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El Salvador braces for all-out war on mara gangs

El Salvador's President Salvador Sánchez Cerén announced unprecedented action this week to combat the country's mara street gangs. The policy of confrontation pursued by the Sánchez Cerén administration has already seen average daily homicide rates (23 over the first two months of 2016) eclipse those sustained during El Salvador's bloody civil war (1980-1992). Undeterred, Sánchez Cerén, a former guerrilla commander hounded by the security forces back then, ordered an intensification of the fight. He decreed a state of exception which, if approved by the legislative assembly, would be extended to the most violent municipalities in the country.

President Sánchez Cerén announced last week that his government was left with no option but to wage war on the maras after the execution-style murder of 11 people in the municipality of San Juan Opico in the department of La Libertad on 3 March. Eight of the murdered men worked for an electricity distribution company, contracted to install power cables; their hands had been tied and their bodies showed signs of torture. A short distance away were the bodies of three local labourers, sugar cane cutters, who the authorities suspect were murdered in order to leave no witnesses. The Frente Farabundo Martí para la Liberación Nacional (FMLN) government accused Mara Salvatrucha (MS13) leaders of ordering the massacre from their cells in two prisons in Izalco (Sonsonate) and Ciudad Barrios (San Miguel). Some 200 soldiers and 100 police officers were dispatched to the area, with 82 suspected gang members rounded up.

Jorge Velado, the leader of Coena, the executive committee of the main right-wing opposition Alianza Republicana Nacionalista (Arena), criticised Sánchez Cerén's decision shortly afterwards to fly to Venezuela to attend a ceremony commemorating the third anniversary of the death of former president Hugo Chávez (1999-2013) rather than meet the families of the victims. "He leaves the country in crisis...The FMLN must clarify what its true priorities are," Velado said. Sánchez Cerén sought to do this upon his return. Denouncing the massacre as senseless barbarity, he called for "exceptional measures" to be taken and promptly met the heads of the legislative and judicial branches of government and the attorney general's office to discuss what these might be.

On 14 March Sánchez Cerén revealed that the extraordinary measures would include declaring a state of exception in violence hotspots where the mara gangs are strongest; boosting the police and military presence on the streets; and a prison reform. He provided some details on the proposed prison reform. He said that old and infirm inmates, and all those no longer posing a risk to the general public, should be released. This, he said, would provide space for 5,000 people guilty of more serious crimes currently being held in police cells. Back in 2007 the (Arena) government of Antonio Saca

Extortion

El Salvador's main beverage firm, Industrias la Constancia (ILC), temporarily suspended operations at its Agua Cristal bottled mineral water depot in San Salvador on 4 March, citing "heightened insecurity affecting the communities around 'La Tiendona' market" where it is located. The plant provided 1,000 direct jobs. The technical secretary to the presidency, Roberto Lorenzana, later accused ILC of having paid "hundreds of thousands of dollars" in extortion money, adding that "today criminals have grown used to extorting them". Lorenzana said firms making extortion payments should be punished by law. Business associations struck back hard, arguing that the government's failure to provide adequate security compelled firms to make extortion payments, damaging their profits and, ultimately, constraining GDP growth.

(2004-2009) failed to win legislative approval for the release of 1,500 inmates to reduce overcrowding. But the FMLN government now claims it is essential. The justice & security minister, Mauricio Ramírez Landaverde, until recently the head of the national police force (PNC), said that the measure could free up 1,000 officers, effectively prison guards, to combat the gangs. Sánchez Cerén also said that telecommunications companies should be compelled to cut off all signals from prisons to prevent gang leaders ordering attacks from inside.

The defence minister, David Munguía Payés, announced the provision of "special training" for 544 members of the military to be "made available" to the PNC, and mooted the deployment of military reserves in municipalities most affected by violence. Details of these have not been provided but they will be placed under a state of exception if the legislative assembly approves the government's proposals. This is a very contentious issue. The constitution allows a state of exception to be declared in the event of a "war" (which suggests Sánchez Cerén's use of this word to describe the status quo in El Salvador was not accidental) and "grave disturbances to public order". Normally, however, a state of exception is declared in response to specific crises and with defined parameters not for recurrent violence that the government itself acknowledges will not be resolved overnight. It is also unclear why if the government's security plan is "working", as it claims, "extraordinary measures" should be necessary.

Given mounting evidence of extrajudicial killings and even a return of 'social cleansing', the ombudsman, David Morales, warned that the declaration of a state of exception was "a licence to violate human rights". It would entail the suspension of constitutional rights: restrictions on freedom of movement; curfews; detention without cause; wiretapping; and suppression of public meetings. Morales also questioned why when the government's much-touted 'El Salvador Seguro' security strategy includes a component on social reinsertion and the protection of victims of violence, the only policy being pursued was repressive. The government would respond by saying that the constitutional chamber of the supreme court froze US\$900m earmarked for the plan on the grounds that it was approved irregularly by the legislative assembly last April.

Sánchez Cerén is now appealing to Arena to back the issuance of US\$1.2bn of bonds to "cover the cost of the [new] plan" in the name of "national unity". Such unity of purpose is further away than ever though. The online investigative paper *El Faro* released a half-hour video on 11 March showing Arena Deputy Ernesto Muyschondt and mayor of Ilopango, Salvador Ruano, holding secret talks in February 2014 during the election campaign with leaders of MS13 and two factions of Barrio 18, Revolucionarios and Sureños, to seal a gang truce. They discuss a *quid pro quo* with Muyschondt, a vice-president of Arena and key campaign adviser at the time, promising that an Arena government would transfer mara leaders from the maximum security prison Zacatecoluca and even appoint a public security minister amenable to them (Facundo Guardado, a moderate former FMLN guerrilla) in return for the gang leaders getting out the vote for Arena in their areas of influence.

Arena released a terse statement in response to the video's release saying that the party had "always maintained a clear stance in defence of the rule of law...and against negotiations with organisations on the margins of the law", but it avoided addressing the issue at hand. The video is deeply embarrassing for Arena as it exposes the party's double standards. Arena pilloried the previous FMLN administration of Mauricio Funes (2009-2014) for the 2012 truce with the gangs. The incumbent presidential spokesman, Eugenio Chicas, called on the attorney general's office to investigate the matter, accusing Arena of "putting public security at risk". Arena will be unlikely to cooperate with the government over its public security agenda, however, if the FMLN vigorously pursues this issue, not least because the FMLN never came clean about the nature of its role in the 2012 truce.

On the edge of chaos

A homemade bomb was thrown at the presidential palace in Brasília by an as-yet unidentified man as crowds gathered to protest against the government led by President Dilma Rousseff late on the evening of 16 March. At the end of a day of dramatic developments, in which former president Lula da Silva (2003-2011) accepted a position as chief of staff in the government, and a secretly recorded phone call between the two leaders was interpreted by the opposition as evidence of a conspiracy to avoid prosecution, angry protesters gathered in cities across Brazil calling for Rousseff to resign. There is now a legitimate fear that Brazil's institutions will not be able to cope with the radically polarised political environment. With Rousseff herself showing no signs of being willing to resign; an impeachment process that is likely to take months, at best; and the entire political class tainted by corruption allegations, Brazil looks set for a prolonged period of instability.

On 11 March President Rousseff once again repeated she had no intention of standing down. Rousseff's declaration came the day after three state prosecutors in São Paulo filed an arrest warrant for Lula over his alleged use of a luxury beachside apartment in Guarujá [WR-16-10]. The prosecutors' florid petition accused Lula of crimes "that would have shamed even Marx and Hegel" (they meant to write Engels). The presiding judge eventually decided to forward their request to Judge Sergio Moro, the lead prosecutor in 'Operation Car Wash', the corruption investigation involving the state-run oil company Petrobras, to decide whether to accept their demand for a preventative arrest. But even critics of the government, including the main opposition Partido da Social Democracia Brasileira (PSDB), thought the state prosecutors had overstepped the mark, and that there was no reason to believe that Lula, at liberty, was a threat.

Then, on 12 March, came further revelations leaked to the press from the plea-bargaining testimony of Delcídio do Amaral, the former head of the ruling Partido dos Trabalhadores (PT) in the federal senate. He accused Lula of organising hush money to Marcos Valério, one of the key operators of the *mensalão* cash-for-votes scandal that blighted the former president's first term in office. He said that R\$30m (US\$8.2m now) was siphoned off the state development bank funds destined for the Belo Monte dam project to finance Rousseff's 2010 and 2014 election campaigns. And he accused Lula, Rousseff, vice-president Michel Temer, senate president Renan Calheiros and the leader of the PSDB, Aécio Neves, of varying degrees of corruption and/or obstruction of justice.

Early this week, the supreme court (STF) validated this testimony, meaning that it has sufficient credibility to be used as evidence in a trial. Rodrigo Janot, the attorney general, who is currently away in Europe, has said that he will investigate Amaral's claims.

For the last week or so, rumours have been circulating that Rousseff wanted to offer Lula a job in her cabinet, but the former president was insistent he would not join in case it looked like he was trying to escape prosecution. Ministers, like serving politicians, can only be tried in the STF, rather than the type of federal court over which Moro presides. As such, the process is usually much slower due to the massive backlog of cases; some also argue that Lula might expect to receive a more sympathetic hearing from the STF than from Moro. The Curitiba-based, Harvard-educated judge has already sentenced dozens of senior businessmen to lengthy sentences for their part in the Petrobras corruption scandal. As yet, no serving politician has been tried.

Rousseff refuses to resign

"You must at least grant me this," President Rousseff said in a rare flash of humour at a press conference on 11 March, "I don't have the face of someone who looks like they are going to resign." As a former Marxist guerrilla who withstood torture by Brazil's military dictatorship, even Rousseff's enemies acknowledge her tenacity. But arguably this stubbornness is now a real threat to Brazil's stability.

Lula

Former president

Lula's charisma and history ensure that he has a loyal following in both the trade union movement and his own party, the PT.

He is also adept at the horse-trading necessary to keep a governing coalition functioning in Brazil; a task to which President Rousseff has been painfully ill-suited.

On 13 March, the day after Amaral's latest revelations were published, millions of Brazilians took to the streets to protest against the government. Police estimates, usually overgenerous, claim that there were over 3.5m demonstrators nationwide. Certainly in the city of São Paulo alone, an opposition stronghold, around 500,000 took to the streets, according to Datafolha, a respected polling organisation. In terms of the actual number of protesters, this was believed to be the biggest anti-government protest in Brazilian history. Though the biggest loser of the day was clearly the government, the opposition did not benefit either. Several opposition leaders, including Neves, were booed, jeered and eventually hounded out of the demonstrations.

A day later, the rumours about Lula returning to government started to return in force. For Rousseff, the calculation is that she has effectively lost all support: on the streets; in congress; within her own party. While Lula is increasingly despised by the opposition, and has seen many supporters turn against him, he still remains the most dominant force in Brazilian politics today (*see sidebar*).

But, the problem is that Lula is now seriously damaged goods. Prosecutors are mounting an increasingly strong case that he and his family were the main beneficiaries of two luxury properties, which were refurbished at great expense and handed over to him by some of the construction companies found guilty of corruption in 'Operation Car Wash'. Appointing him to the cabinet carries a serious risk of generating a public perception that the government is merely attempting to shield him from prosecution. A meme doing the rounds on social media in Brazil quotes Lula from his time as a union leader in 1988: "When a poor man commits a crime, he goes to jail; when a rich man commits a crime, he becomes a minister."

Though the presidential palace must have anticipated, to a degree, the level of public outrage that greeted the confirmation of Lula's appointment as Rousseff's chief of staff, it could not have been prepared for the immediate release of secretly recorded phone calls between the two leaders to the media. Federal police had been tapping the phones of one of Lula's security guards; Lula himself does not use a phone. Rousseff had called Lula on that number on 16 March saying that she was sending round his ministerial papers "in case of necessity". The opposition and the media pounced on this ambiguous phrase as evidence the two were colluding to avoid justice, claiming it meant Lula could show any police investigators the papers as a kind of get-out-of-jail free card.

An opposition deputy connected the audio recording to the speakers in the federal lower chamber of congress. Ashen-faced PT congressional deputies sat in silence while opposition deputies started chanting for Rousseff to resign. Outside, in the Praça dos Tres Poderes, located between congress, the presidential palace and the supreme court, a crowd of thousands soon gathered demanding Rousseff's exit. A statement from the presidential palace insisting that the papers were issued simply to ensure Lula could take up his position even if he were unable to attend today's swearing-in ceremony was ignored.

Legal experts are divided on the legality of the wire-taps and whether the statements made by Rousseff and Lula point to any criminal intentions. Many government supporters are outraged by Moro's behaviour, and arguably the political neutrality which he has always claimed now appears pretty threadbare, given this stunt was designed for maximum political, rather than legal, effect. Still the damage is now done. What happens next is unclear. Demonstrators have promised more protests as we go to press, and even threatened a general strike next week. Pro-government supporters have also vowed to turn out in force over the next few days. Brian Winter, of *Americas Quarterly*, put the threat succinctly: "Brazil is not Venezuela. But until recently, Venezuela wasn't Venezuela."

Holdout deal sails through congress

President Mauricio Macri passed his first big test in congress this week with flying colours. The federal lower chamber of congress not only approved his government's deal with the holdout hedge funds in the US on 15 March but it did so with a thumping majority of 165 votes to 86. This leaves Macri politically strengthened and bodes well for the tougher of the two hurdles the deal faces: approval in the federal senate, which on paper is more hostile. Macri's strategy of touring the provinces to win support from governors representing the main opposition Partido Justicialista (PJ, Peronists) paid off handsomely; it was also a triumph for the government's negotiations with congressmen led by the interior minister, Rogelio Frigerio.

This was the Macri administration's first legislative triumph and it could prove to be the most important. Macri had stressed in an interview at the weekend that failure was not an option. He argued that without regaining access to essential capital from international markets, Argentina would face "austerity or hyperinflation". In a tacit acknowledgement of impending defeat, the Frente para la Victoria (FPV, Kirchneristas) faction of the PJ announced last week that it would present a bill to consult the people in a binding referendum about the holdout deal. The head of the FPV bloc in the lower chamber, Héctor Recalde, said the government would then have to decide "whether it wants to listen to the Argentine people or not".

The government comfortably secured quorum of 129 deputies in the lower chamber. The debate then extended for 20 hours as scores of deputies insisted on holding the floor. There was no shortage of diatribes exchanged. The head of the ruling Cambiemos bloc, Mario Negri, accused the government of Cristina Fernández (2007-2015) of "wasting the money of Argentines; whether you like it or not the strategy failed". Taunting FPV deputies, Negri added, "You are not Che Guevara...and you never were". Recalde savaged the deal, which he said would create "juridical insecurity" as bondholders who accepted debt restructuring in 2005 and 2010 would seek better terms now.

The ruling Cambiemos coalition won the support of the 24-strong dissident Peronist faction, Frente Renovador (FR), led by Deputy Sergio Massa; the 17-strong Bloque Justicialista, composed primarily of former FPV deputies; other dissident Peronists; the Partido Socialista; and assorted others. Five FPV deputies from the provinces of Misiones, Tucumán, San Juan defied party discipline to vote in favour of the bill, repealing two laws blocking a deal with the holdouts and capping the figure for bonds the government can issue to make the repayment at US\$12.5bn. Still, those who backed the deal expect something in return. Massa, for instance, made it clear that he expected now "to discuss the issues that we consider fundamental", such as inflation, pensions and the heavy tax burden on workers.

And now for the senate

The scale of the victory in the lower chamber makes the prospect of the bill's safe passage through the senate more favourable. The government is redoubling its charm offensive with the governors, more than half of whom will appear before the senate on 17 March, in the hope of winning crucial extra votes, while Frigerio met the economy ministers of all 24 provinces a day earlier. The economy minister, Alfonso Prat-Gay, also made a five-hour appearance before various senate commissions to face questions (*see sidebar*). The big fear for the government is that the bill will be modified in the senate, which would require returning it to the lower chamber. The deadline of 14 April to pay the holdouts is pressing.

Prat-Gay

The economy minister, Alfonso Prat-Gay, rejected criticism from FPV federal senators during his appearance before the senate. In response to criticism that his government was taking on more debt in order to repay the holdouts, Prat-Gay said "We are not indebting ourselves but rather changing creditor".

Labour reform leaves nobody happy

Given the amount of political capital President Michelle Bachelet has expended painstakingly advancing her government's labour reform it must be a source of serious frustration that it has failed to convince either Chile's business sector or the country's trade unions. The senate approved the labour reform, with some modifications, on 10 March, which marked the halfway point of Bachelet's four-year-term. This should have been a landmark achievement as the labour reform was one of Bachelet's key campaign promises, and had been mired in the senate since last October, but instead it elicited fierce criticism from every significant business association, and the main trade union, Central Unitaria de Trabajadores (CUT), reacted by calling a general strike for 22 March.

What next?

The alterations to the bill also require that it be returned to the lower chamber. It is most likely to go to a mixed commission, to reconcile the two versions of the reform, as a number of deputies have already rejected the senate changes. This will delay its final approval and could lead to some mutual recriminations within the Nueva Mayoría.

President Bachelet vowed to push through a labour reform to update the existing legislative framework from the dictatorship of General Augusto Pinochet (1973-1990), which placed major constraints on trade union activities and restricted collective bargaining rights. She also said it would redress deep inequality in Chile, one of the most unequal countries in the region. The ruling Nueva Mayoría coalition used its majority in the senate to approve the labour reform article by article. But four senators from Democracia Cristiana (DC), the most centrist party within the quinquepartite coalition, joined the right-wing opposition Chile Vamos coalition to strike down a provision that would have required employers to negotiate with workers that unite across companies by 15-13.

The decision by the rebel DC senators caused tension within the Nueva Mayoría, which includes the Partido Comunista de Chile (PCCh), allies of the CUT. The president of the senate, Ignacio Walker (DC), called upon the militarised police Carabineros to eject various CUT leaders attending the senate session who were vociferous in their criticism of this particular vote. Only the CUT president, Bárbara Figueroa, remained. She described the amendment as "regrettable". Mounting disillusionment with the reform it initially embraced prompted the CUT to call a general strike for 22 March. The national teachers' union, Colegio de Profesores de Chile, confirmed on 13 March that it would participate in this strike.

Business associations roundly condemned the labour reform. On 13 March Hermann Von Mühlenbrock, the president of the Sociedad de Fomento Fabril (Sofofa), which represents Chilean manufacturers, read a statement accusing senators from Nueva Mayoría of lacking the courage of their convictions, privately expressing reservations about the reform, but voting in favour of it, allowing "party interest to trump the national interest". Von Mühlenbrock said the labour reform would not only be "detrimental to Chile and its workers" but would also create "more rigid labour relations, where collaboration is replaced by conflict", and "take Chile back several decades". He did say that the DC-assisted rejection of one provision of the bill was "extremely positive" though as it would have marked "the end for thousands of businesses by imposing conditions of one firm on another just by virtue of being the same size".

Patricio Crespo, head of the Sociedad Nacional de Agricultura (SNA), said the reform had sent Chile back "100 years rather than looking to the 21st century". Jorge Mas, president of the Cámara Chilena de la Construcción (CCC), said the reform failed to take into account the adverse impact on growth, a sentiment shared by Alberto Salas, president of the Confederación de la Producción y del Comercio (CPC), which groups together businesses in the industrial, mining, banking, agricultural and retail sectors. Salas said that measures such as the prohibition on hiring replacement workers during strikes would affect the production and profits of firms.

Farc and coca crops

Defence Minister Luis Carlos Villegas accused the Farc of encouraging campesinos to plant more coca now so that they could receive more assistance from the government, after a peace accord is signed, to plant alternative crops, as well as social programmes. Villegas also said that there were “lower production costs and higher sale prices for coca leaf and paste due to the devaluation of the peso against the dollar and the euro”. The government is unperturbed by the likely increase in coca cultivation. It argues that after a peace deal it will be possible to reverse the big increases in areas of Farc influence such as Nariño, Putumayo, Chocó, Norte de Santander, Meta and Guaviare.

ANDEAN COUNTRIES

COLOMBIA | POLITICS & SECURITY

Santos straining to secure breakthrough

President Juan Manuel Santos dispatched his brother Enrique Santos to hold an urgent meeting with the maximum leader of the Fuerzas Armadas Revolucionarias de Colombia (Farc) ‘Timochenko’ (Rodrigo Londoño Echeverri), in Cuba on 14 March, nine days before an agreed deadline for a peace accord to be struck. It is not the first time Enrique Santos has been used as a mediator at a difficult juncture in the talks, and this latest meeting was scheduled after it became apparent that the deadline would not be met and that despite both sides intensifying efforts to ensure that significant progress could be announced on the day, differences over future ‘concentration zones’ for Farc guerrillas have conspired against a possible agreement on a bilateral ceasefire.

Enrique Santos was sent to try and unblock the impasse over the ‘concentration zones’. ‘Carlos Antonio Lozada’ (Luis Antonio Losada), the leader of the Farc negotiating team on the sub-commission on the end of the conflict, accused the government of having changed everything at the eleventh-hour by demanding the Farc’s “unconditional surrender”. The sub-commission, composed of active military and Farc commanders, was formed exactly a year ago to discuss the practical issues of Farc disarmament and demobilisation. In an interview with the national daily *El Tiempo* on 13 March ‘Timochenko’ had extolled the “fluidity” of the discussions in the sub-commission, arguing that talks would never have come this far without the participation of active military officers who know the true state of play on the ground.

It is not clear precisely what was discussed between Enrique Santos and ‘Timochenko’ but the head of the Farc negotiating team in Havana, ‘Iván Márquez’ (Luciano Marín Arango), claimed on 16 March that the meeting had been “very constructive” and expressed his hope that the results would be seen “very shortly”. The Farc appears to share the government’s desire to present a concrete accord of some sort on 23 March, although ‘Timochenko’ stressed during his interview that there was no sense rushing to sign something that “falls apart afterwards”.

Coca cultivation up

The defence minister, Luis Carlos Villegas, admitted in a press conference on 10 March that he had been notified that coca cultivation had increased significantly for the second consecutive year in 2015. Total coca cultivation amounted to 69,000 hectares (ha) in 2014, according to the United Nations Office on Drugs and Crime (UNODC), up from 48,000 ha in 2013. The UNODC figures for 2015 will not be released for another two months, but *El Tiempo* published a piece on 10 March citing sources in the government and the police saying that the figure would be between 80,000-100,000 ha in 2015, which would mean that the area under coca cultivation had virtually doubled in two years.

The post-conflict minister, Rafael Pardo, attributed the increase to the fact that the government’s “main weapon for containing [coca] crops, aerial spraying with glyphosate” had been stopped (although this was not until last October). There are other factors at play: the fall in the value of gold has made illegal mining a less profitable sideline for illegal armed groups also involved in drug-trafficking; the peso’s slump against the US dollar has made cocaine exports more profitable; and the resistance of coca crops to the weather phenomenon El Niño has prompted thousands of campesinos who have lost their traditional crops due to drought to plant coca crops.

Ruling party's candidate pulled

Amid all the furor over expulsions from the presidential race, one candidate was withdrawn from the contest. The ruling Partido Nacionalista Peruano (PNP) withdrew the presidential candidacy of Daniel Urresti on 11 March in a document signed by First Lady Nadine Heredia, the party president, and President Ollanta Humala. Urresti enjoyed 2% support in the polls. PNP Deputy Daniel Abugattás described the decision as “deplorable”. PNP congressional candidacies were also withdrawn. The PNP risked losing its registration, the preservation of which requires 5% of the vote under a new electoral law. Ruling parties were wiped out at the end of the previous two presidential terms: Perú Posible (PP) under Alejandro Toledo (2001-2006) and the Partido Aprista Peruano (PAP) under Alan García (2006-2011).

Dust yet to settle after expulsions

The first opinion polls to be released in Peru since the exclusion of two leading candidates from the 10 April presidential contest, Julio Guzmán and César Acuña, confirmed that the 24% of voters aligned behind them are looking for alternatives but are yet to fasten on any one candidate. The clear frontrunner, Keiko Fujimori, attracted almost no extra support at all, while protest groups opposed to her candidacy have staged two well-attended rallies over the last week to the headquarters of the electoral authorities, Jurado Nacional de Elecciones (JNE), to demand even-handedness. They want Fujimori barred from running for allegedly disbursing gifts during the campaign [WR-16-10], for which the JNE threw Acuña out of the race.

The opinion surveys were carried out just as the JNE was deliberating on whether to exclude Guzmán and Acuña. Ipsos put Fujimori on 31% if Guzmán and Acuña were permitted to remain in the race but only 32% if they were excluded (within the margin of error). Fujimori obtained 30% in the previous Ipsos poll last month. The poll showed that, assuming they were excluded, the majority of the support for Guzmán and Acuña would migrate equally to three candidates: Pedro Pablo Kuczynski, of Peruanos por el Cambio; Alfredo Barnechea, of Acción Popular; and Verónica Mendoza, of Frente Amplio.

Kuczynski increased by five points to 14%, while Barnechea and Mendoza jumped by five points each to 9% on February's poll. Former president Alan García (1985-1990; 2006-2011) is the only other candidate with a chance of making the second round, although his move from 5% to 6% was negligible and he has the highest rejection rate; 67% of respondents said they would definitely not vote for him. Undecided voters made up 10% of the 1,851 respondents, while 12% said they would cast void or blank ballots.

It was noteworthy that while Fujimori's support remained almost unchanged, the percentage of those saying they would definitely not vote for her grew from 40% in February to 44% in the latest Ipsos poll. In a second round scenario the pollster found that Fujimori would lose to Kuczynski by 40%-39% and defeat Barnechea (42%-40%) and Mendoza (43%-38%), although given the margin of error and the fact that 5% of respondents said they were undecided all these results are technical ties.

An opinion survey by Datum carried out at much the same time put Fujimori on 37%, assuming Guzmán and Acuña were excluded, but again this was only up by two percentage points on the previous poll. Kuczynski climbed three points to 14%; Barnechea by six points to 9%; Mendoza by five points to 8%; and García by three points to 7%. It is worth noting that Kuczynski would have fallen without the expulsions while support for both Barnechea and Mendoza would have increased even if Guzmán and Acuña had remained in the race. This suggests that Kuczynski enjoyed a one-off bounce while Barnechea and Mendoza retain upward momentum.

Meanwhile, the pressure on the JNE is mounting. On 14 March the JNE ruled against an extraordinary appeal by Guzmán and Acuña, their last legal recourse, contending that their due process rights had not been violated. The electoral observation mission of the Organization of American States (OAS) expressed its concern over the late disqualification of the candidates, arguing that the process had created uncertainty in both the electorate and the candidates themselves. The head of the electoral observation mission sent by the European Union (EU), Renate Weber, described the expulsions as “problematic”, although she stressed that the JNE decision should be respected.

Maduro decrees longer Easter

President Maduro has decreed three extra days of holiday for all Venezuelan workers over Easter in a bid to conserve electricity. The 10,200MW Guri dam in Bolívar state, the country's main source of power, is nearing critical levels, with water now below turbine-levels and dropping by a metre a week. Maduro urged people to pray for an early rainy season (due May). Critics accuse the government of failing for years to carry out essential maintenance or properly plan future energy needs. According to the US Energy Information Administration (EIA), Venezuela's electricity consumption soared by 49% between 2003 and 2012, while installed capacity expanded by only 28%, leaving the power grid stretched. The last major drought in 2009-10 obliged rationing under an officially declared electricity emergency.

Governor under pressure over Tumeremo miners

Opposition politicians including María Corina Machado and Deputy Américo De Grazia (La Causa Radical) have called for the resignation of the long-serving governor of Bolívar state, Francisco Rangel, of the ruling Partido Socialista Unido de Venezuela (PSUV), over his handling of the case involving the abduction and murder by a local gang of some two dozen informal miners from the local town of Tumeremo.

The attorney general, Luisa Ortega Díaz, earlier this week confirmed that authorities had found the remains of 17 people in a common grave. Several of the corpses, which included two females, have been identified as some of the missing. Relatives reported that an armed gang attacked the informal miners on 4 March in a bid to take control of the Atenas gold mine, located near Tumeremo. They claimed that 28 miners had been captured. Initially, some local reports suggested that the victims had been killed and the bodies violently dismembered by a gang using chainsaws. The attorney general's office said the people found in the common grave had been shot to death.

Controversially, some of the relatives suggested the complicity of local military forces, arguing that corrupt local officers were seeking spoils from the mine. Rangel initially denied that anything was amiss, and on Twitter accused the political opposition of making things up for political gain. The allegations of the families were "absolutely false", he insisted. He was later obliged to backtrack.

The incident quickly prompted comparisons with Mexico's infamous Iguala case, in which protesting students were kidnapped by a gang in cahoots with the local security forces. Moreover, local critics have alleged that this is not the first such incident to take place under Rangel's watch in Bolívar (he has been governor since 2004). As the news made local and international headlines, the government scrambled the air force in search of the victims, with Defence Minister Vladimir Padrino López pledging that it would not rest until the victims were located.

Ortega said the grave had been found in Nuevo Callao, "deep in the jungle" near the border with Guyana. She added that the authorities now believe that 21 and not 28 miners were taken, albeit the families of the missing continue to insist otherwise. Ortega announced an arrest warrant for the leader of a local criminal gang identified as Jamilton Andrés 'El Topo' Ulloa Suárez, reportedly an Ecuadorean native, and said that authorities had already arrested one of his close accomplices, Rosa Saida Gil Salazar.

The latest incident comes as the severely cash-strapped Maduro government is seeking to revive the country's moribund gold mining sector. In late February, Rangel had celebrated Maduro's promulgation of a decree implementing a strategic mining zone in the Orinoco region (Zona de Desarrollo Estratégico Nacional Arco Minero del Orinoco), declaring that the region, rich in mineral deposits, could become an important "non-oil alternative" for the country.

The Maduro government recently signed a US\$5bn settlement deal with the Canadian-US company, Gold Reserve Corporation, to end a seven-year expropriation dispute. As part of the deal, Gold Reserve will invest/loan US\$2bn to revive and develop the Brisas mine (Bolívar state) at the centre of the dispute, as well as the adjacent Cristinas gold-copper project, retaining a 40%-45% share in the overall project, with 55% held by the Venezuelan government. According to a 29 February company press release, once developed, the combined Brisas-Cristinas Project "is anticipated to be the largest gold mine in South America and one of the largest in the world".

Peru gets

Schengen access

On 14 March Peru's President Ollanta Humala signed the agreement between his government and the European Union (EU) that eliminates the visa requirements for all Peruvian nationals seeking to visit the Schengen Area. The signing of the agreement in the European Parliament in Brussels was overseen by Humala and the EU's High Representative for Foreign Affairs and Security Policy, Federica Mogherini, and it means that from now on Peruvians will not require a visa to visit the 26 European countries that make up the Schengen area for a period of 90 days. Hailing the agreement, Humala said that it would allow Peruvians to go to Europe to "explore business opportunities, which could help us to adjust or improve our trade policies".

TRACKING TRENDS

COLOMBIA | 2015 Growth. On 10 March Colombia's national statistics institute (Dane) reported that the country's GDP grew by 3.1% in 2015, slightly lower than the 3.2% forecast by the government but slightly higher than the 3% growth rate projected by the International Monetary Fund (IMF). The result may not be far off from official projections but it nonetheless represents a drop off from the 4.4% growth rate posted by Colombia in 2014; and shows that, as predicted, Colombia's economic performance has been hampered by the sharp fall in international oil prices registered since mid-2014.

Pointedly, the Dane report notes that, despite the lower growth, all nine sectors of the economy registered positive growth rates last year, with four of them - financial and insurance services (4.3%), retail, restaurants and hotels (4.1%), construction (3.9%), and agriculture, livestock and fisheries (3.3%) - posting above average growth rates for the year. Indeed, the Dane report notes that the dynamism of these four sectors (led by the agriculture, livestock and fisheries sector) drove the 3.3% quarterly GDP increase registered in the final quarter of last year compared to 2014. By contrast, the sectors that exhibited the lowest levels of growth last year were transport and communications (1.4%), manufacturing (1.2%) and the oil and mining sector, which registered negligible growth (0.6%).

President Juan Manuel Santos celebrated last year's economic performance. He said it provided "more reasons to maintain optimism" about Colombia's economy. However, the consensus forecast by local analysts is that growth this year will not surpass 3%. The government's forecast is for growth of at least 3%. The IMF is predicting 2.7% growth as a result of the persistently low international oil prices.

PERU | Still slowing down. On 15 March Peru's national statistics institute (Inei) released its latest economic figures, which show that economic activity in the country increased by 3.41% year-on-year in January, below the consensus market expectations. A poll of local economists by *Reuters* had found that the consensus forecast was for a 4% increase in economic activity in the first month of the year. However, the Inei figures show that despite an encouraging 7.83% increase in activity in the key oil and mining sector, this was offset by contractions in the construction (-2.67%) and manufacturing (-3.94%) sectors.

The increase in the oil and mining sector was driven by a strong 43.8% increase in copper mining, which made up for the 19.1% fall in natural gas production and the 18% fall in oil production. Meanwhile, the fall in activity in the construction sector was attributed to the 51.5% reduction in the execution of public works by the central government, and a 75.5% reduction in the execution of public works by regional governments. This as the government led by President Ollanta Humala starts to restrict its spending in response to the lower level of tax revenue resulting from the general slowdown in domestic economic activity registered since 2014.

The Inei report highlighted the fact that the latest results mean that Peru's economy has now accumulated 78 consecutive quarters of growth. While the next government to be elected in the upcoming 10 April general elections will be hoping to maintain this positive streak, it will also be under pressure to reproduce the faster annual growth rates of over 5%, consistently posted by Peru between 2002 and 2013.

BOLIVIA | 2016 economic forecasts. On 16 March Bolivia's economy & finance ministry presented its economic forecasts for the year, which predict a real annual GDP growth rate of 5%, an annual inflation rate of 5.3% and a fiscal deficit of 6.1%. The report was presented by Economy & Finance Minister Luis Arce, who said that the forecast was produced in conjunction with the central bank (BCB) and reflected the government's objective of maintaining healthy economic growth.

According to Arce, the central government intends to invest US\$6.39bn, noting that this will help to ensure that the state sector continues to be the main driving force of the Bolivian economy. Last year Bolivia's GDP grew by 4.8%, making the country the fastest growing economy in South America for the third consecutive year. Should the official forecasts for this year be fulfilled, Bolivia could be on course to claim this title for a fourth consecutive year.

Ostula case

On 13 March Inai ordered the defence ministry to make public the incident report relating to the July 2015 case involving soldiers and local demonstrators in Ostula, Michoacán state, in which a 12-year old child was killed. Heriberto Reyes was shot dead during a confusing episode in which Ostula residents protesting against the deployment of the army in their municipality to reinforce public security clashed with soldiers. The defence ministry argued that the information was classified as it formed part of the evidence being analysed as part of its internal investigation. But Inai disagreed and said that this could not be classified under the new federal transparency law.

MEXICO & NAFTA

MEXICO | SECURITY

Military implicated in new rights abuse cases

Mexico's defence ministry (Sedena) and navy (Semar) revealed this week that soldiers and marines had been implicated in two separate new suspected cases of human rights abuses. The revelations have stoked further concerns about just how widespread such cases have become across Mexico as a result of the continued reliance on the federal security forces to combat the twin scourges of drug trafficking and organised crime. With the government led by President Enrique Peña Nieto already in the spotlight over its human rights record, the mounting cases of abuse by the federal security forces have the potential to undermine its national security strategy.

Sedena, which controls the army and the air force, announced on 9 March that a military court had opened an investigation into soldiers suspected of being involved in the disappearance of an individual in the eastern state of Veracruz. A Sedena statement revealed a probe into an unspecified number of members of the sixth regional battalion headquartered in Veracruz for their suspected involvement in the enforced disappearance of a man identified as Víctor García, who was last seen in army custody in the central Tierra Blanca area of the state.

According to the Sedena statement, the case is based on a legal complaint filed by residents of the municipality of Tezonapa on 3 March denouncing the disappearance of four people following their arrest by the military. According to the residents' account the four were detained by a military patrol amid suspicions that they were members of a criminal organisation. While three of those detained were subsequently released, García remains unaccounted for. Sedena's announcement comes after local authorities found García's torched vehicle in a backroad.

A few days later, on 13 March, Semar announced that it had arrested five marines on 3 and 4 March and placed them at the orders of the third penal court in Nuevo León state after they were implicated in an 'enforced disappearance' case dating back to August 2013. This relates to the case of Armando del Bosque Villareal, who has been missing after being detained by marines in Colombia, Nuevo León. The Semar statement said that the marines (who have not been named) were arrested after the federal attorney general's office (PGR), which is investigating the case, issued a formal arrest warrant against them. The statement added that the marines would remain in military prison until their case is cleared.

Disturbing cases

The United Nations Committee on Enforced Disappearances (CED) had already identified Del Bosque's disappearance as an emblematic enforced disappearance case. This after Del Bosque's father denounced that his son had last been seen at a Semar checkpoint when he was taken into custody. Semar has said that Del Bosque was released. But Del Bosque's father said that when he asked local Semar officers about his son's whereabouts, they warned him against continuing to search for his son. Based on this account, local human rights groups said they believe that Del Bosque was killed by the marines, in what would be the first extrajudicial execution under the Peña Nieto administration, and the adoption of a new security strategy.

The fact that Semar's announcement of the arrest came just over a month after Mexico's national human rights commission (CNDH) issued an unprecedented recommendation on 5 February calling on Semar to offer reparations to six individuals that it found to have been tortured and sexually assaulted after being detained by marines, appears to lend more

Inai order

Inai initially ordered the defence ministry (Sedena) to provide information regarding the killing of suspected criminals by the army between 2000 and November 2015, including the exact location and circumstances of the incident. However, Sedena said that it did not have all that information and suggested that the request be redirected to the PGR. But Inai dismissed this and said Sedena must provide the information as requested, noting that army regulations state that “military personnel that use force must provide justification for their actions and produce a detailed report to their corresponding superiors, providing the time, place and circumstances of the events that demand the use of force”.

weight to the suspicions about Del Bosque’s case. The CNDH said that the six individuals “arbitrarily” arrested by marines in Veracruz in 2012 were beaten and sexually abused. This was the first time that marines, which unlike the army have had an impeccable reputation, had been implicated in human rights violations. Semar accepted the CNDH’s recommendation and said it would offer compensation as well as cooperating with the body to clear up these cases.

Although the army has faced many accusations of human rights violations in the past, its implication in a new suspected enforced disappearance case will do little to dispel the suspicions that soldiers have been involved in other prominent enforced disappearance cases - in particular that of the 43 missing trainee teachers abducted in Iguala, Guerrero state, in September 2014. Tierra Blanca is the same municipality in which five youths were abducted back in January. This case remains unresolved, but the authorities are working on the hypothesis that the youths were taken by rogue members of the local state police force, who then delivered them to local criminals in what looks eerily similar to what is believed to have happened in Iguala (where it was the municipal police working in cahoots with local criminals).

Like Semar, Sedena has insisted that it will collaborate with all the necessary agencies to clear up García’s case. However, the Sedena statement does not make clear whether the latest investigations will look into any potential links that the implicated military officers could have to the January kidnappings in Tierra Blanca.

The pressure on the authorities to solve suspected cases of human rights violations by the armed forces is unrelenting. On the same day that Sedena announced the launch of its investigation into García’s disappearance, the national institute for transparency, access to information and data protection (Inai) ordered Sedena to make public all the information it has available relating to the killing of suspected criminals by the army since 2000. This after a member of public requested the information arguing that it was in the public interest (see sidebar). Inai agreed on the grounds that under the 2014 military justice reform all suspected human rights violation cases are now under the jurisdiction of civilian and not military courts and that any information held by Sedena about this must be in the public domain.

TRACKING TRENDS

MEXICO | Rising public debt. On 15 March the United Nations Economic Commission for Latin America and the Caribbean (Eclac) released the 2016 version of its *Fiscal Panorama of Latin America and the Caribbean*, which found that Mexico is one of the nine Latin American countries that have increased their level of public debt as a proportion of GDP between 2008 and 2015. The Eclac report found that the 11.5% increase of the public debt in Mexico was above the regional average of 7% for the period. The report notes that as in the other countries that saw a debt increase above the regional average - Honduras (24%), Costa Rica (18%), Chile (12%), Dominican Republic (12%), El Salvador (11%), Ecuador (10%) and Brazil (7.6%) - this was the result of public sector spending over and above the levels of economic growth and tax revenue increases registered in recent years.

Eclac said there had been “a big increase” in the level of non-financial public sector debt in Mexico, Chile, Costa Rica and Uruguay as a result of increased spending by state-owned firms in particular. Eclac said this posed “greater [financial] management challenges” for these governments in the next few years. This is especially true for countries like Brazil, Ecuador, Chile and Mexico, whose public finances are dependent, to a greater or lesser extent, on the international price of commodities such as oil and copper. Eclac warned that the discrepancy between the level of economic growth and increase in the interest rates paid on the public debt could turn into a “snowball effect” leading to rising levels of public debt unless there is a return to higher levels of economic growth.

US announces measures ahead of Obama visit

As widely flagged in advance, the US government has announced further measures to facilitate travel and commerce with Cuba ahead of President Barack Obama's historic 20-22 March trip to Havana. With the Cuban government warning ahead of the trip that it will not tolerate internal interference and complaints by dissidents about ongoing repression, Obama is under pressure to demonstrate the merits of his policy of engagement. The White House insists on the long view.

One of Obama's principal objectives is to facilitate people-to-people contact. As such the new measures will allow US citizens to travel to Cuba individually for people-to-people educational travel, one of the 12 permitted travel licence categories, rather than having to do so in organised group tours. And with the onus now on US travellers themselves to declare at the airport that their travel has been authorised (albeit authorities say they will closely monitor the situation), it is fast becoming much easier for them to go to the island.

Other changes will allow Cubans to open US bank accounts and authorise Cubans living in the US to earn a salary or stipend beyond living expenses, which has prompted speculation that US major league baseball teams could sign up Cuban players without them having to defect. "It certainly does address the ability of Cuban athletes who can earn salaries in the United States to do so," acknowledged Ben Rhodes, the White House deputy national security adviser for strategic communications.

Another change will allow "certain dealings in Cuban-origin merchandise by individuals for personal consumption while in a third-country, and to receive or obtain services from Cuba or a Cuban national that are ordinarily incident to travel and maintenance within a third country". In other words, Americans travelling in Europe will be able to purchase and consume Cuban-origin alcohol and tobacco products (for instance cigars) while abroad. Banking and financial services, and trade and commerce, both between the US and Cuba and also between Cuba and third countries, will also be eased. Full details are available at <https://www.treasury.gov/press-center/press-releases/Pages/j10379.aspx>.

With dissidents including the high-profile Damas de Blanco complaining about ongoing repression ahead of the trip, the White House has been under pressure to state clearly that Obama will directly address the Cuban people and meet dissidents of his choosing without interference. A White House press call on 16 March, led by Rhodes, did not entirely clear these points up. Officials insisted that Obama would address the Cuban people, but they could not guarantee that his speech from the Teatro Alicia Alonso on 22 March would be broadcast live on state airwaves (albeit their expectation was that it would be carried), and they were coy about which civil society members (including political dissidents) the president would meet, saying that the list was still being finalised.

As journalists pressed the matter, Rhodes noted that "we've been very clear privately with the Cuban government and publicly since the beginning of planning for this visit that we would expect that the President will be able to meet with people of his choosing - civil society members, activists, dissidents. And they have not objected to that meeting. I don't want to suggest that they are happy, but I think that they understand that this is something the President is going to do, and something he does around the world".

"Our policy is focused on helping the Cuban people achieve a better future. We have great confidence in their ability to do so. So certainly he [President Obama] will address squarely issues related to human rights and issues related to the different political systems that we have, and the different role for civil society that we would envision in Cuba and around the world. And he will do so in a context of believing deeply that these are issues for the Cuban people to determine; and that, frankly, by making clear that the United States is not a hostile nation seeking to promote regime change; that, in fact, we can't be blamed for challenges within Cuba; that, in fact, we are there as a source of support for the Cuban people in their pursuit of a better life". – Ben Rhodes on the White House press call on 16 March.

Transition government takes shape

CEP finalised

On 10 March the local press reported that all nine sectors represented in Haiti's provisional electoral council (CEP) had put forward their choices, which now await ratification by interim president Jocelerme Privert. According to the local media, the nominations are as follows: Josette Dorcély (trade unions); Marie Hérolle Michel (the private sector); Marie Frantz Joachim (women's sector); Carlos Hercule (Catholic episcopal conference); Frinel Joseph (protestant religion sector); Kenson Polynice (voodoo/peasant); Léopold Berlangier (media); Lucien Jean Bernard (universities); and Jean Simon Saint-Hubert (human rights).

A month since Jocelerme Privert began his 120-day period as Haiti's interim president after Michel Martelly (2011-2016) stepped down, and his transition government has yet to be finalised. At the time of writing, the bicameral legislature – in which Martelly's now opposition Parti Haïtien Tèt Kalé (PHTK) has a significant presence - is yet to approve the government plan of Privert's prime ministerial appointee Fritz-Alphonse Jean, a former head of Haiti's central bank (BRH) (1998-2001). This raises doubts as to whether the 24 April deadline to hold the delayed presidential run-off (as per the 5 February deal between the two heads of the legislature and Martelly before his departure) will be met.

Proposed by civil society and human rights groups, Jean was appointed by presidential decree on 26 February after Privert held a consultation process with a range of sectors. Jean's appointment was, however, rejected three days later by PHTK spokesperson Guichard Doré who complained that it was not legitimate and breached the terms of the 5 February deal. In particular Doré cited Privert's failure to meet the requirement that he secure approval for Jean's selection from the national bicameral legislature.

Doré and the PHTK are not the only ones to have spoken out against Jean's appointment. Those who have raised objections include outgoing prime minister Evans Paul, and Cholzer Chancy, a member of Ayiti An Aksyon, a Martelly-allied party. Chancy is head of the 118-member lower chamber (where currently 92 seats are filled, with election re-runs pending for the rest).

As per the 1987 constitution (Art.158) the approval of a government plan requires an absolute majority in both houses of congress. Since the new legislature began its work last month, three broad alliances have emerged in the lower chamber: the Alliance des Parlementaires pour Haïti (APH) which is made up of 44 deputies linked to the PHTK and its allies who reject Jean's appointment; the Groupe des parlementaires à l'écoute du peuple (GPEP) which is comprised of 33 deputies of various political affiliations; and the Groupe des parlementaires indépendants (GPI), which is made up of 11 independents.

New cabinet

Like Jean's plan of governance, the composition of the new interim cabinet – many of whom, like Privert, are aligned with former president René Prével (1996-2001, 2006-2011) or the populist former president Jean-Bertrand Aristide (1991, 1994-1996; 2001-2004) – awaits approval in the bicameral legislature.

The local media is reporting that new interim cabinet members aligned with Prével include: Enex Jean-Charles (planning & foreign cooperation); Yves Romain Bastien (economy & finance), who also served as adviser to Prével when in office; Ericq Pierre (foreign affairs & Haitians living abroad); Florence Elie (justice & public security); and Marc Aurèle Garcia (culture & communication). Those reportedly close to Aristide include Daphnée Benoît Delsoin (health; education, youth, sports & civic action) whose sister has been Aristide's personal secretary for at least five years.

Other appointments include Simon Dieuseul Desras, a former senate president who ran initially for the opposition Parti Pour la Libération des Masses et d'Intégration Sociale (Palmis) in last year's congressional elections before pulling out (environment); Jacques Evelt Eveillard (public works, transport & communication); Arnoux Séverin (agriculture, natural resources & rural development); Didier Hyppolite (tourism); Jean René Antoine Nicolas (social affairs & labour); Jessy C. Petit-Frère (trade & industry) and Marie Denise Claude (women's rights).

Getting to grips with a priority

Another scandal

On 12 February the attorney general, Thelma Aldana; the chief of Cicig, Iván Velásquez; and the interior minister, Francisco Rivas, announced that 12 people had been arrested for illicit association, influence-trafficking, and collusion following the discovery of a new corruption ring operating within the tax authorities (SAT). According to Aldana, Velásquez and Rivas, the corruption ring enabled one of the country's biggest industrial companies, Aceros de Guatemala, to avoid paying some Q\$255.6m (US\$33.37m) in taxes and to claim illegally Q\$95m (US\$12.4m) in other fiscal benefits.

President Jimmy Morales this month named Juan Francisco Solórzano as the new superintendent of the country's tax authority (SAT), the credibility of which was left in tatters following the high-profile 'La Línea' case which broke last year. This was the tax fraud scandal uncovered in the SAT involving a corruption ring allegedly headed up by former president Otto Pérez Molina (2012-2015) and his vice-president, Roxanna Baldetti (2012-2015), which ultimately forced both to step down last year. Recovering the credibility of the SAT is a key priority for Morales and his new Frente de Convergencia Nacional (FCN-Nación) government which took office in January this year.

The post of SAT superintendent had been vacant since 12 February following the arrest of Elder Hermelindo Fuentes García amid yet another scandal at the SAT (see sidebar). Fuentes had been appointed last year on an interim basis to replace Omar Franco Chacón who was arrested in relation to the 'La Línea' case. At the time of his appointment, Solórzano was head of the criminal investigation unit (Dicri) at the attorney general's office (AG), which, along with the United Nations (UN)-backed International Commission against Impunity in Guatemala (Cicig), proved critical in uncovering the La Línea scandal. Finance Minister Julio Héctor Estrada told reporters that the decision to appoint Solórzano was based in part on his experience in the AG and anti-corruption efforts.

In a sign of international backing for Solórzano, who also has Cicig's endorsement, representatives from the Inter-American Development Bank (IDB), the World Bank (WB), the International Monetary Fund (IMF), and US Treasury Department were at his inauguration. Meanwhile Abelardo Medina, a senior economist at local think tank Instituto Centroamericano de Estudios Fiscales (Icefi) said the new superintendent had a good 'background' in addressing criminality while the president of Guatemala's chamber of industry (CIG), Óscar Castillo, called for Solórzano to be given the benefit of the doubt.

That the SAT needs to be overhauled has been widely recognised. In a November 2015 report, Icefi estimated Guatemala's tax take would reach just 10.3% of GDP in 2015 (less than the 12% minimum target established in the 1996 peace accords that ended the 1960-1996 civil war), and warned the figure could drop to 10.1% in 2016 unless the problems at the SAT were addressed.

New constitutional court

As well as filling the vacancy at the top of the SAT, other appointments to come under recent scrutiny were those for the five-member constitutional court (CC) which, finalised on 10 March, are for five-year terms. These comprise one representative each from the supreme court (CSJ); the executive; congress; the bar association (Cang) and San Carlos University (Usac).

Morales' choice of Justice Dina Josefina Ochoa Escribá attracted attention: she had initially appeared in a 2012 Cicig report entitled Judges of Impunity. Yet a presidential press release cites Cicig's chief, Iván Velásquez, as having signed two statements, in June 2014 and September 2015, in which he ruled out any "issue of impunity" with regard to Ochoa.

The other choices were Gloria Porras (current CC president), selected by the legislature; Bonerge Mejía, a former Usac dean selected by Cang; José Francisco de Mata Vela (Usac); and Neftaly Aldana (CSJ). In a 14 March statement, the UN Special Rapporteur on the Independence of Judges and Lawyers, Mónica Pinto, warned that the process of selecting the CC judges had failed to fulfil "basic principles of transparency and objectivity", albeit while failing to provide further details. The new appointees will take up their posts on 14 April.

Quotes of the week

“Keiko did not touch the envelopes; the Virgin protected her.”
José Chlimper, the running mate of Keiko Fujimori in Peru's presidential race on envelopes filled with cash allegedly handed out at campaign rallies.

“I would prefer a good accord to a photo with Obama.”
The maximum leader of the Farc, 'Timochenko', on meeting the 23 March deadline for the signing of a peace accord in Cuba as US President Barack Obama visits the island.

“It is not like manna from heaven is going to fall but we have taken a very significant step.”
Argentina's Mario Negri, head of the ruling Cambiemos bloc in the federal lower chamber of congress, on approval of the holdout deal.

Military air crash in Ecuador

Ecuador's President Rafael Correa has declared two days of national mourning following the deaths of 22 military personnel in an air crash early on 15 March. The occupants, which included 19 army paratroopers, two pilots and a mechanic, were on a parachute training exercise, according to an army statement, and the plane came down in the dense jungle area of Hacienda la Palmira, in the parish of Fátima, in the large eastern Amazonian province of Pastaza. A large rescue group comprising 100 soldiers and rescue crew took three hours to recover the bodies, which had to be stretchered out on foot. Ricardo Patiño, the newly appointed defence minister, went immediately to the area but was unable to see for himself the difficult-to-access site.

The cause of the crash is not yet known. The Israeli-made IAI Arava 201 plane was acquired in 1991 and entered service in 1992 (under the registration E-206). Ecuador first began to acquire these heavy-duty planes in the mid 1970s, and they were used primarily in the large Amazon region for their ability to land on short runways. The E-206 was the only one currently in service. According to the coordinating minister for security, César Navas, the E-206 had racked up 6,000 flight hours, only a fifth of its useful lifespan of 30,000 hours.

President Correa asked government supporters to call off a planned march in the capital Quito on 17 March by way of a counteroffensive against opposition groups planning a demonstration against a new package of labour reforms. “Out of respect, I ask our militancy to suspend tomorrow's gathering. It has always been festive, but it is not right at this moment,” he tweeted. “The country is in mourning. Gone from us are 22 soldiers, fathers, husbands, citizens. There are tens of widows and orphans”. During the funeral ceremony at the Eloy Alfaro Military School (Esmil) in Quito, the priest declared the tragedy “the worst to affect the armed forces since the [1995 Cenepa] war [with Peru]”.

In October 2015, the Correa government unilaterally ended a contract with India's Hindustan Aeronautics Limited (HAL), from which it had acquired seven military helicopters for US\$45.2m in 2009-2012. Four of the brand new choppers were later involved in crashes. Of those accidents, at least two were attributed to mechanical failures, including one assigned to Correa himself (albeit he was not on board at the time). The other three were subsequently grounded and Ecuador complained that HAL had failed to ship parts, as per the agreed contract.

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