The other refugee crisis

Amid economic collapse and political unrest, Latin America has to deal with the largest refugee crisis in its history

By Sandra Weiss | 26.09.2018

There’s something foul in the states of South America: after decades, the subcontinent is at peace, and yet it is currently experiencing the largest movement of displaced persons in its history. The nations of Latin America simply don’t know how to handle the surge of refugees fleeing the economic collapse of Venezuela: as countries around it declare a humanitarian state of emergency, Venezuela’s president, Nicolás Maduro, rambles on about a conspiracy against his country, accusing those leaving of being venal economic migrants playing parts in a ‘Hollywood sham’.

At the same time, his administration is, due to a shortage of passport paper, unable to issue travel documents to all those who have applied to emigrate: all of the suitable paper available has been allocated for printing the ‘Fatherland Passes’, a sort of ration booklet for food and petrol that will force those left behind further into dependency on a state manifestly incapable of caring for them. Those who are serious about getting a passport fast have no option but to bribe the corrupt administration, with prices reportedly running at around $1,000.

Further up, in Central America, Costa Rica is busy trying to accommodate the Nicaraguans who, having taken part in protests against the socialist regime of Daniel Ortega, are now facing state retaliation – and have learned to fear it even when abroad, given that Ortega recently asked Costa Rica for a list of names of registered refugees (it refused). Yet the surge comes at a price for Nicaragua’s stable, democratic neighbour: in August, hundreds of demonstrators set Nicaraguan flags on fire and chased anyone they thought to be from across the border through the streets.
With both Maduro and Ortega styling themselves as ‘the Bolivarian socialists of the 21st century’, The Economist has called the upheaval the Bolivarian Wave: according to various official estimates, between two and three million Venezuelans have already left their homeland; newspaper reports put the number of Nicaraguans who have left at 24,000.

A range of failed states

It’s not just the crisis of authoritarian socialist regimes between the equator and the Tropic of Cancer that is driving migration, however. Central America has a range of failed states whose citizens have been fleeing corruption, drug-related conflict and economic mismanagement for years. In many places, organised crime has erected parallel state structures marked by authoritarianism and brutal violence, pushing migration above all in the direction of the US.

Indeed, this movement north was a convenient way for many Central American governments to release the pressure on them to reform their countries as the remittances sent back home by migrants to their families replaced the social services they should have been providing; instead of concentrating on implementing the rule of law, they could sit back as new shopping malls were erected and remittances piled up in the pocket of a wealthy elite.

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As far as US president Donald Trump is concerned, this has to stop. Yet his solution is highly counterproductive. While his predecessor, Barack Obama, worked on strengthening the rule of law in the region, supporting international anti-corruption commissions in Guatemala, Honduras, and El Salvador, Trump has set about ‘building that wall’, placing the emphasis on military cooperation and attempting crude blackmail by using the Nafta renegotiation to force Mexico to act as a new bulwark against the unwelcome immigrants from further south.

At the same time, out of fear of further socialist experiments in the region, in countries like Honduras and Guatemala, the conservative elite around secretary of state Mike Pompeo and chief-of-staff John Kelly is propping up the self-same authoritarian regimes that will continue to impel the surge of refugees.

Fanning the flames

In view of the long-smouldering political crisis in Latin America, this huge displacement might be unexpected, but it was by no means impossible to predict; it has now been pushed to the top of all government agendas and will put diplomatic ties in the region to the test. Thus far, borders have generally been open to refugees; nevertheless, the host countries are themselves often economically and politically unstable.

As such, there was a hastily organised summit on the issue in Quito in early September, which, however, failed to produce much more than a helpless-sounding statement of intention with the obligatory ‘call to the international community for more coordination and more resources’. Even this minimal consensus was only subscribed to by 11 of the countries represented: Argentina, Brazil,
Ecuador, Costa Rica, Colombia, Chile, Mexico, Panama, Paraguay, Peru and Uruguay. Bolivia, also governed by socialists (and largely unaffected by the crisis), dismissed the conference as ‘foreign meddling’; the Dominican Republic called in sick; Venezuela didn’t even sign up.

The issue is that, beyond emergency humanitarian action organised by international aid agencies, there are, thus far, no tried-and-tested mechanisms for dealing with the challenge of large-scale refugee movements; any attempts at joint solutions are harried by ideological trench warfare. The danger is very real that national-level solutions will carry the day, fanning the flames of racism and populism in the process.

800 arrivals a day

Panama is a case in point: the canal-side state has traditionally attracted immigration from the rest of the continent, with its finance and banking sector, large port and current property boom driving demand for qualified labour; foreign workers often have better chances in this environment than Panamanian natives who have passed through the country’s own (deficient) education system.

Since 2014, Venezuelans have been the most numerous of the immigrants into this small bi-coastal nation, with 80,000 now registered in the country according to the migration authority. For months, xenophobic pamphlets have been doing the rounds in Panama and there have even been anti-Venezuelan protests. The fact that the two countries share a language, a religion and the same Caribbean cultural heritage has, in view of the competition for jobs and affordable housing, been pushed out of the public perception.

Despite its size, Brazil is doing little better. The border region of Roraima in the Amazon Basin, generally neglected by the country’s politicians, has had to deal with the inflow of refugees by itself. In the space of a few months, 25,000 Venezuelans have settled there, with around 800 coming across the border every day in August. Many arrive penniless, sleeping on park benches and desperately searching for work, yet work is what this economically underdeveloped region cannot offer.

There are simply not enough jobs, and the fact that Venezuelans are now competing with locals has led to xenophobic outbreaks: in August, a mob burned a refugee camp in the border town of Paracaraima to the ground. Central government, currently headed by conservative caretaker president Michel Temer and occupied with the electoral campaign, ordered the border to be shut, only for the Brazilian high court to declare this unconstitutional. The government responded by sending in more troops to take care of the immigration issue, a measure that plays right into the hands of the favourite for October’s presidential election, the right-wing populist Jair Bolsonaro, who promises to close the borders.

A remarkable reversal

In economically prosperous Chile, the number of immigrants has gone up by a factor of five in a decade. It isn’t just Venezuelans, but also Haitians fleeing the Caribbean’s longstanding poorhouse, who are driving numbers up. According to one survey, two thirds of Chileans support more restrictive
legislation on migration, and conservative president Sebastián Piñera has responded by tightening visa regulations for Haitians; Venezuelans, however, continue to benefit from what is termed a ‘democratic exception’.

Meanwhile, the left-wing government of Ecuador, one of the most important transit countries for Venezuelans, has set up a humanitarian corridor for refugees in order to unblock the border crossing at Tulcan, where a large number of migrants had become stuck in precarious, unhygienic conditions as officials tried in vain to distinguish between those passing through, those claiming asylum and various other categories. New arrivals now receive a pass and can continue on their journey, relieving some of the pressure.

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The largest group of Venezuelan refugees are the roughly one million in Colombia – who represent a remarkable reversal. During the civil war that marred the country, around 720,000 Colombians fled to Venezuela, then a stable, democratic and prospering neighbour; now, Venezuelans are coming back the other way at the worst moment imaginable. Colombia is, after all, trying to switch from a war to a peacetime economy, but the dividend the government was hoping for has yet to materialise. This makes the refugees easy prey for criminal groups involved in human trafficking; many are forced into prostitution or slavery in all but name. The result is a dangerous situation that could undermine the fragile Colombian peace accord.

Fundamental dilemma

As a result, the newly elected conservative leader, president Iván Duque, is one of the most outspoken advocates of a regional humanitarian solution. Yet he will not be able to solve the fundamental dilemma at the heart of the issue: everyone knows the problem can only be solved by political action in the crisis countries. In the meantime, the diplomatic mills of multilateral organisations such as the Organisation of American States (OAS) grind slowly and need qualified majorities that have, thus far, been impossible to achieve due to the oil diplomacy Venezuela employs to get Caribbean island states dependent on its oil to support it.

In the potential sanctions the OAS can mete out, the ‘democracy clause’ is the most drastic and leads to the suspension of the country concerned, which then loses access to loans from the International Monetary Fund and World Bank and which is unlikely to be able to secure finance on the international markets. While this is a credible threat to developing countries such as Nicaragua, it is unlikely to sway an oil-rich state such as Venezuela.

What’s more, geopolitical manoeuvring on the parts of Russia and China put a large question mark over these potential sanctions: how much money might the two powers be willing to spend for potential bridgeheads into Latin America? For as long as these fundamental questions remain unanswered, the continent has little other recourse than to treat the symptom – the refugee crisis – in as humanitarian, rational and well-ordered way as possible.