

face of some popular discontent. Several countries in Central America have also taken meaningful steps towards fuller democratization. Even the redoubtable Mexican political system is showing signs of change, as the gap between the need to reduce drastically the scope of top-down economic management and the continuing pervasiveness of the PRI's political power becomes increasingly awkward.

Inter-state relations in the region have greatly improved, part of the political fallout from greater emphasis on economic cooperation. El Salvador and Honduras have successfully resolved their border differences in the World Court. Occasional Venezuelan sabre rattling against Guyana over the Essequibo region no longer occurs. Chile and Argentina settled the Beagle Channel dispute. Guatemala has recognized Belize and has largely resolved its boundary differences with that country. Colombia and five Commonwealth Caribbean nations added their signatures to the Nuclear Non-Proliferation Treaty (NPT) after 1980. At present, Brazil, Argentina, Chile, Cuba and Guyana are the only non-signatories and there are some signs that the first three may now be more amenable to adhering to enhanced nuclear safeguard regimes and eventually to the NPT.

Nonetheless, Latin America has not broken fully with the authoritarian side of its heritage. This can only come over time, and it will not occur at the same pace throughout the region. Although some improvement is evident, corruption remains a problem in the generally poorly paid public service and within a business community still adjusting away from a mercantilist commercial system in which personal access to government regulators often meant the difference between success and failure in the much more regulated system of the past.

In Colombia, Peru, Guatemala and El Salvador, insurgent threats (and deeply rooted drug-related problems in the first two) have produced a vicious cycle of violence and counter-violence that undermines the institutions essential to democracy. Nicaragua's democracy remains fragile. The military still retains political influence, particularly in the weaker economies of Honduras, Guatemala, El Salvador and Peru. In Haiti, the military has for years operated as a rogue force, while in Cuba the transition from an abusive and totalitarian regime is still some distance away. The human rights situation has improved overall, but continues to be a problem in several countries. Structural impediments to human rights reform (e.g., lack of a more fully effective judiciary) continue to exist to varying degrees, but are breaking down as the functioning of democratic institutions and culture improves.