844, Temporary Protected Status: Current Immigration Policy and Issues, by Carla N. Argueta.
President Trump later tweeted that Congress has six months to legalize DACA, and that if it doesn’t, he will “revisit” the issue.67

From FY2009 to FY2014, the number of unaccompanied migrant children (sometimes referred to as Unaccompanied Alien Children, or UAC) from Guatemala apprehended at the U.S. border rose from 1,115 to 17,057, causing concern among Congress and the executive branch.68 In 2015, the number of unaccompanied minors apprehended at the border decreased, but rose again in FY2016 to 18,913.

To offer a safer alternative to illegal immigration, the U.S. government launched the Central American Minors (CAM) Refugee/Parole program in December 2014. The program allows children living in El Salvador, Guatemala, and Honduras, whose parents reside legally in the United States, to apply for legal entry to the United States. In July 2016, the U.S. government expanded the CAM program to include additional family members. According to State Department data, 30 Guatemalans left for the United States under refugee status and 31 as parolees between the program’s start in December 2014 and March 2017. The CAM program will continue under the Trump Administration, but remains subject to the suspension of larger U.S. refugee admissions programs. According to the U.N. High Commissioner for Refugees, 62% of UACs interviewed in 2013 did not mention serious harm as a reason for leaving Guatemala, and 84% cited hopes for family reunification, increased work or study opportunities, or helping their families as motivation for coming to the United States.69

The U.S. Strategy for Engagement in Central America, and the Central American Plan of the Alliance for Prosperity in the Northern Triangle, were developed in large part as a response to the immigration crisis in 2014. They represent efforts to spur development and reduce illegal emigration to the United States.

### Intercountry Adoption

U.S. laws and policies concerning intercountry adoption are designed to ensure that all children put up for adoption are truly orphans, and have not been bought, kidnapped, or subjected to human trafficking, smuggling, or other illegal activities. Similarly, the goals of the Hague Convention on Protection of Children and Cooperation in Respect of Intercountry Adoption are to ensure transparency in adoptions to prevent human trafficking, child stealing, or child selling, and to eliminate confusion and delays caused by differences among the laws and practices of different countries. Both the United States and Guatemala are party to the convention. Because Guatemala has not yet established regulations and procedures that meet convention standards, the convention has not entered into force there.

In FY2007, U.S. citizens adopted 4,726 children from Guatemala, more than from any other country except China (5,453 adoptions). When the convention went into effect in the United States in 2008, adoptions from Guatemala were suspended because Guatemala was not in compliance with the convention’s standards. Since then, the only cases of adoptions by U.S. citizens of Guatemalan children that have been permitted are those that were already in-process.

---


on December 31, 2007. There were about 3,000 such adoption cases pending at the time. As of November 8, 2016, all but 4 cases had been resolved. The U.S. and Guatemalan governments have continued to work together to resolve the pending cases. Representatives of Guatemalan adoption-related institutions say that their priority is “to strengthen their processes and institutions in support of domestic alternatives for children ... [and that] this needs to occur before they will consider reopening intercountry adoptions.” The State Department’s Office of Children’s Issues supports those efforts, while also advocating for Guatemala to develop intercountry adoption procedures as another option for children who cannot find permanent homes within Guatemala.

**Author Contact Information**

Maureen Taft-Morales  
Specialist in Latin American Affairs  
mtmorales@crs.loc.gov, 7-7659

**Acknowledgments**

Meredith Pierce, Research Assistant, contributed immensely to the researching and writing of this report.

---