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Left gains upper hand in Costa Rica and El Salvador

At first glance the presidential elections in Costa Rica and El Salvador on 2 February produced contrasting fortunes for the Left. In El Salvador it will take something very special from the right-wing opposition Alianza Republicana Nacionalista (Arena) to prevent the left-wing Frente Farabundo Martí para la Liberación Nacional (FMLN) from securing the presidency. The FMLN's candidate Salvador Sánchez Cerén came exceptionally close to winning the 50% of the vote required to win in the first round and is in a commanding position heading into the March run-off against his Arena rival Norman Quijano. In Costa Rica, the electorate denied the left-winger, José María Villalta, a berth in a two-way run-off in April, but a late surge of support propelled Luis Guillermo Solís of the left-leaning Partido Acción Ciudadana (PAC) into the second round.

Veteran guerrilla leader Sánchez Cerén won 48.9% of the vote, exactly 10 percentage points more than Quijano. Former president Tony Saca (2004-2009), of the centrist Movimiento Unidad, finished a distant third on 11.4%. The result was anticipated by the opinion polls. Arena and Quijano were punished for a negative and confrontational campaign; for chopping and changing policies, especially in the voter sensitive areas of security and social welfare; and for the corruption scandal which in recent weeks ensnared former (Arena) president Francisco Flores (1999-2004), who had been serving as Quijano's campaign advisor [WR-14-02], damaging the party's credibility.

Arena bemoaned the fact that it faced four campaigns: "one by the FMLN; one by President Mauricio Funes; one by the Venezuelan-led integration bloc Alba; and one by the supreme electoral tribunal (TSE)". There is no evidence for Alba's interference, although Arena has long denounced it; there was, however, an avalanche of government propaganda against Arena on television, in violation of the electoral code, which the TSE suspended but only very late in the day. Still, this smacks somewhat of sour grapes as Arena governments in the past also misused public resources to stigmatise the FMLN.

Quijano tried to put a brave face on the result, saying he would unify the Right in the second round and appeal to those who abstained from voting. His prospects look dim. Arena trailed the FMLN by over 266,000 votes. Even if all of Saca's support, just over 305,000 votes, transferred to Quijano, it would only just be enough – and this is highly unlikely.

Opinion polls have suggested that two-thirds of Saca's support would go to Quijano, which would be insufficient to overturn the deficit. There are also signs that the FMLN is preparing to cut a deal with Saca. Sánchez Cerén said Saca had phoned to congratulate him on his victory and offered to "work with you in the second round". When Sánchez Cerén's running mate, Oscar Ortiz, was asked if the FMLN would not be compromising its commitment to

Expat vote

It was the first time that expatriates have been able to vote in elections in either Costa Rica or El Salvador. There was much talk about the possible impact of the expatriate vote on the outcome in El Salvador as there are more than 2m Salvadoreans living in the US. In the event, however, it had no impact whatsoever. Only 1,909 ballots were cast by Salvadoreans living abroad. Of these, 61% were for the FMLN; 31% for Arena.

combat corruption, given alleged irregularities during the Saca administration, he said that "as long as an agenda of issues important to the public is at the heart of a deal, we will work together".

While the FMLN should not need Saca's backing to win the run-off on 9 March, the party appears to have calculated that seeking it makes sense because of uncertainty about the turnout. This is Quijano's only real chance. Abstention was very high in the first round: the turnout was just 47%, down from 65% in the 2009 elections. The difference can be attributed to the popularity of Funes, as well as disillusionment with the political class as a whole. Quijano will need to improve his campaign significantly in the second round, however, with more policy proposals and less scaremongering, if he is to persuade voters to come out in greater force.

The other reason the FMLN is keen to reach out to the Movimiento Unidad is because if he wins, Sánchez Cerén will need the centrist coalition's support in the 84-seat legislative assembly, where the FMLN has 31 seats, in order to get off to a flying start. Legislative elections, unlike in Costa Rica, are not held concurrently in El Salvador. They will be held in March 2015, nine months after the new president takes office.

The timing of the legislative elections also means that even if, as his detractors claim, Sánchez Cerén were planning to implement a radical policy agenda inconsistent with his electoral manifesto (such as bringing El Salvador into Alba or, even, abolishing the US dollar and re-introducing the colón) he would be held back by the knowledge that the FMLN could be punished at the polls in early 2015, leaving him hamstrung in congress for the rest of his term.

Solís and the moderate Left

While the pollsters fairly accurately predicted the electoral result in El Salvador, the same could not be said for the presidential elections in Costa Rica, where a politician written off by the pollsters as an also-ran won by a nose and is now the slight favourite to claim victory in a run-off on 6 April. Luis Guillermo Solís, of the left-leaning PAC, finished first with 31.0% of the vote, just ahead of Johnny Araya, of the ruling traditional Partido Liberación Nacional (PLN), on 29.6%. For most of the campaign, Solís had less than 6% support in the opinion polls, although he was adamant that his campaign team's weekly tracking polls indicated "extraordinary growth" in his support shortly before the elections [WR-14-03].

José María Villalta, the presidential candidate for the left-wing Frente Amplio (FA), finished third on 17.1%. This is consistent with the polls, but the vituperative attacks by his rivals, who portrayed Villalta as a radical liability, might have swayed the large number of undecided voters to look for a change elsewhere to the benefit of the moderate left-of-centre Solís.

Voting for Villalta was a step into the unknown (perhaps too much for a largely conservative society), but not with the PAC, which has come second in the last two elections and has a decent legislative presence. That said a PAC victory in April would mark a significant change in a country where traditional parties have dominated since 1930 through the political duopoly of the PLN and the Partido Unidad Social Cristiana (PUSC), the latter having changed identity on a few occasions over that time. The PAC was formed in 2000 by PLN dissidents who wanted more done to combat corruption and improve social justice.

"The people were wise and chose without any doubt between change and *continuismo*," Solís said. Araya indirectly agreed, commenting that the result showed that the PLN had been unable to give the public "sufficiently clear signs that we want to rectify, that we want a responsible change". He reiterated his promise to go back to the party's social-democratic roots.

Luis Guillermo Solís

A history and political science professor in the State Universidad de Costa Rica, Luis Guillermo Solís left the PLN, of which he had been secretary general, about a decade ago, having served in the first government of Óscar Arias (1986-1990). He cited internal corruption in the PLN and an ideological shift to neo-liberalism for his departure. He was also hostile to the Central America-US-Dominican Republic (Cafta-DR) free trade treaty. Solís, who insists he is a progressive rather than a leftist, says his priority will be eradicating indigence, which afflicts 6% of the population, through job creation as well as diverse and better-targeted social welfare programmes; reducing inequality; and attacking official corruption.

Both men have so far shied away from alliances for the second round. Villalta had called on the PAC to forge a second round alliance, although that was when he expected to be the presidential candidate. When Villalta quipped after the results that “the second round will be between the Right that steals and the Right that doesn’t steal”, alluding to the PLN and the PAC respectively, Solís took umbrage. Solís appears to have made the risky calculation that Villalta’s support will transfer to him without the need for a formal alliance, but this is a new and volatile segment of voters who might simply abstain unless the PAC at least makes a gesture by adopting some of the FA’s policy agenda. Move too far left, however, and the PLN will level the same criticism at Solís as it did Villalta. The head of the PLN faction in the legislative assembly, Fabio Molina, has already remarked, that “we defeated radical communism; we will defeat camouflaged communism” in reference to Villalta and Solís respectively.

Araya could strike a temporary alliance with the Movimiento Libertario (ML), but he is reluctant to be associated with a conservative party in his bid to win over voters seeking a change, and will also be mindful of the fact that the ML’s presidential candidate, Otto Guevara, underperformed, winning just 11.2% of the vote, barely half of his support in 2010, while the ML’s legislative presence fell by two-thirds. He could also try and cut a deal with the fifth placed candidate, Rodolfo Piza, of the PUSC, who performed better than the polls suggested, finishing with 6.0% support.

Legislative fragmentation

Whoever wins will have to seek alliances in the 57-seat legislative assembly (*see table below*), where the eventual victor faces an even more difficult scenario than President Laura Chinchilla, who has been unable to push through any meaningful legislation. The PLN’s nationwide presence and electoral machinery helped it secure more seats than any other party but it still only managed 18 in total, six fewer than in 2010, resulting in the worst legislative presence for the PLN since 1949. The PAC won 14 seats, three more than now. The FA won an impressive nine seats, from just one, while the PUSC added two seats to finish with eight and the ML lost six to finish with three.

The PLN could just muster a majority of 29 if it were to forge an alliance with the PUSC and the ML, but the PAC cannot get there even with the FA and the five seats won by smaller parties. Rolando Araya, an adviser to his brother Johnny, remarked that “It is practically unmanageable. Either there is a multi-party government with a national accord or the country is heading for a heart attack. As it stands now, it will be like trying to herd cats in La Sabana (the metropolitan park located in downtown San José).” Ottón Solís, the founder of the PAC and head of the party list in San José, called for “a new *modus operandi* by means of transparent dialogue”. But that is for later. For now both the PLN and the PAC are cautious of striking alliances ahead of their second round showdown.

Costa Rica’s legislative assembly (at present and from 1 May 2014)		
	2010-2014	2014-2018
Partido Liberación Nacional (PLN)	24	18
Partido Acción Ciudadana (PAC)	11	14
Frente Amplio (FA)	1	9
Partido Unidad Social Cristiana (PUSC)	6	8
Movimiento Libertario (ML)	9	3
Renovación Costarricense (RC)	1	2
Others	5	3
Total	57	57

Two threats emerge to Santos - both female

President Juan Manuel Santos faces two very different challenges from female politicians in the run-up to presidential elections on 25 May. One is being posed by Marta Lucía Ramírez, the freshly chosen presidential candidate for the Partido Conservador (PC); the other, by Aída Abella, the presidential candidate for the radical left-wing Unión Patriótica (UP). One could be a threat at the polls; the other, away from them.

President Santos topped the latest opinion poll released in Colombia, published by the national daily *El Tiempo* on 3 February, with 24.4% voting intentions. Ramírez made an immediate impact by moving into a three-way technical tie with Óscar Iván Zuluaga, of the Centro Democrático (CD) of former president Alvaro Uribe (2002-2010), and the former mayor of Bogotá, Enrique Peñalosa, a possible candidate for the Alianza Verde. They returned 7.7%, 7.6% and 7.1% backing respectively.

The incipient challenge from Ramírez might not develop into a full-fledged threat. Santos enjoys more than three times as much support in the poll and Ramírez faces a legal challenge to her candidacy from her own party which is not united behind her. Add to this the lacklustre performance of the PC for more than a decade since Uribe brought an end to its century-long political duopoly with the Partido Liberal (PL), which remains in the ruling coalition ranged behind Santos, and it is clear that Ramírez faces an uphill task to pull into contention. The poll was also carried out in just five, mainly urban, departments.

In Ramírez's favour, however, is the fact that undecided voters are still hovering around 15%, with as many as 30% threatening to cast blank ballots as a large number of Colombians are unimpressed with re-election. Many of those who say they will cast blank ballots are probably still undecided, yet to identify with a particular candidate as the campaign is not officially underway and policy proposals have not been presented. Only 1.5% of the electorate cast blank ballots in 2010, for instance, and historically the figure is similar.

If Ramírez moves decisively ahead of Zuluaga as the polls evolve over the next couple of months, which is a distinct possibility, an alliance with Uribe's CD could take shape. At present, Ramírez has ruled this out because it is politically expedient to play a waiting game, but if this scenario develops she would be in a position of strength to negotiate an alliance and to rally the PC behind her.

Threat to Santos' legacy

Somewhat paradoxically, one of the biggest threats faced by Santos could come from Aída Abella, who only returned to Colombia last November after a 17-year exile to declare her candidacy for the UP. Abella fled the country in 1996 after an attempt on her life. This week she denounced death threats against her, UP congressional candidates and other leftists in the form of an email, dated 1 February, sent out by Los Rastrojos, an 'emerging' criminal group (Bacrim). The email offers rewards of up to Col\$50m (US\$25,000) for the murder of Abella and 17 other leftists on a list, which also includes UP politicians and members of Marcha Patriótica (MP), an umbrella organisation of leftist social movements and trade unions, such as prominent former senator Piedad Córdoba, a relative of whom was recently murdered, and Carlos Lozano Guillén, the director of the weekly magazine *Voz*, the official mouthpiece of the Partido Comunista Colombiano (PCC), and a senate candidate for the Alianza Verde.

Government protection

The State currently provides protection for 15 of the 18 leftists on the list contained within the email from Los Rastrojos, the director of the interior ministry's national protection unit, Andrés Villamizar, maintained. This will need to be tightened now or the Farc will argue that the State does not have the requisite guarantees in place for demobilised guerrillas to enter political life.

“Christian burial”

Soon after taking office in 2010 President Santos ordered a “Christian burial” for the intelligence agency, Departamento Administrativo de Seguridad (DAS), such as the accumulation of scandals besetting it. The DAS was rocked by myriad accusations of illegal wiretapping of journalists, politicians and judges.

Abella won just 0.7% support in the latest opinion poll released by *El Tiempo* so there is no chance of her winning election but it is imperative for Santos that she is able to stand, along with UP congressional candidates. It could provide a serious setback, if not fatally undermine, the peace talks with the Fuerzas Armadas Revolucionarias de Colombia (Farc) in Cuba if Abella and her UP colleagues are assassinated.

The Farc has sealed a deal with the government over political participation, one of the five points up for discussion in Havana, but the promises of rights and guarantees for demobilised guerrillas to compete in Colombian politics would ring a bit hollow if the State failed to protect the UP politicians adequately just as in the 1980s. Back then the UP, founded by the Farc and the PCC in 1985 under peace negotiations with the administration of Belisario Betancur (1982-1986), was hounded out of existence after thousands of its members were murdered, including two presidential candidates and scores of congressmen, mayors and councillors. “These are the same old enemies; those who have so much power not just to intimidate people but also to order that the trigger be pulled,” Abella said in response to the email from Los Rastrojos.

Spying scandal shakes Santos

Renegade army intelligence officers have allegedly been spying on government negotiators conducting peace talks with the Farc, according to an article published on 3 February by the weekly magazine *Semana* based on an in-depth investigation carried out over the course of the last 15 months. The very next day President Juan Manuel Santos announced the immediate removal of the head of army intelligence, General Ricardo Zúñiga, and the director of the army’s technical intelligence (Citec), Óscar Zuluaga, citing nebulous “dark forces”. Santos demanded an exhaustive investigation by army intelligence into the allegations, setting a deadline of 15 February for results.

Semana claimed that an unnamed army captain had led a Citec team, augmented by “civilian hackers recruited in so-called ‘campus parties’”, from an office based in the back of an Internet café in Bogotá, to spy on the government’s chief negotiator in Havana, Humberto de la Calle; the high commissioner for peace, Sergio Jaramillo; and the director of the Colombian agency for reintegration (ACR), Alejandro Eder, by hacking into their emails and intercepting their mobile telephone calls. Codenamed ‘Andromeda’, this operation was allegedly launched on 12 September 2012, one month before the peace process began in Norway, according to *Semana*.

After a meeting with the top brass and police early on 4 February, Santos said his government would uncover who issued the order to spy on the negotiators and who received the intercepted information. The next day the army commander, General Juan Pablo Rodríguez, said that the Internet café from where the alleged illegal interceptions took place was “authorised”, and that many of the major strikes against guerrillas had been carried out from similar bases. Santos also defended the use of legal intelligence, but reiterated that illegal intelligence was “unacceptable”.

On 5 February, the head of the Farc negotiating team, ‘Iván Márquez’ (Luciano Marín Arango), accused former president Uribe of being behind the alleged spying in an effort to sabotage the peace process: Márquez maintained that Farc negotiators had also fallen prey to similar interceptions. Wiretapping scandals proliferated during Uribe’s tenure (*see sidebar*).

Soon after the latest scandal broke, Uribe responded by saying that “this government’s biggest corruption is to hide, distract opinion, and erect smokescreens”. He said it should “come out and tell the country the truth about this spying operation”.

Santos has sought to allay public concerns about a lack of transparency by setting a deadline for army intelligence to report back to him. He also said that the attorney general’s office would conduct a concurrent investigation. The attorney general, Eduardo Montealegre, confirmed after the publication of the piece by *Semana* that his office had conducted a raid on the Bogotá Internet café 10 days earlier, and had confiscated some computer equipment.

Correa castigates cartoonist

Bonil's defence

Bonil had produced a seven-page defence, in which he argued that “A cartoon is humorous art, subjective both to the perspective of the person who has created it, and to that of the person who looks at it [...] it cannot be required to be, or judged under, truthful and impartial representations of reality.” As such he said that the insistence on a ‘correction’ amounted to enforced self-censorship in contravention of the new law and “an abuse of power”, and was designed to “intimidate” other journalists who might seek to hold the government to account for its actions.

Ecuador's most famous volcano, Tungurahua, erupted this week, producing clouds of ash affecting 10 provinces and reaching Quito. In addition to the cloud of ash hanging over Quito, there is a cloud of controversy as the new communications law was applied for the first time since being ratified by President Rafael Correa on 21 January. Ecuador's most famous cartoonist, Xavier ‘Bonil’ Bonilla, was compelled to issue a ‘correction’ for a cartoon depicting a raid on the house of an investigative journalist, Fernando Villavicencio, in which computers and documents were seized by the judicial police [WR-14-04]. Bonilla becomes the first cartoonist in the region to be sanctioned in this way, raising fresh concerns about press censorship in Ecuador.

On 31 January the superintendent of information and communication, Carlos Ochoa, said at a press conference that a cartoon produced by Bonil and published in the national daily *El Universo* on 28 December (see below), with an accompanying caption suggesting that the police were seizing evidence of government corruption, was defamatory. Ochoa said the image fomented social unrest because it did not “correspond to reality, and stigmatises the action of the attorney general's office and the judicial police,” who had conducted the dawn raid on Villavicencio's house the previous day. President Correa claims Villavicencio hacked into his emails and those of other top officials.

Ochoa ordered Bonil to produce a ‘correction’ in the same style as the original cartoon within 72 hours and fined *El Universo* 2% of its print profits during the final quarter of 2013. Speaking at the press conference, in which he refused to take questions, Ochoa censured journalists: “All of you are journalists or have studied journalism and know that when somebody is cited in a tacit manner, so-and-so said something, the phrase attributed to the person cited must be put in quotation marks.” He went on in a similarly sententious vein: “One image is worth more than a thousand words; one false image is worth more than a thousand false words.” The communications secretary, Fernando Alvarado, tweeted that “the relationship between truth and defamation is today, at last, subject to a public trial.”

Speaking on his weekend broadcast *Enlace Ciudadano* the following day, Correa insisted that “we are not fighting against caricatures and humour, as the press falsely claims, but lies and corruption”. He challenged Bonil, who he has branded in the past as an “ink hitman”, to run for election against him.

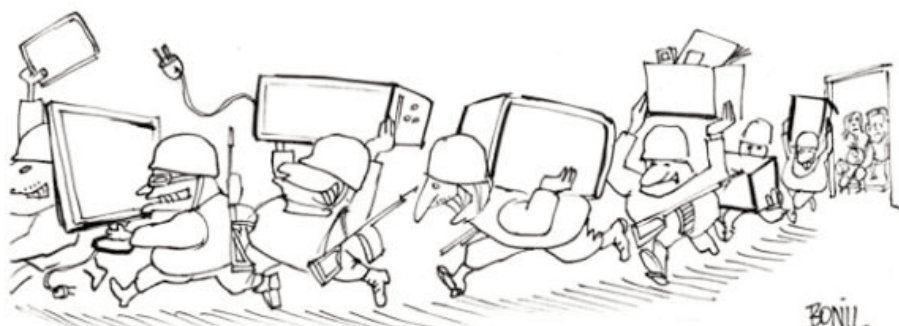
Cartoonists across the continent, and beyond, took up their pens in defence of Bonil; one particular cartoon in Colombia showing a pencil entering a sharpener with a guillotine hanging overhead waiting to fall. The Inter American Press Association (IAPA) also threw its weight behind Bonil, as did Reporters Sans Frontières (RSF). The head of RSF's advocacy department, Lucie Morillon, condemned the “absurd and dangerous decision”, adding that “it constitutes without doubt the worst point of departure for the application of a law which, in other ways, we have underlined, possesses praiseworthy intentions, as regards regulating audiovisual frequencies.”

Bonil produced a ‘correction’, published in *El Universo* on 5 February, with acerbic undertones. It shows the same cartoon but includes a running dialogue between the police and Villavicencio full of bonhomie. In the original cartoon the police slammed the door on top of Villavicencio; in the corrected version, the police come armed with flowers and Villavicencio welcomes them open-armed. The police still confiscate Villavicencio's computers and documents, but he encourages them, saying he has absolute faith in their independence.

Doctors end protests

Doctors insisted that their protest was expressive of a legitimate grievance and that they were not motivated by a desire to affect the upcoming municipal elections.

Furthermore, Dr. Juan Barriga, the orthopaedic surgeon whose resignation was the catalyst for the protests, announced that he had withdrawn his resignation.



Policía y Fiscalía allanan domicilio de Fernando Villavicencio y se llevan documentación de denuncias de corrupción

Doing a deal with the doctors

While the controversy surrounding the first application of the communications law was going on, doctors and medical students were up in arms about an article in the proposed new penal code, which could see them imprisoned for professional malpractice. On 27 January some 1,000 doctors marched to the health ministry to protest, carrying placards with messages such as "We don't give guarantees because we are not selling electrical appliances; we are doctors".

The bone of contention was Article 146 of the penal code which establishes that if a patient should die through "unnecessary, dangerous or illegitimate actions" by a health professional, the latter could face a three to five year prison sentence. Doctors argued that lawyers could exploit the ambiguity of the legislation; and that doctors would be disinclined to risk performing potentially life-saving operations because of fear of imprisonment should they go wrong.

President Correa responded belligerently by calling on supporters to demonstrate in favour of the penal code in Quito in the face of a "monstrous campaign by doctors" he claimed were intent on "shooting down President Correa" and influencing municipal elections on 23 February. The health minister, Carina Vance, threatened to bring in 3,000 doctors from Spain, Chile and Venezuela should doctors carry out their threat of mass resignations. Meanwhile the national assembly, dominated by the ruling Alianza País (AP), approved the penal code reform.

With the gauntlet thrown down, Correa suddenly became conciliatory. He met doctors on 30 January and both sides agreed that the national court of justice (CNJ) would clarify the offending article. "Through dialogue everything, through force nothing," Correa tweeted.

Vance argued that the article had been misinterpreted but accepted that it would be better for everybody if it were clarified. On 4 February doctors marched to the judicial council armed with an interpretative clause. The threat of resignations has not been entirely removed as doctors wait to see what the CNJ decides, but there was a clear will to reach an agreement (see sidebar).

President Correa appears to have adjudged that these protests could adversely impact the elections if doctors nationwide began to join in the protests. His conciliatory response also served the purpose of showing him to be reasonable at a time when he has been condemned over the first application of the communications law. He was also able to blame the media for inflaming doctors by misinterpreting the reform to the penal code.

Oil workers get lump sum

This week's suspension of the US\$200m Sicad currency auction (reportedly because of 'anomalies' in some private sector requests) has prompted further fears about the central bank's liquidity position. Meanwhile the government and the state oil company, Pdvsa, agreed a 90.07% salary increase for oil sector workers affiliated to the main Federación Unitaria de Trabajadores Petroleros de Venezuela (FUTPV) under a new collective agreement for the 2013-2015 period. The FUTPV president, Wills Rangel, who represents upwards of 67,000 workers, said daily wages would reach BF226.37 by January 2015, or US\$36/day at the official FX rate. That is roughly US\$1,000 a month, exclusive of other benefits. Venezuela's minimum wage as of January 2014 is US\$520/month (or US\$700/month including benefits like the food ticket, according to the government).

All the news that's fit to print – but no paper

Venezuelan newspapers - opposition and official - have united in their demands for newsprint. The country's leading opposition daily, *El Nacional*, now says it only has sufficient reams to last to the end of this month. *Diario Vea*, a government-supporting newspaper, warned readers on Monday this week that it faced a print suspension because of the lack of newsprint. Two days later it recanted, saying it was using leftovers from old (i.e. used) bobbins to keep up its print run, hardly a position any editor wants to be in.

The Bloque de Prensa Regional de Venezuela, an association of about 20 independent regional newspapers, together with the Cámara de Periódicos de Venezuela, on 5 February presented its own proposals to congress to deal with the crisis, which has now forced the closure of at least a dozen local newspapers in the past year or so. According to Venezuela's Instituto de Prensa y Sociedad, the Bloque de Prensa is one of the worst affected, with three of its affiliated papers recently closed (*El Guayanés*, *El Expreso* and *El Venezolano*) and four others (*Diario de Guayana*, *Correo del Caroní*, *Primicia* and *Nueva Prensa de Guayana*) drastically reduced in size.

Bloque de Prensa's president, David Natera, along with the spokesperson for the Cámara de Periódicos, Gastón Guisandes, called on congress to stop 'dithering' over a solution and proposed the following: that the government settle its estimated US\$15m foreign currency debt with importers (Dipalca, one of the country's largest newsprint importers, included); that it set realistic timeframes for the import process (reportedly, *Diario Vea*'s newsprint import request was approved back in September, but its supplies have still not arrived); that the authorities define exactly what exchange rate newsprint will come in at; and that it eliminate the certificate of non-production required for import items deemed non-essential.

Since newsprint was removed from the list of essential imports in August 2012, newspapers must file a request to show that the product in question cannot be acquired in Venezuela and must be brought in from abroad. This import licence request is then evaluated by the trade ministry, which also decides how much of a product is actually needed. From there the request goes on to the currency agency for approval, and so on. Newspaper owners suggest that the removal of this requirement could reduce the import process to 95 days, from an estimated 155 now. In response, Deputy Julio Chávez, of the ruling Partido Unido Socialista de Venezuela (PSUV), head of a special national assembly commission set up to deal with the crisis, said that the executive had designated a "senior official" to deal with the situation, but gave no further details, leaving the local newspaper sector none the wiser as to a solution.

Sector unions led by the main Sindicato Nacional de Trabajadores de la Prensa (SNTP) say that some 30,000 workers risk being affected. Tinedo Guía, president of the Colegio Nacional de Periodistas (CNP), again accused the government of censorship: "It's not about a lack of dollars but about censoring the media". Since large protest marches in Caracas on 28 January there have been others across the country, with state workers from the Guayana basic industries complex joining forces with journalists and students in the state of Bolívar this week to demand the "normalisation of supplies in support of the right to work and the right to information".

In January the CNP declared that the inability to obtain newsprint endangered the right to information, "which is extremely dangerous for democracy and the exercise of freedom, but also threatens the survival of entire families that depend on the chain of production and commercialization of close to 70 newspapers that exist in this country and that, to a greater or lesser extent, is currently in a state of emergency", the Knight Center for Journalism in the Americas at the University of Texas reported.

A jeitinho for Brazilian exports?

With the Brazilian economy sufficiently advanced to no longer be eligible for the European Union's Generalised System of Preferences (GSP), which gave Brazilian products a 6% discount on import tariffs, the Confederação Nacional da Indústria (CNI) has been looking for a way round the new restrictions. Paraguay appears to have found just the ruse (or 'jeitinho' in Brazilian Portuguese). As Paraguay is still poor enough to be eligible for the discount, President Horacio Cartes has suggested Brazil ship its goods there first. A meeting in Asunción later this month will hammer out the details.

Rousseff asserts her authority

Of the four cabinet changes announced by President Dilma Rousseff on 30 January, the most notable was the appointment of the former education minister, Aloizio Mercadante, to the position of cabinet chief. Mercadante, one of the founders of the Partido dos Trabalhadores (PT), is extremely close to both President Rousseff and her predecessor Lula da Silva (2003-2010). An economist by training, Mercadante's PhD thesis examined the "new Brazilian development", which combined economic growth with income distribution. His appointment shows that Planalto is bringing economic policy in-house, and provides some cover for Brazil's struggling finance minister, Guido Mantega. As with the elevation of the low-key Luiz Alberto Figueiredo to the foreign ministry last year, the move suggests Rousseff is eager to concentrate power in the run-up to elections in October.

Born in Santos, São Paulo state, in 1954, Mercadante taught economics at the Pontifícia Universidade Católica de São Paulo (PUC-SP). His political career started in 1982 when he worked on the PT's gubernatorial campaign in São Paulo. In 1989, 1994 and 1998 he ran Lula's unsuccessful presidential campaigns. He had two terms in office as a federal deputy, and one as a senator, and he lost out to Geraldo Alckmin, of the opposition Partido da Social Democracia Brasileira (PSDB), when he ran for the governorship of São Paulo in 2010.

On taking up his new job as cabinet chief on 4 February, Mercadante gave a speech defending the government's economic policy, highlighting its success in reducing net debt as a proportion of GDP. He also praised the government's auction of airports, roads and oilfields and stated that President Rousseff's priority was the fight against inflation. As is often the case when government policy is criticised, Mercadante pointed to Brazil's record high employment levels, arguing that "employment is not a by-product of economic policy". Despite coming under sustained fire from journalists, market analysts and investors, Mantega does not look like he is going anywhere. Rousseff has repeatedly argued that he is "perfectly suited" to the post, so the Mercadante appointment is less about a change of policy than about keeping Mantega out of the firing line.

Other appointments

Rousseff also named Arthur Chioro and José Henrique Paim Fernandes as her health and education ministers, respectively. Chioro, a doctor by profession, and a researcher in health planning at the Universidade Federal de São Paulo, is well qualified for the role, and, as a member of the Partido Popular Socialista (PPS) provides a valuable function in keeping one of Rousseff's smaller party allies on board. Some questions were asked about the appointment of Paim (PT), who had been investigated over the disappearance of funds destined for a literacy programme. He was cleared of wrongdoing, and Rousseff felt confident enough in his innocence to offer him the post.

Communication breakdown

Given the government was caught lying, twice, over Rousseff's whereabouts during an unscheduled stop in Lisbon on the way from Davos to Havana, the presidential spokeswoman, Helena Chagas, was removed from office. Her replacement is Thomas Traumann, a journalist by training. In 2008, he became a press adviser and two years' later he ran the press office of Antônio Palocci, then the cabinet chief. As head of the president's digital strategy, Traumann oversaw Rousseff's successful foray into the world of Twitter. Showing an acumen perhaps rare for politicians who stray into the unpredictable world of social media, Rousseff, or at least the person managing the account, has engaged productively with other users. Rousseff, who lacks the personal charm of her predecessors, also wisely chose to embrace her popular comic doppelganger: @DilmaBoluda1.

Mais Medicos defector

On 5 February one of the Cuban doctors in Brazil as part of the government's Mais Medicos programme sought asylum in the chamber of deputies. Ramona Matos Rodríguez, 51, left the city of Pacajá in Pará on Saturday to take her case to Brasília. According to local press reports, she quit her post when she found out the Cuban government was being paid R\$10,000 per year for each doctor. The Cuban government has not disclosed how much of that is passed on to the doctor.

Eleven states hit by blackouts

One of the greatest fears for President Dilma Rousseff's re-election team is a repeat of the 2001 and 2002 national energy crisis, which cost the country an estimated R\$45bn (US\$18.6bn at the present exchange rate) and shaved three percentage points off GDP. As Rousseff was previously the minister for mines and energy, any problems with Brazil's power supply are likely to prompt damaging headlines. As such, the blackouts experienced by 11 states on 4 February, have sent jitters through the government, who were desperate to claim the failure was a result of a technical fault.

Over 6m people in 11 states were affected by the power cuts that hit Brazil's south, south-east and centre-west, with São Paulo and Rio de Janeiro two of the worst affected cities. Márcio Zimmermann, the executive secretary to the mines and energy ministry, immediately went on television to stress that the black-outs had nothing to do with the increase in demand caused by the heatwave being experienced in much of the country. In 2001 and 2002, the power cuts were caused by record low rainfall in the north of the country, where much of Brazil's hydroelectric dams are located. Around 70% of Brazil's power supply comes from hydroelectricity.

Shortly after Zimmermann's appearance, representatives from the Operador Nacional do Sistema Elétrico (ONS) said that the blackouts had been caused by a short circuit on a transmission line between Miracema and Colinas in the central state of Tocantins. The ONS director general, Hermes Chipp, backed up the minister's interpretation of events. "Increased demand had nothing to do with the problem," he said, pointing out that 80% of the areas affected had power back within 30 minutes.

Still, the short interruption to supply was enough to persuade President Rousseff to hold a meeting on the subject to discuss a political response to future blackouts. One outcome of the meeting, according to local press reports, is that there will be no delay to the auction of the Tapajós hydroelectric dam, due to take place this year. In 2013, the treasury gave the electricity sector an extra R\$9.6bn (US\$4bn) to prevent a rise in cost for consumers. Since January 2011, the country has experienced 181 blackouts, according to a study by the Centro Brasileiro de Infra Estrutura (CBIE).

Heatwave

São Paulo had its hottest January since 1943. Though this has prompted many complaints from its residents, it has had some beneficial side effects. According to the Associação Comercial de São Paulo, sales are up on January 2013, in large part due to extra spending on summer clothes, fans and air-conditioning units. On the downside, however, this has driven up energy costs. Energy Minister Edison Lobão has hinted that the government could again use treasury resources to help electricity companies cover their costs.

Though the hot weather has meant hydroelectric dams in the south-east of Brazil are at low levels, both the government and technicians say this has no impact on the electricity supply to the region.

Tensions rise over Amazonian disappearances

On 3 February a defence lawyer for five five Tenharim indigenous people, accused of the murder of three men who disappeared last month in the Amazonian town of Humaitá, filed for habeas corpus. The next day, the bodies of three men were found in the region; they are being taken to the medical institute in the town of Porto Velho for a full autopsy. The five Tenharims deny the charges of murder. Their lawyer argues the case against them is based on unreliable hearsay evidence.

Tension between residents of the town and the local tribe has risen since the death of the cacique Ivan Tenharim. Though ostensibly a motorcycle accident, the tribe believe his death to be suspicious. After the three men disappeared in December, local residents rioted and set fire to the offices of Funai, the tribal agency.

Fernández hunts for scapegoats

The last sachet?

On 2 February
McDonald's
Argentina apologised
to customers for a
lack of ketchup.

Though it promised
to resolve the issue
quickly it declined to
specify the exact
nature of the
problem. The
suspicion among
social media users in
the country, however,
is that the country's
foreign exchange
controls are to
blame. While
individuals may have
been liberated to
purchase dollars (up
to US\$2,000 each),
companies have not.
The ketchup sachets
are made in Chile.
Given the dramatic
depreciation in the
value of the
Argentine peso, the
Chilean suppliers
could be demanding
dollars. No dollars, no
ketchup.

Illness may have moderated the frequency of President Cristina Fernández's outbursts, but it has not mitigated their vitriol. In a speech on 4 February, in which she announced increases to pensions and school allowances, Fernández excoriated Argentine businessmen who "take their foreign currency earnings overseas" and attacked even supportive trade unionists whose wage demands apparently show they "don't understand what is going on". Politically, this was very rash, prompting opposition trade unionists to rally to the support of their slighted brothers.

Conscious she had overstepped the mark, President Fernández invited Antonio Caló, leader of the pro-government wing of the Confederación General del Trabajo (CGT), to a clear-the-air meeting at the Casa Rosada on 6 February. Caló had provoked her wrath by suggesting inflation was so high some people could no longer afford to eat. But lashing out at her rapidly diminishing support base suggests Fernández is starting to feel the pressure.

Reality bites

Earlier this week, the Anglo-Dutch oil company, Shell, announced its decision to raise prices by 12%, prompting howls of outrage by the government. "They accuse us of greed," Juan José Aranguren, president of Shell's Argentine subsidiary, said. "If suppliers increase costs by 23% and we increase petrol prices by 12% the next month, is that greed?"

Following a meeting with Axel Kicillof, the economy minister, the government agreed to allow oil companies to raise petrol prices by as much as 6% in February. Shell will reduce its prices; YPF, Oil, Axion (the local subsidiary of the US's ExxonMobil), and Petrobras will now raise theirs. The price rise will inevitably further fuel inflation, estimated, unofficially, at around 28%. This month's set of official data will use new methodology which will almost certainly show a sharp increase, prompting more exorbitant wage demands.

Meanwhile the central bank tried a different tack to stabilise the peso by ordering banks to release foreign holdings. It reinstated a rule that restricts the amount of foreign currency a holding bank can hold to a maximum of 30% of the institution's financial liability or its liquid equity, whichever is lower. At the same time, a 10% limit was set for the futures currency market. The official rate of the peso climbed six cents on news of the rule, to Arg\$7.96/US\$. The unofficial, 'blue' dollar rate, remained stable, at Arg\$12.55. But as the banks' dollars are already accounted for, it did not succeed in reversing the decline in the central bank's foreign currency reserves, now just US\$27.8bn.

Nuestros hermanos bring bad news for Brazil

Argentina is Brazil's third-largest trading partner; just over 8% of Brazil's exports head there. In 2013 Argentines imported US\$19.6bn worth of Brazilian products, mainly cars, equivalent to 0.9% of Brazil's GDP. As the wheels begin to fall off the Argentine economy, Brazilians have started to wonder how much their own sluggish growth is likely to be hampered by the economic disorder.

Itaú, the Brazilian bank, estimates that each 10% decline in exports to Argentina could reduce Brazilian GDP growth by as much as 0.2 percentage points in 2014, with manufacturing bearing the brunt. Small businesses in Brazil's south, which account for 45% of the trade with Argentina, are also expected to suffer.

The greatest concern for many Brazilian economists is that Brazil may be tainted by association. Despite the clear differences in the two economies, not least in the amount of foreign currency reserves they hold, Paulo Márcio Mello, an economics professor at Rio de Janeiro state university, fears investors could act "emotionally and irrationally" and lump the two neighbours together. Last week the finance minister, Guido Mantega, said that Brazil was prepared to help its *hermanos* down south, should they be willing to ask.

Bachelet's authority tested

With just over a month until president-elect Michelle Bachelet takes office, her authority has already come under question in relation to education – a key electoral issue. While Bachelet's selection of a veteran politician, Nicolás Eyzaguirre, as her education minister [WR-14-03] prompted grumbling from students, her choice of education consultant, Claudia Peirano, as Eyzaguirre's deputy, proved so unpopular with the students and radical members of her Nueva Mayoría alliance that a week later Peirano announced she would not take up the post. This underscores the difficulty Bachelet will face in keeping the Nueva Mayoría united once she takes office.

The appointment of Eyzaguirre, a member of the Nueva Mayoría's Partido por la Democracia (PPD) and a former finance minister under Ricardo Lagos (2000-2006), was well received by teachers' unions like the Colegio de Profesores, but it prompted complaints from student leaders such as Melissa Sepúlveda, the president of the Federación de Estudiantes de la Universidad de Chile (Fech), who questioned his background in finance rather than education.

However Peirano's appointment, announced on 30 January, sparked an outcry. Peirano, who is closely associated with Democracia Cristiana (DC), the Nueva Mayoría's most centrist party (although she is not officially a cardholder), owns a consultancy firm which provides services to a network of private colleges owned by her former husband, Walter Oliva. While this raised concerns about a possible conflict of interests, her commitment to Bachelet's proposed education reform was called into question in light of a letter she co-signed, which was published in the national daily *El Mercurio* in 2011, against free higher education.

A former Fech leader, Camila Vallejo, who is due to take up a legislative seat for the Nueva Mayoría's Partido Comunista (PCCh) in March, slammed the appointment, as did other former student leaders and deputies-elect, Gabriel Boric (Izquierda Autónoma) and Giorgio Jackson (Revolución Democrática). This prompted Peirano to announce on 4 February that she would not take up the post. While Peirano has since been replaced by a less controversial choice - Valentina Quiroga, a member of Bachelet's campaign team and a former director of the non-profit education foundation, Política Educativa de Educación 2020 - members of the outgoing Coalición por el Cambio have been quick to flag up the episode as the first major setback for Bachelet and indicative of the power wielded over the president by the Nueva Mayoría's less moderate members.

HidroAysén – another challenge

Aside from education, the HidroAysén mega-dam project could also pose problems for the incoming Bachelet government. On 30 January, after a meeting with a special ministerial committee, Energy Minister Jorge Bunster announced more studies were needed on the project, which involves building five dams in Aysén (Region XI). The committee found that two out of the 35 discussion points required additional investigation, effectively deferring the final decision on whether it should proceed to the next government. The local press is reporting that these studies could take between eight months to a year.

In her manifesto, Michelle Bachelet said that "as it stands HidroAysén is not viable". Bachelet's appointment of Máximo Pacheco Matte, a member of her Partido Socialista (PS), as her new energy minister has not been well received by environmentalists as Group Matte (with which he has familial links) has a 35% share in Chilean energy company Colbún, which owns 51% of HidroAysén (with the remainder owned by Endesa of Spain). Pacheco hinted at his support for the project in his acceptance speech (*see sidebar*), although it is worth noting that the new environment minister, Pablo Badier, opposes it.

HidroAysén

The incoming energy minister, Máximo Pacheco Matte, said president-elect Bachelet has "many doubts" regarding the HidroAysén project which is a "complex project" but "unfortunately decisions regarding energy are all very complex because they have a lot of impact...people need energy in their homes...Chile needs to resolve these issues".

Congress criticises police actions

On 5 February Paraguay's permanent congressional commission questioned the police's decision to provide protection to soya producers in San Pedro department, which has led to a series of clashes with local peasant farmers, and demanded a full explanation from Interior Minister Francisco de Vargas. Senator Hugo Richer, from the leftist opposition Frente Guasú coalition, said that "The public ministry cannot order the police to protect (pesticide) spraying...this must be done by a judge. When it comes to spraying it seems that there is no respect for the legal framework". Senator Luis Wagner, from the opposition centre-right Partido Liberal Radical Auténtico (PLRA), was more damning: "If the public ministry or a judge orders police protection for spraying, that to our understanding could be illegal poisoning, then they are disobeying the law".

Tensions running high in countryside

In recent weeks there has been a resurgence of violence in central Paraguay's impoverished rural area, with a series of clashes between large landowners and peasant farmers. The resurfacing of tensions in the area is highly worrisome given that the deadly June 2012 clash between landless farmers and the police in the district of Curuguaty, Canindeyú department, was the catalyst for the impeachment that year of then-president Fernando Lugo (2008-2012), an event that plunged Paraguay into a deep political crisis.

Although the political crisis has been largely resolved following the staging of general elections in April 2013, in which President Horacio Cartes secured a clear victory, the root causes that led to the Curuguaty incident have not been resolved. In fact, what actually happened that day has not been cleared up; a trial in which 12 peasant farmer leaders stand accused of inciting the violence by killing police officers is still ongoing.

For a number of years now, Paraguay's peasant farmers have complained that their way of life and their livelihoods have come under threat from the spread of mechanised farming and the concentration of the country's arable land in the hands of increasingly few wealthy landowners - a result of the boom in global demand for soya. With peasant farmers forced out of their lands, many have joined organisations such as the Carperos landless farmer movement that often occupies privately owned lands demanding that they be appropriated and redistributed by the State. It was an attempt to evict a group of Carperos from an agricultural estate that sparked the Curuguaty incident. Since then the police has been called into action regularly to prevent similar episodes.

The latest of these police operations took place on 22 January in General Requín district, on the border of San Pedro and Canindeyú departments, after a landowner denounced that a group of 100 peasant farmers was blocking access to his soya field. The peasant farmers said that they had decided not to allow any soya producers to plant their fields this year, arguing that the widespread use of pesticides is affecting other crops and the health of the local population.

A 200-strong police contingent was deployed to disperse the peasant farmers. Two police officers and four peasant farmers were injured in the ensuing clash, with one farmer reportedly shot in the eye with a rubber bullet.

Since then there have been at least three other confrontations between the police and peasant farmers in San Pedro and Canindeyú. The Federación Nacional Campesina (FNC), Paraguay's main peasant farmer organisation, has said that its members had decided to block access to 13 separate areas (eight in San Pedro and five in Canindeyú) in order to stop soya producers from spraying them. This prompted the government to react, with Cartes promising on 29 January that the authorities will look into the negative impact that pesticides are having on the local population. Agriculture Minister Jorge Gattini and Health Minister Antonio Barrios have both said that they are prepared to meet FNC members to hear their complaints but urged peasant farmers not to continue to antagonise large-scale producers.

Worryingly, since then the FNC has denounced the murder of two of its members in the area between 2 and 3 February. The FNC claims these bear all the hallmarks of planned assassinations by hitmen hired by local landowners. The FNC has demanded the authorities launch a full investigation after local investigators dismissed the idea that the two homicides were linked, suggesting that at least one was 'a settling of scores' between neighbours. Nevertheless, the public ministry has expressed concern at the "rising level of violence in the San Pedro area" and Interior Minister Francisco de Vargas has also agreed to meet FNC representatives to discuss this issue.

More plans planned?

Other states wrestling with violence from drug-trafficking organisations (DTOs) will cast envious glances in the direction of Michoacán, coveting a 'plan' of their own. What compelled the federal government to act in Michoacán, however, was neither the violence per se nor the presence of DTOs, but the emergence of 'self-defence' groups, or vigilantes. At first the government was unconcerned but as the vigilantes became ever-more powerful, it projected an image abroad of civilians having to take security into their own hands and the total breakdown of law and order.

Correction [WR-14-04]:

Mexico's 'rural defence corps' date back to 1861 and the presidency of Benito Juárez, not 1961, as we erroneously stated last week. Juárez was president of Mexico for a long time (spanning five terms and more than 14 years in total), but not for over a century.

MEXICO & NAFTA

MEXICO | SECURITY

Peña Nieto presents bold plan to save Michoacán

President Enrique Peña Nieto has announced the biggest and most wide-ranging rescue package ever awarded to a Mexican state. The beleaguered south-western state of Michoacán will receive M\$45.4bn (US\$3.4bn) as part of a comprehensive plan to drive socio-economic development. In a signal of intent, Peña Nieto travelled to the state capital Morelia in person to present the plan. Flanked by the bulk of his cabinet, Peña Nieto explained that the cash infusion, which almost doubles the annual state budget allocation, constitutes phase two of the operation to reverse Michoacán's fortunes definitively. It follows some three weeks after phase one: the deployment of a 10,000 strong federal force to pacify the conflict-torn region of Tierra Caliente.

The new plan, 'Junto lo vamos a lograr' ('Together we will achieve it'), is split into five spheres of action: job creation; reactivating the agricultural sector; education; social development; and infrastructure. Within these parameters 250 specific areas are addressed. This level of rigorous detail is reminiscent of the ambitious cross-party reform agenda outlined in the 'Pact for Mexico'. Peña Nieto, who left the first phase of the plan, presented on 13 January [WR-14-02], in the hands of his interior minister, Miguel Ángel Osorio Chong, said that federal forces would remain in Michoacán "as long as necessary". He said that the use of force alone was "insufficient" to restore security to the state and that "concrete works and visible results" were needed to recover public confidence and truly transform the state. He said Osorio Chong would visit Michoacán at least twice a month and that he would go 12 times over the course of the year to different parts of the state.

The plan will provide support for small and medium sized business (SMEs). The Mexican development bank will provide credits to SMEs to the tune of M\$12bn (US\$897m). The plan also seeks to consolidate Michoacán as Mexico's agricultural heartland, aiming to boost production by ploughing some M\$3.5bn (US\$262m) into the agricultural sector, modernising, for instance, irrigation systems. Transport infrastructure will also be modernised, with new roads laid and others resurfaced, as well as the port of Lázaro Cárdenas, recently recovered from the drug trafficking organisation (DTO) Los Caballeros Templarios. On the education front, 350,000 grants will be extended to students at all levels at a cost of M\$1.6bn (US\$120m), new schools built, and cultural and sporting activities promoted.

On the health and social security front, a new Michoacán general hospital; a regional hospital in the city of Apatzingán, at the heart of the trouble in Tierra Caliente; and a children's hospital in Morelia, will be constructed, and two others modernised. Thirty municipalities will be incorporated into the government's social programme, 'the national crusade against hunger'. Additional monthly support will be provided for 115,000 state residents over 65 without a pension, and 400 community canteens built for those suffering from extreme poverty. In addition, the indigenous Purépecha communities in the north-west of the state will receive health, education, housing and basic infrastructure support.

Peña Nieto instructed cabinet ministers to designate a top-level official from their ministries to assist Alfredo Castillo, the new federal security commissioner in Michoacán, in implementing the plan. After the best part of three weeks in the job, Castillo said 128 members of DTOs had been arrested; 523 members of 'self-defence' groups had started the process of joining 'rural defence corps' [WR-14-04]; and 813 weapons had been registered by the defence ministry (Sedena). Castillo confidently asserted that "the power of the criminals will shortly be definitively undermined".

Opposition

As well as the political opposition, the approval of the constitutional reform has continued to meet with objections from sectors like the Roman Catholic Church, the national human rights organisation, Centro Nicaragüense de Derechos Humanos (Cenidh), and a leading think-tank, Fundación Nicaragüense para el Desarrollo Económico y Social (Funides). The day of its approval, five former foreign ministers - Harry Bodán Shields (1979), Enrique Dreyfus Morales (1990-1992), Emilio Alvarez Montalván (1997-1998), Eduardo Montealegre Rivas (1998-2000) and Norman Caldera Cardenal (2002-2006) - signed a letter of protest warning that the constitutional changes were "incompatible with international obligations regarding the respect for and promotion of democracy".

CENTRAL AMERICA & CARIBBEAN

NICARAGUA | POLITICS

Constitutional changes approved

President Daniel Ortega's proposed constitutional reform package has received the definitive green light. Last week the 92-member unicameral legislature, which is controlled by Ortega's Frente Sandinista de Liberación Nacional (FSLN), approved a second reading of the bill, meaning that it takes effect as soon as Ortega signs it into law. The amendments to the 1987 constitution, which scrap the ban on indefinite presidential re-election and enhance the role of the military, were swiftly followed by the approval of changes to the military code.

As expected, on 29 January the legislature approved the constitutional amendments by 64 votes (63 from all FSLN deputies plus one from Wilfredo Navarro of the Partido Liberal Constitucionalista, PLC) to 25 against from the opposition (which now calls itself the Bancada Alianza Partido Liberal Independiente). While the final version is a slightly watered-down version of President Ortega's initial proposal [WR-13-50], it still provides for Ortega's indefinite re-election and includes other provisions intended to ensure he retains power. These include a provision stripping defecting national legislators of their seats, thereby ensuring the FSLN a two-thirds majority. The removal of a provision establishing a simple majority is necessary to win the presidency (of 35% of the valid vote plus a five-point differential margin, or 40%), replacing it with "a relative majority", also reduces the chances of Ortega leaving office.

As well as the provision on re-election, the changes to the 1994 military code envisioned under the reform package which were then approved by congress on 30 January have attracted the most concern from civil society groups and think tanks like the Institute for Strategic Studies and Public Policy (IEEPP). These changes include the removal of the prohibition on the re-election of the head of the military (who is appointed by the president for a five-year term). It also establishes that military officers can hold posts in the executive when required by the "supreme interest of the nation", and strikes out the previous ban on military officials holding public positions of a "civilian nature". Other changes extend military service from 35 to 40 years, allow for the reincorporation of retired military officials into civilian life, as well as the creation of "military reserves".

Deputy Víctor Hugo Tinoco of the dissident Movimiento Renovador Sandinista (MRS) described the changes to the military, which according to the latest (December 2013) poll by M&R Consultores is Nicaragua's most trusted institution, as a "terrible step backwards [for the institution], because it creates a personal and political dependency between Ortega and [the current commander-in-chief] Julio César Avilés". Tinoco also sounded warning bells regarding the provision on "military reserves", pointing out the approved changes fail to specify how the reserves could be deployed, beyond the vague phrase that they would defend the country in the case of "war or national emergency".

Backing for the reform

While various sectors continue to raise objections to the constitutional reforms (see sidebar), the M&R Consultores poll, which interviewed 1,600 people across the country between 12 and 29 December, revealed widespread backing for the changes: 58.9% of respondents expressed partial support for the amendments; 22.6%, total support. The same poll also showed President Ortega with 65.3% approval, popularity which stems from social welfare schemes like *Hambre Cero* (zero hunger), funded with Venezuelan aid. That this is having an impact is reflected in indicators like the latest figures from the United Nations Development Programme (UNDP), presented in March 2013 which showed that Nicaragua's human development index (HDI) - a composite of health, education, and living standards in 2012 - was 0.599 (on a rising scale of 0-1), up from 0.583 in 2007, the year Ortega took office.

Quotes of the Week

“There are intelligence operations that are an obligation of the State, directed against terrorist groups and organised crime. This is good intelligence, but the illegal use of intelligence weakens the legal use and discredits this work.”
Colombia's President Juan Manuel Santos.

“If you are brave enough, become a candidate, become a political analyst, you won't get half a vote.”
Ecuador's President Rafael Correa takes aim at the cartoonist, Xavier 'Bonil' Bonilla.

“They are the masters of political filibusterism.”
Costa Rica's Fabio Molina, a deputy for the ruling PLN, on the left-leaning opposition PAC.

POSTSCRIPT

From black sheep to golden goose - Cuba's reintegration continues apace

Just days after a very successful heads of state summit of the Community of Latin American & Caribbean States (Celac) in Havana, at which regional leaders of all stripes lined up for five minutes and a photo op with Fidel Castro and no-one but the Chileans made any mention of dissidents, Cuba got more good news: the confirmation that foreign ministers from the European Union (EU) will give the go-ahead, on 10 February, for new talks on a special cooperation accord with Cuba in support of increased trade and investment and dialogue on human rights.

Cuba's relations with the EU have been cool since 2003, when the EU suspended ties over the arrest of 75 dissidents. Diplomatic sanctions were lifted in 2008, but the EU member states remained divided on engagement with Cuba. Previous talks on a cooperation accord fell apart back in 1996, after Cuba shot down two small US planes over the waters north of Havana, killing four Cuban exiles aboard. The 1996 EU Common Position, adopted after that incident (at the behest of a conservative Spain), conditions relations on democratic political reform in Cuba and is rejected by Havana as interference in its sovereign affairs.

It is likely to remain in place for now (potentially until a Cuban 'transition' in 2018, when President Raúl Castro says he will step aside), but in light of Cuba's economic 'updating', the mass release of political prisoners in 2010 (supported by Spain), and other small but incremental changes in things like migration rules, there has been a growing push towards flexibility. In a historic visit to Cuba in January (the first since the 1959 Cuban Revolution), the Dutch foreign minister, Frans Timmermans, publicly called for a "revision" of EU policy [WR-14-01].

The Common Position is in any case a typical example of EU policy incongruity; no less than 18 European countries have their own bilateral cooperation accords in place with Cuba and the EU is the biggest investor in Cuba. Apparently, the European Commission and the European External Action Service (EEAS) will jointly oversee the new talks, with a deal tentatively scheduled for 2015. Observers note that the inclusion of the EEAS as a joint negotiator signals the concern of pro-Common Position countries like Germany, Sweden and former Communist states Poland and the Czech Republic to ensure that human rights issues are prioritised, and is a sign of the "strongly political" nature of the talks.



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