Haiti: Issues for Congress

Updated November 21, 2001

Maureen Taft-Morales
Foreign Affairs, Defense, and Trade Division
CONTENTS

SUMMARY

MOST RECENT DEVELOPMENTS

BACKGROUND AND ANALYSIS

From Aristide to Preval and Back Again

Congressional Concerns
  Cost of Peacekeeping Efforts
  Holding of Democratic Elections
  Cost and Effectiveness of U.S. Assistance
  Economic Policy and Role for U.S. Business
  Security and Human Rights Concerns
  Narcotics Trafficking

Legislation in the 106th Congress

LEGISLATION

CONGRESSIONAL HEARINGS, REPORTS, AND DOCUMENTS

CHRONOLOGY

FOR ADDITIONAL READING
  CRS Reports
Haiti: Issues for Congress

SUMMARY

In the last few years, Congress has been concerned about a number of developments in Haiti, with attention shifting from concern with the flow of refugees to concern for the cost and safety of U.S. troops in Haiti and to the stalled democratic process there.

Since the virtual withdrawal of U.S. troops and the inauguration of Rene Preval as President in February 1996, Congress has been concerned that U.S. assistance to Haiti be effective, that Haitian leaders pursue democratic reforms, including the holding of free and fair elections, adopt sound economic policies, improve security conditions in Haiti, and fully investigate reported human rights abuses.

Concern over political stability increased with President Preval’s controversial dissolution of the Haitian Parliament in January 1999, and his rule by decree after that. This followed an election dispute that had remained unresolved since April 1997, and the lack of a fully functioning government since the resignation of Prime Minister Rosny Smarth on June 9, 1997. This political paralysis has also contributed to economic stagnation, preventing major reforms from being finalized, and impeding access to over $500 million in international assistance.

In July, 1999, President Preval signed a new electoral law which effectively annulled the disputed April 1997 elections, and called for new legislative and local elections. After three postponements and international expressions of concern about Haiti’s failure to set a date, elections were held on May 21, 2000. But the tabulation of election results was tainted with charges of electoral irregularities by domestic and international observers. The electoral council affirmed those results, which favored former President Aristide’s Lavalas party.

Because of this controversy, the opposition boycotted the November 26, 2000 presidential and legislative elections, and international donors, including the United States, withheld election aid. Aristide won the elections and was inaugurated on February 7, 2001.

International organizations have been increasingly concerned about Haiti’s inability to resolve its impasse. The U.N.’s secretary General withdrew the U.N. mission in Haiti in February and issued reports expressing concerns about the Haitians’ failure to find a compromise and the current lawlessness and fear of political violence.

President Aristide has pledged to enact political, judicial, and economic reforms. Negotiations between Lavalas and the opposition alliance Convergence, mediated by the Organization of American States, have stalled. The two sides agreed to hold new elections for local and most parliamentary seats, but dates for those elections remain to be set.

The Foreign Operations Appropriations bill for FY2002 would prohibit assistance to Haiti except through regular notification procedures; no other conditions on aid to Haiti are in the current bill. It would also allow Haiti to purchase defense articles and services for the Haitian Coast Guard. FY2000 assistance to Haiti was $82 million; the estimate for FY2001 is $76 million; the request for FY2002 is $55 million.
MOST RECENT DEVELOPMENTS

President Aristide has pledged to make several political, judicial, and economic reforms, including correcting the problems of the May 2000 elections, in which Aristide supporters were awarded ten disputed Senate seats. The dispute remains unresolved and the international community frustrated. The OAS has been mediating on-again off-again talks between the Aristide government and the opposition alliance Convergence; the latest effort collapsed in mid-October. Although both sides have said they are willing to resume talks, negotiations remain stymied.

On September 27, 2001, Amnesty International released a report that outlined important achievements made in respect for human rights in Haiti during the last 10 years, as well as the continuing human rights problems that threaten to undermine that progress. The report describes “a human rights situation that is more serious today than at any point since the return of Aristide [in 1994].” The Haitian government rejected the report’s claims, saying that human rights conditions were improving.

BACKGROUND AND ANALYSIS

Congress has followed events in Haiti closely during this decade, but especially since September 19, 1994, when about 20,000 U.S. military forces, under code name Operation Uphold Democracy, entered Haiti as the lead force in a multi-national force to restore Jean-Bertrand Aristide to power. Aristide had been elected President in December 1990 in elections that were considered democratic, and he took office in February 1991. He was overthrown by a military coup on September 30, 1991, and lived in exile until the United States negotiated his return three years later. During President Aristide’s second period in office, Rene Preval was elected as his replacement in December 1995 elections, and was inaugurated as the new President of Haiti on February 7, 1996. In January 1999 he dissolved the legislature and ruled by decree for the rest of his term. Having won questionable elections in November 2000, Aristide was inaugurated for his second term as President on February 7, 2001.

From Aristide to Preval and Back Again

The Haitian military regime agreed to relinquish power after 3 years of diplomatic pressure and economic sanctions by the United States, and members of the Organization of American States (OAS) and the United Nations (U.N.). Faced with the imminent threat of a U.S. invasion, they signed an agreement calling for the immediate, unopposed entry of U.S. troops, a legislatively approved amnesty for the military, the resignation of the military leadership, and the return of President Aristide. Shortly after the initial entry of the multinational forces, President Aristide returned to Haiti on October 15, 1994, and within a few months, on March 31, 1995, the U.S.-led operation gave way to the U.N. peacekeeping operation, called the U.N. Mission in Haiti or UNMIH.
Following President Aristide’s return, Haiti took steps to hold democratic elections, with substantial assistance from the United States and the international community. Most first-round parliamentary and municipal elections were held on June 25, 1995. Although deadly violence, which marred past Haitian elections, did not occur, election observers alleged that there were numerous irregularities, including ballot burning in some places. Several rerun or runoff elections were held subsequently, from July to October, 1995. Pro-Aristide candidates won a large share of the parliamentary and local government seats. Presidential elections were held December 17, 1995. The Haitian constitution prevented Aristide from running for a second consecutive term. Rene Preval, an Aristide supporter, won, with 89% of votes cast, but with a low voter turnout of only 28%, and with many parties boycotting the election.

Rene Preval was inaugurated as President of Haiti on February 7, 1996. Preval was trained as an agronomist in Belgium in the late 1960s, and he lived and worked in the United States in the early 1970s. He returned to Haiti in the mid-1970s and worked for several businesses, after which he opened a bakery in 1983. With the fall of the Duvalier dictatorship in 1986, Preval was active in several civic groups, particularly Respect for the Constitution, and he also worked with Father Aristide’s Family Is Life orphanage. In 1991, he served as Prime Minister and Defense Minister of Aristide’s government, until Aristide was overthrown. In March 1993, he joined Aristide in Washington, D.C. Preval returned to Haiti in October 1994, and served as the director of the internationally-funded Economic and Social Assistance Fund from March 1995 until he was elected President of the country.

As President, Preval launched his “Democratization by Capitalization” program to privatize government enterprise through joint ventures with private capital. Despite public protests against the economic reforms, the Haitian Senate passed privatization and administrative reform laws on September 25 and 26, 1996 allowing the release of $226 million in foreign aid through the International Monetary Fund. Protests against the associated austerity measures continued, however. One of the most vocal critics of the proposed economic austerity program was Aristide. In January 1997 he formed a new party, Lavalas Family, as a vehicle for his presidential bid in the year 2000. Prime Minister Rosny Smarth barely won a parliamentary no-confidence vote on March 26, but bowed to pressure from opponents of the government’s unpopular economic reform and resigned on June 9. He cited the Electoral Council’s mishandling of the April elections as a reason for his resignation, saying he did not want to be associated with fraud.

By the end of 1997, Haiti’s failure to form a new government had already cost the nation $162 million in assistance from the Inter-American Development Bank, and tens of millions from other sources. On July 15, 1998, then President Preval nominated Jacques-Edouard Alexis, his education minister at the time, to be prime minister. The nomination process was stalled for months, however, by bureaucratic procedures. On January 11, 1999, Preval declared that most of Parliament’s term had expired, even though elections had not been held to replace them. He then installed Alexis as Prime Minister, members of his Cabinet, and an electoral council by decree, and began ruling by decree. He continued to do so through the end of his term in February 2001.

In elections boycotted by most of the opposition, Aristide was elected president again in November 2000. He signed an agreement with outgoing President William J. Clinton, promising to make several political, judicial, and economic reforms. According to the White
House, no new promises were made by the United States. Aristide took office again on February 7, 2001.

**Congressional Concerns**

In the last few years Congress has been concerned about a number of developments in Haiti, with attention shifting from one area to another as the situation changed. From 1991 to 1994, Congress expressed concern over the flow of Haitian refugees and ways to restore the democratic process to Haiti during the period of the military regime. Later, following the military action in September 1994, Congress was concerned with the cost and safety of U.S. troops in Haiti, and the holding of democratic elections to select a new parliament and a replacement for Aristide. Following the inauguration of President Preval in 1996, Congress was concerned that U.S. assistance to Haiti be effective. Congress also expressed concern that Haiti’s political stalemate stymied reform and economic development, and that various election disputes be resolved in a transparent manner. Other ongoing concerns include the improvement of security and human rights conditions in Haiti, and the reduction of illegal trafficking of narcotics through Haiti. Congress has prohibited assistance to the government of Haiti until some of those concerns are addressed.

**Cost of Peacekeeping Efforts**

Congress was concerned about the cost of U.S. military operations related to Haiti and the danger for U.S. troops involved in those operations. Some believed that such involvement was too costly and too risky for U.S. personnel in a country of marginal importance to the United States and with a very weak democratic tradition. Others were concerned about the implications and precedent of U.S. troops operating under U.N. command. Still others believed that such peacekeeping efforts can and should support and strengthen democracy in fragile societies. This concern began with the launching of Operation Uphold Democracy in September 1994 when about 20,000 U.S. troops led the military intervention that restored Aristide to power. It culminated in Congress mandating the withdrawal of U.S. troops from Haiti by May 31, 2000.

The costs for the United States of these operations can be divided into different categories, with the costs for the Department of Defense being expressed in terms of incremental costs (i.e., the costs over normal peacetime operating expenses). DOD incremental costs for U.S. efforts to restore democracy in Haiti, including support for UNMIH, totaled $790.4 million from FY1994-FY1996. Additional peacekeeping costs for international organizations funded through the International Affairs (Function 150) account are estimated at $148.7 million for FY1994-FY1996.

From the end of March 1995 to mid-April 1996, about 2,000 U.S. troops served as part of the United Nations Mission in Haiti (UNMIH). In early 1996, President Rene Preval asked U.N. peacekeeping troops to remain six months beyond the scheduled departure date at the end of February 1996. Under pressure from China, the U.N. Security Council reduced the size of the force and cut back the term to four months, with Canada contributing additional troops on their own when the United States indicated that its troops would depart on schedule. On June 28, 1996, a 5-month extension was approved, with the mission scaled
down to 600 troops and 300 policemen, with another 700 troops provided by Canada. In mid-November, President Preval requested an 8-month extension of the U.N. peacekeeping mandate, which he said was necessary while the Haitian National Police gain enough experience to maintain order in Haiti. On December 5, the U.N. granted the extension for a maximum of 8 months.

The mission was extended until May 31, 1997, with a renewal allowed until July 31. The U.N. resolution also reduced the number of troops by 100. On July 30, the U.N. voted to extend the U.N. presence in Haiti until November 30. A U.N. Transition Mission replaced the 300 police and 500 troops of the U.N. Support Mission. The new mission had 250 civilian police and a 50-member military headquarters staff. Canada previously had about 750 troops in Haiti; 1,000 troops from Canada and Pakistan supplemented the Transition Mission and were paid for by Canada and the United States. The last of the U.N. peacekeeping troops were withdrawn on November 30, 1997. Three hundred members of the U.N. police-monitoring force were to be replaced by a smaller mission in March 2000.

On February 29, 1996, the U.S. Commander of the UNMIH was replaced and U.S. forces ceased to conduct security operations in Haiti, except for self defense. According to the Clinton Administration, the majority of the 1,907 U.S. military personnel in Haiti were withdrawn by mid-March 1996, and the remainder, who stayed to arrange the dismantlement and repatriation of equipment, were withdrawn in mid-April 1996. After that, a U.S. support unit of 300 to 500 troops, made up primarily of engineers, remained in Haiti carrying out public works such as building bridges, repairing schools, and digging wells. In December 1997, President Clinton ordered the Dept. of Defense to maintain hundreds of U.S. troops in Haiti indefinitely. In September 1999, however, the 106th Congress passed the FY2000 DOD authorization bill (P.L. 106-65) that prohibited DOD funding to maintain a continuous U.S. military presence in Haiti beyond May 31, 2000. (See “Legislation” below.) The troops were withdrawn by the end of January 2000. According to the conference report (H.Rept. 106-301), the provision does not prohibit periodic theater engagement activities in Haiti.

**Holding of Democratic Elections**

After Aristide was restored to power in 1994, Congress was concerned that Haiti continue to strengthen its transition to democracy, and in particular that it hold democratic elections in 1995 in accordance with Haiti’s 1987 Constitution. In keeping with the arrangements for President Aristide’s return to power, Haiti pledged to hold democratic elections, even though some of Aristide’s supporters argued that he was entitled to another 3 years because he was denied office for 3 years by the military coup.

The Clinton Administration spent $1.3 million in technical aid for the presidential election, which was held on December 17, 1995. Although deemed to be generally free and fair by international observers, the turnout was only about 28% and many of the parties boycotted the elections. Rene Preval, President Aristide’s Prime Minister in 1991, received 89% of the vote, with Leon Jeune coming in a very distant second with 2.5%. Preval was inaugurated as the new President of Haiti on February 7, 1996.

The low turnout and the lack of competition has raised questions about the adequacy of the elections. The official U.S. Presidential Delegation to the Haitian elections found the election to be “another important achievement in establishing a fully functioning democracy.”
The report on the election by the International Republican Institute (IRI) observation group, however, while praising the fact that it was an election without violence, expressed reservations about the election because it lacked adequate participation or competition, key elements of a fully satisfactory democratic election.

Elections for one-third of the Senate and for territorial assemblies were held on April 6, 1997. An assembly was elected in each of Haiti’s 565 communal sections — roughly equivalent to U.S. towns or districts. These are the smallest administrative unit in Haiti’s governmental structure. Communal sections are part of 133 communes, similar to U.S. counties, which belong to nine departments, similar to U.S. states. Each communal section assembly will choose one member to represent them at the communal level on a municipal assembly, which will in turn select a representative to serve on a departmental assembly. Although these assemblies — collectively referred to as territorial assemblies — are mandated in the 1987 constitution, this was the first time Haitians were able to vote for officials at this local level.

Many observers expressed the same concerns they had during the presidential elections: low turnout — estimated to be 5% — and numerous irregularities. The United States decreed the first round elections free and fair, but the Organization of American States disagreed. IRI called the elections “another lost opportunity in Haiti’s democratic development,” citing the extremely low turnout and the continued “breakdown in the ballot and result collection and consolidation process.” Partial Senate results were announced in early May: two of the nine Senate seats open were won by candidates of Famille Lavalas, former President Aristide’s new party. The top two candidates in the other seven races were to face each other in a runoff election.

These runoff elections were indefinitely postponed by the Electoral Council on June 12, amid widespread charges that it had manipulated the elections in favor of Aristide’s party. Most political parties had planned to boycott the runoff elections. The postponement reportedly came after U.S. Ambassador William Swing told President Preval that the United States would not recognize the runoff elections unless the Electoral Council reheld elections in areas where the boycotting parties claimed fraud had been committed in the April elections.

Prime Minister Smarth said his resignation was due in part to the fraud he believes was committed by the electoral council, to which he did not want to be party. “I cannot justify that abuse of power,” Smarth reportedly said. “In our country, power is a sickness.” The country was without a prime minister for a year and a half, with four failed attempts to name a new one, and no resolution to the 1997 elections controversy.

Preval named a new electoral council by decree in early 1999. After criticizing the council’s new electoral law, Preval signed it on July 16, effectively annulling the April 1997 elections and seeming to pave the way for a resolution to the country’s 2-year old crisis.

The United States allotted $16 million over two fiscal years for elections assistance. The provisional electoral council’s tasks included the registration of almost 4 million eligible voters, issuing voter identification cards for the first time, and organizing legislative and municipal elections for some 10,000 posts on May 21. Every elected position in the country except for president and eight Senate seats, were on the ballot. Contested in those elections were the entire 83-seat lower house, 19 of the 27 seats in the upper house — including the
two seats won, but never occupied, by Famille Lavalas — 133 mayoral posts, and hundreds of local consultative assemblies.

Many observers hoped these elections would mean that, after two years of a deadlocked government, and more than a year of President Preval ruling by decree, a new Parliament could be installed and international aid released. Instead, the elections brought Haiti into another crisis. Both opposition parties and international observers have said the process used to tabulate winning percentages were erroneous and gave Lavalas ten more first-round victories than they should have had. Increased political violence surrounded the vote, including the arrests or murders of many opposition activists. Elections council president Leon Manus fled Haiti in fear of his life, reportedly saying he refused to give in to pressure from President Preval to approve incorrect results giving Lavalas candidates 18 Senate seats; Manus said Lavalas candidates won only eight seats and that the others should have faced second-round runoffs. Two other council members resigned. The remaining council members announced the disputed results as final. Despite domestic and international objections, the remaining run-off elections were held July 30.

In September, thousands of protesters shouting anti-Aristide and anti-Lavalas slogans called for the resignation of the Lavalas-controlled legislature. The OAS tried to broker an agreement between Lavalas and the opposition, to no avail. Presidential elections were held on November 26, 2000. Because the Haitian government refused to address the contested election results, the United States and other international donors withheld election assistance and refused to send observers to the election, and opposition parties boycotted them. Aristide won the election and took office on February 7. His inauguration was attended by few, if any, heads of state. The United States was represented only by its ambassador.

President Aristide has pledged to make several political, judicial, and economic reforms, including correcting the problems of the May 2000 elections. The dispute remains unresolved and the international community frustrated. At the third Summit of the Americas in April 2001, hemispheric leaders singled out Haiti as a country whose democratic practices were in trouble and asked the Organization of American States (OAS) to try again to help negotiate a solution to the crisis. In mid-July, in talks mediated by the OAS, the Aristide government and the opposition alliance Convergence agreed to hold new elections for local and most parliamentary seats. Progress was interrupted, however, by violence. On July 28, armed men dressed in military uniforms attacked two police installations, killing four police officers and injuring 10. The Aristide administration denounced the attacks as an attempted coup. The opposition denied that it is conspiring with former army members to plot a coup. Although both sides have said they are willing to resume talks, negotiations remain stymied. Still left to be negotiated is a schedule for the agreed-upon new elections.

**Cost and Effectiveness of U.S. Assistance**

Congress has been concerned about the cost and effectiveness of U.S. assistance to Haiti, despite recognition of the great needs of the poorest country in the hemisphere, exacerbated by 3 years of international sanctions under the military regime. The Clinton Administration provided approximately $100 million in foreign assistance to Haiti each year from FY1996 - FY1999, with a similar request for FY2000 (see Table 1).
Critics argue that the amount of aid is excessive and has permitted the government to avoid the hard economic reforms that are necessary to revive the economy, such as privatization of inefficient government enterprises. They argue that not much progress has been made in Haiti, despite the massive assistance, and they express disappointment that President Aristide resumed diplomatic relations with Cuba as one of his government’s last acts.

Supporters argue that the aid is necessary to support the fragile democracy in a time of severe need, and to prevent instability and massive migration from the island. They stress that Haiti is the poorest country in the Western Hemisphere with annual per capita income of only $225, that the economy was badly damaged by U.S. and international sanctions, and that much of the assistance goes for basic programs in health, education, food security, and environmental projects.

Congress has monitored aid to Haiti closely, and has established a number of conditions on this assistance. It has conditioned aid upon the holding of democratic elections and upon the investigation and prosecution of those responsible for human rights abuses. It also has required that all assistance be approved under special notification requirements. Acting under this provision, the House International Relations Committee has placed holds on some police assistance, and the Senate Foreign Relations Committee has placed similar holds on aid because of human rights concerns. Current conditions prohibit any assistance to the Haitian government until Haiti has held free and fair parliamentary elections, and is fully cooperating in narcotics interdiction efforts.

**Table 1. U.S. Aid to Haiti, FY1996-2000**
(dollars in millions)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Assistance</td>
<td>14.116</td>
<td>24.346</td>
<td>0.900</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Econ. Support Funds (ESF)</td>
<td>45.263</td>
<td>53.547</td>
<td>65.052</td>
<td>73.500</td>
<td>70.000</td>
</tr>
<tr>
<td>P.L. 480 Food Assistance</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Title I (loans)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Title II (grants for emergency/</td>
<td>29.275</td>
<td>12.535</td>
<td>34.908</td>
<td>25.579</td>
<td>26.432</td>
</tr>
<tr>
<td>humanitarian purposes)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Title III (grants)</td>
<td>10.000</td>
<td>10.000</td>
<td>10.000</td>
<td>10.000</td>
<td>—</td>
</tr>
<tr>
<td>Intertnl. Narcotics Control</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Peace Corps</td>
<td>0.671</td>
<td>1.032</td>
<td>1.118</td>
<td>1.236</td>
<td>1.380</td>
</tr>
<tr>
<td>For. Military Financing Grants</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Intertnl. Milit. Ed. Train. (IMET)</td>
<td>0.169</td>
<td>0.275</td>
<td>0.290</td>
<td>0.300</td>
<td>0.300</td>
</tr>
<tr>
<td>TOTAL</td>
<td>99.494</td>
<td>101.735</td>
<td>112.268</td>
<td>110.615</td>
<td>98.112</td>
</tr>
</tbody>
</table>

Once the Haitian parliament passed legislation guiding economic policy reform, including privatization of the many inefficient state-run enterprises (see below), the Agency for International Development (AID) and the international financial institutions were able to release most of the non-project assistance that had been on hold. Funds moved more slowly than originally intended, however, because the lack of expertise in the Haitian government made the negotiating and carrying out of programs more difficult. Prime Minister Smarth’s
resignation, the failure to replace him for a year and a half, and Preval’s dissolution of parliament caused further delays in both the execution of economic reforms and the delivery of international aid.

Representatives of the former Clinton Administration, the International Monetary Fund, and the World Bank have criticized Haiti’s failure to resolve the impasse. Because of the questioned legitimacy of the spring and fall 2000 elections, the international community withheld about $600 million in aid. Much of this international aid has expired or been redirected elsewhere. Most funding will have to be negotiated if the Haitian government resolves the election dispute and carries out other promised reforms.

**Economic Policy and Role for U.S. Business**

Haiti is the poorest nation in the hemisphere; Haitian unemployment is as high as 80%. Haiti’s per capita income is $250 — much less than one-tenth of the Latin American average, according to an August 1998 World Bank report, *Haiti: The Challenges of Poverty Reduction*. “The overwhelming majority of the Haitian population are living in deplorable conditions of extreme poverty,” says the report, pointing to a long history of political instability, corruption, misuse of public funds, and lack of governance as a key factor in that poverty.

Congress has been concerned that Haiti follow sound economic practices and that U.S. business play a role in Haiti’s economic recovery and development. U.S. and international lending institutions have urged Haiti to enact reforms to reduce the role of government and to encourage domestic and foreign investment. Privatization of nine government-operated parastatal enterprises (electricity, telephone, seaports, airports, two financial institutions, and cement, flour and vegetable oil factories) has been seen as a key reform to reduce government expenditures and stimulate investment. Other proposed reforms funded by AID or other institutions were measures to strengthen budget and monetary policy, to modernize the investment and commercial codes, and to improve banking practices. During his first term, President Aristide agreed to privatize some of the government enterprises, but backed off when political opposition arose. This decision prompted the resignation in October 1995 of his Prime Minister, Smarck Michel, and the suspension of assistance by the international financial institutions.

Former President Preval’s privatization of government enterprises drew public protests against that and other aspects of economic reform. Preval’s “Democratization by Capitalization” program called for increasing agricultural production through the partial sale of four state-run businesses — Electricity of Haiti (EDH), the Telecommunications Service (TELECO), the Minoteri (a flour mill), and the Haitian Cement Co. The Haitian Parliament passed President Preval’s privatization and administrative reform proposals on September 25 and 26, 1996, paving the way for the release of some $226 million in foreign aid through the International Monetary Fund. Smarth’s resignation in June 1997 and the lack of a fully functioning government since then caused further delays in the economic reform program. The stalemate also stymied the passage of important legislation.

With regard to the role of U.S. trade and businesses in Haiti, before the 1991 international embargo against Haiti, U.S. trade accounted for about 61% of Haitian imports and 87% of the country’s exports, but by 1994 had dropped almost by half. U.S. assembly
operations were also a major source of new employment. With the return of Aristide, several U.S. companies expressed an interest in Haiti, and the former Clinton Administration encouraged U.S. investment. Many companies are worried that the lack of infrastructure in Haiti, its political problems, rising insecurity, and extreme poverty make for a poor investment climate. Haiti’s political stalemate has inhibited both public and private investment.

Nonetheless, according to an Economist Intelligence Unit report in June 1999, many companies are returning to Haiti, attracted to advantages such as its deep-water port, low-cost labor force, and proximity to the United States. During the first quarter of 1999, exports of Haitian textile and apparel to the United States reportedly increased by nearly 20%, to $52.9 million, over the same period the year before.

**Security and Human Rights Concerns**

Congress has been concerned with the security and human rights conditions within the country. To break with the pattern where a military-dominated police force was associated with human rights abuses, Haiti under President Aristide’s first term, with U.S. assistance, demobilized the old military, established an interim police force of selected ex-military personnel, and began to train a professional, civilian Haitian National Police (HNP) force. The level of reported violence, flight of refugees, and alleged assassinations dropped markedly from very high levels during the de facto military regime. Since the return to civilian rule in 1994, Haiti has made progress in the protection of human rights, but the gains made are fragile and threatened by political tensions and problems with impunity.

Reflecting continuing concern over the investigation of political killings, however, Congress passed the Foreign Operations Appropriations bills for 1996-1999 with conditions on aid to Haiti under variations of the Dole amendment. The bills limited all foreign aid to Haiti — except humanitarian and electoral assistance — unless there were progress in investigations of extrajudicial and political killings, and other conditions. The FY2000 foreign aid bill (see “Legislation” below) outlined congressional priorities for assistance to Haiti, required the president to regularly report to Congress on the Haitian government’s progress in areas of concern to Congress, and prohibited any funding to Haiti except through regular notification procedures of the Committees on Appropriations. The Foreign Operations Appropriations bill for FY2001 prohibits providing assistance to Haiti except through regular notification procedures and prohibits aid to the Haitian government until Haiti has held free and fair elections to seat a new parliament and is fully cooperating with U.S. efforts to interdict illicit drug traffic through Haiti. It allows the Haitian government to purchase defense articles and services for the Haitian Coast Guard, subject to regular notification procedures.

Shortly after taking office in 1996, President Preval asked U.N. troops and police monitors to remain in Haiti to maintain security. The U.N. maintained a presence in Haiti for another 5 years, shifting from peacekeeping forces to civilian forces charged with police monitoring and some human rights monitoring duties. Under pressure from China, however, the size of the mission, and lengths of the extensions were diminished. (China has challenged the U.N. mission there because of Haiti’s ties with Taiwan, which China considers to be a renegade province.) The United Nations ended its mission in February 2001. U.N. Secretary General Kofi Annan said the mission could not function in a “climate of political turmoil.” Annan’s report also said that Haiti’s police force is under-equipped, “dismalized and
unmotivated” and that Lavalas had “disregarded all calls for a rectification” of the May 2000 elections. On May 18, 2001, Annan released another report expressing “concern about lawlessness and an ever-present fear of an outbreak of major political violence ...” in Haiti. He noted that Aristide had asked for a renewed U.N. mission. Reportedly, as of July 1, the U.N. had not indicated whether one would be provided.

The Haitian National Police (HNP) became less dependent upon the U.N. police monitoring force in 1997, the second full year of HNP operation, with the HNP being fully responsible for domestic security. According to a 1998 report by the National Coalition for Haitian Rights and the Washington Office on Latin America, the HNP made progress in several areas, but some serious problems remained unresolved, the most significant of which was that of excessive use of force.

Over the last several years, increases in political violence renewed concerns over security and police effectiveness. In the February 2001 Human Rights Practices Report, the State Department described the Haitian government’s human rights record as “generally poor” in 2000 and said its “overall effort to respect the human rights of its citizens was marred by serious abuses and shortcomings in oversight.”

Most observers agree that extensive reform of the judicial system is necessary to further strengthen the state’s ability to maintain law and order and to continue improving respect for human rights. In May 1998, a judicial reform bill that had languished in parliament since late 1996 was finally passed. Haiti took major steps forward in its judicial reform process and fighting police impunity last fall. In two major human rights cases, former Haitian soldiers were found guilty of extrajudicial killings and given prison sentences ranging from three years to life terms.

**Narcotics Trafficking**

Haiti is a major transshipment point for illegal narcotics, mostly cocaine, being transported from South America to the United States, according to the State Department’s March 2001 International Narcotics Control Strategy Report. The amount of cocaine entering the United States through Haiti decreased from about 13% of all cocaine entering the United States to 8% in 2000. The State Department presumed this was primarily due to the difficulties traffickers experienced in moving drugs through Haiti because of poor infrastructure or the seizure of drugs by rival traffickers. Several factors make Haiti attractive to narcotics traffickers. Located between South America and the United States, its coasts and border with the Dominican Republic are largely uncontrolled. Haiti’s nascent democratic institutions and ineffectual infrastructure have been further weakened by the political impasse that has characterized the country since 1997. Haiti’s current legal system is antiquated. Haitian authorities charged with controlling drug trafficking are inexperienced, lack sufficient resources, and, because of Haiti’s extreme poverty, are considered highly susceptible to corruption. According to the State Department’s report, “High level [Government of Haiti] officials of the Preval administration and members of the National Assembly [were] also suspected of ties with narcotraffickers.”

Some progress was made, however: the Haitian Parliament ratified a U.S.-Haitian bilateral maritime counter-drug agreement and an Inter-American Convention Against

On March 1, 2001, the Bush Administration said Haiti was not certified as having fully cooperated with U.S. drug-control efforts, but it granted a vital national interest waiver and said that aid to Haiti must continue. The Administration said that although the Haitian government had “demonstrated cooperation in a limited number of areas, especially U.S. maritime interdiction operations, Haiti failed to take other significant counter-narcotics actions.” The Administration added that “Haitian poverty and hopelessness” were chief catalysts in Haitian involvement in the drug trade and in illegal migration to the United States. Cutting off aid to Haiti, including programs aimed at attacking those catalysts, “would aggravate an already bad situation.”

Legislation in the 106th Congress

P.L. 106-65 (S. 1059). Congress agreed to the conference report (H.Rept. 106-301) for the FY2000 Department of Defense Authorization Act; the House on September 15, the Senate on September 22. Section 1232 prohibits DOD funding to maintain a continuous U.S. military presence in Haiti beyond May 31, 2000, and requires the President to notify Congress in writing within 96 hours of any deployment of U.S. Armed Forces to Haiti after that date. The conference report says the provision does not prohibit periodic theater engagement activities in Haiti under the auspices of the U.S. Southern Command. Signed into law on October 5, 1999.

P.L. 106-113 (H.R. 3194, Major Legislation). The Consolidated Appropriations Act for FY2000 included the Foreign Operations Appropriations bill (H.R. 3422) as introduced on November 17, 1999. Section 520 prohibits any funding to Haiti except through regular notification procedures of the Committees on Appropriations. Section 559 (1) outlines congressional priorities for assistance to Haiti, including “aggressive action to support the Haitian National Police;” ensuring that elections are free and fair; developing indigenous human rights monitoring capacity; facilitating more privatization of state-owned enterprises; a sustainable agricultural development program; and establishing an economic development fund to encourage U.S. investment in Haiti; (2) requires the President to submit a report to Congress every 6 months until September 30, 2001, regarding the status of various Haitian government efforts in areas of concern to Congress; and (3) stipulates that not more than 17% of funds appropriated by this act for Latin America and the Caribbean may be made available to any one country in that region. Section 562 allows the Haitian government to purchase defense articles and services for the Haitian Coast Guard, subject to regular notification procedures. Signed into law on November 29, 1999.

P.L. 106-429 (H.R. 4811). The Foreign Operations Appropriations Bill for FY2001 (H.R. 5526 enacted by reference.) Section 520 prohibits providing assistance to Haiti except through regular notification procedures of the Committee on Appropriations. Section 558 prohibits aid to the Haitian government until Haiti has held free and fair elections to seat a new parliament and is fully cooperating with U.S. efforts to interdict illicit drug traffic through Haiti. Section 561 allows the Haitian government to purchase defense articles and services for the Haitian Coast Guard, subject to regular notification procedures. The House
Appropriations Committee’s report (H.Rept. 106-720) expressed full support of humanitarian assistance and the private organizations through which it is provided. The Senate Committee on Appropriations’ report (H.Rept. 106-291) states, “Absent significant political change, the Committee believes American aid should be suspended, except for the most urgent humanitarian programs.” Signed into law November 6, 2000.

**LEGISLATION**

**H.R.2506 (Koble).**

The Foreign Operations appropriations bill for FY2002. **Section 520** prohibits providing assistance to Haiti except through regular notification procedures to the Committees on Appropriations. No other conditions on aid to Haiti are currently in the proposed bill. **Section 554** would allow the Haitian government to purchase defense articles and services for the Haitian Coast Guard. Approved by the House on July 24, 2001.

**H.R.1646 (Hyde).**

The Foreign Relations Authorization act for FY2002 and FY2003. Authorizes $6,000 to the Organization of American States for each fiscal year to be appropriated only for the investigation and dissemination of information on violations of freedom of expression by the Government of Haiti. Passed by the House May 16, 2001. The Senate version, **S. 1401**, reported by the Committee on Foreign Relations September 4, 2001, contains no such provision.

**H.R.1642 (Waters).**

Urges the President to accomplish modifications in the Enhanced Heavily Indebted Poor Countries Initiative, including requiring that the eligibility requirements of the Initiative be revised to make Haiti eligible. Introduced April 26, 2001, referred to Houses subcommittee May 10.

**H.R.707 (Smith).**

Amends the Nicaraguan Adjustment and Central American Relief Act to provide certain Haitian nationals an opportunity to apply for adjustment of status under that Act. Introduced February 14, 2001, referred to House subcommittee March 2.

**CONGRESSIONAL HEARINGS, REPORTS, AND DOCUMENTS**


**CHRONOLOGY**

02/07/01 — President Aristide is inaugurated to a second term. The Democratic Convergence, an opposition coalition, forms an alternative government.

11/26/00 — Former President Aristide and his party win presidential and legislative elections boycotted by opposition.

05/21/00 — First and second round of legislative and local elections held. Observers report fraudulent counting of votes.

07/30/00 —


03/99 — President Preval appoints new prime minister and electoral council by decree.

01/99 — President Preval dissolves parliament and local governments and begins to rule by decree.
06/09/97 — Prime Minister Smarth resigns, citing a lack of public confidence in the government and his unwillingness to be associated with electoral fraud.

04/06/97 — Elections for one-third of the Senate and for territorial assemblies are marred by low turnout and allegations of fraud by the Electoral Council.

03/26/97 — Prime Minister Rosny Smarth survives a legislative no-confidence vote.

12/05/96 — The U.N. Security council approves extension for a maximum of 8 months, until July 31, 1997, of the U.N. Support Mission in Haiti.

07/17/96 — Former Army General Claude Raymond, who served during the Duvalier dictatorship, is arrested and charged with trying to destabilize the country. In late July 1996, two men accused of murdering Justice Minister Francois Guy Malary in 1993 remained in prison, awaiting retrial following expressions of outrage when they were found not guilty.

06/96 — Emmanuel Constant, the former head of the pro-military Front for the Advancement and Progress of Haiti (FRAPH), who claims to have worked for the CIA and who fled murder charges in Haiti, is released from a U.S. detention center in Baltimore, Maryland, while Haiti is seeking his extradition.

06/28/96 — The U.N. Security Council approves the extension for 5 months of a scaled-down U.N. force, called the U.N. Support Mission in Haiti.

06/26/96 — At a House International Relations Committee hearing, Deputy Secretary of State Strobe Talbott denies Republican charges that the Administration had failed to aggressively pursue human rights abuses during the Aristide presidency, and he indicates that the United States was working with other nations to arrange for an extension of the U.N. force in Haiti.

06/5-15/96 President Preval visits Europe to promote international assistance, investment, and an extension of the U.N. force in Haiti.

04/19/96 — Senator Robert Dole criticizes the Clinton Administration’s Haiti policy on the Senate floor, and releases a critical Republican congressional staff report.

04/17/96 — The last contingent of U.S. soldiers serving as part of the UNMIH departs Haiti.

03/20-22/96 President Preval visits Washington, D.C., and in meetings with President Clinton, Congress, and international financial institutions, promises to privatize government enterprises and to adhere to international human rights standards.

02/29/96 — The U.N. Security Council extends the UNMIH mandate, but with a force limited to 1,200 soldiers and 300 civilian police for a period of only four months. Canada offers to contribute additional personnel.
02/16/96 — President Preval chooses the moderate agro-economist Rosny Smarth as Prime Minister, and he is subsequently approved by the Haitian legislature.

02/09/96 — President Preval requests an extension of the United Nations Mission in Haiti.

02/07/96 — President-elect Rene Preval is sworn in as President, representing the first transition from one democratically elected president to another.

12/17/95 — In peaceful presidential elections, Rene Preval, the pro-Aristide candidate of the Lavalas Party, wins with 89% of the vote, but turnout was only about 28% of eligible voters, and many parties boycotted the election.

**FOR ADDITIONAL READING**


Rotberg, Robert I. and John Sweeney. “Was Intervening in Haiti a Mistake?” Foreign Policy, no. 102, spring 1996: 134-151.


**CRS Reports**
