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## Uncertainty reigns in Brazil presidential election

It has been a tumultuous week for Brazilian politics, even by the country's current standards. On 6 September, far-right presidential frontrunner Jair Bolsonaro was rushed to hospital where he underwent surgery after being stabbed during a campaign rally. Five days later, on 11 September, the leftist Partido dos Trabalhadores (PT) made its long-awaited announcement that Fernando Haddad would replace former president Lula da Silva (2003-2011) as the party's presidential candidate. Both events have increased the unpredictability of Brazil's presidential election on 7 October.

The attack against Bolsonaro, candidate for the Partido Social Liberal (PSL), prompted fears that the presidential campaign would become radicalised. It has certainly given supporters on the Left and the Right further ammunition against each other, although the invective has for the most part been confined to social media.

Bolsonaro supporters are accusing the PT of being behind the stabbing, despite there being no evidence that the self-confessed attacker, identified as Adélio Bispo de Oliveira and who claims to have been acting on God's orders, has any links to the party. Meanwhile, politicians on the Left, including former president (2011-2016) and PT senatorial candidate Dilma Rousseff, are saying that Bolsonaro brought the attack upon himself with his violence- and hate-filled discourses.

In contrast, Brazil's other presidential candidates have been emphatic in their condemnation of the violent attack. They expressed their solidarity with Bolsonaro and his family, and called for the electoral process to continue in a peaceful and conciliatory manner.

In the third televised presidential debate on 9 September, which Bolsonaro was unable to attend as he was, and still is, in hospital, candidates appeared to adopt a more moderate tone than in the past, focusing on discussing policy proposals rather than on levelling individual criticisms at each other. Observers note, however, that this initial shift in rhetoric amongst Bolsonaro's opponents has been swiftly followed by the return of a more critical tone.

Bolsonaro is a controversial figure, known for his politically incorrect and offensive comments about women, homosexuals, and people of colour. The PT recently filed a legal complaint against him for inciting violence after he spoke about shooting left-wing supporters. This week, Brazil's supreme court (STF) reviewed an accusation of racism presented against Bolsonaro by the attorney general's office – the STF ultimately rejected the accusation on the basis that Bolsonaro's comments, while vulgar and offensive, were within the realm of free speech.

## **'Fake news' rumours**

In what is a sign of the times, the knife attack against Jair Bolsonaro was initially met with scepticism by many. In the immediate aftermath, the attack became the most-mentioned Brazilian event on *Twitter* since the 2014 elections, but 40.5% of mentions doubted the veracity of the attack, according to the Sala da Democracia Digital, a social media monitoring initiative set up by the public policy research centre Fundação Getulio Vargas.

A retired army captain who makes no secret of his nostalgia for Brazil's military dictatorship (1964-1985), Bolsonaro has succeeded in building support by exploiting the electorate's disillusionment with the political establishment, and by promising to end government corruption and to tackle the country's endemic violence problem. He rose to the top of the electoral opinion polls after a court ruling barred Lula, by far the most popular candidate albeit an equally divisive one, from running [[WR-18-35](#)].

### **A sympathy boost for Bolsonaro?**

It was widely expected that Bolsonaro would stand to gain a lot of support from the stabbing and his resulting injuries and surgery. The first response of his running mate General Antônio Hamilton Mourão to the attack was to say that Bolsonaro would come out stronger with a more decided support base. The markets, which prefer Bolsonaro to any left-wing alternative, rose following news of the stabbing.

The results of the first polls conducted since Bolsonaro was stabbed and released this week by polling institutes Datafolha and Ibope therefore came as something of a surprise. Although Bolsonaro remains firmly in the lead, his support has only slightly increased, from 22% in August to 24%-26% currently. The change remains within the margin of error of the polls. Bolsonaro continues to have the highest rejection rates out of all candidates, and these have risen since August, to 41%-43%. Scenarios for a hypothetical second round show that Bolsonaro would probably lose. On cue, Brazilian markets fell after the Datafolha poll was released.

Nevertheless, everything still points towards Bolsonaro winning the first round of the presidential elections on 7 October. The race for second place is hotly contested with four candidates technically tied in the opinion polls. This makes the outcome of an anticipated second round, to be held on 28 October, far less predictable.

Left-winger Ciro Gomes, of the Partido Democrático Trabalhista (PTD), has gained some traction, rising to 11%-13% of voting intentions. Marina Silva, of the centre-left Rede Sustentabilidade (Rede) party, has seen her support diminish but she remains in third place with 9%-11%. Geraldo Alckmin, the 'establishment' candidate of the Partido da Social Democracia Brasileira (PSDB) allied with a swathe of small centrist parties, collects 9%-10% of voting intentions. Finally, the PT's Haddad has seen his support double to 8%-9% of voting intentions, up from 4% in August's polls.

### **PT back in the game**

Datafolha and Ibope's polls were conducted before Haddad's candidacy was officialised, at a time when Bolsonaro dominated headlines in the press and mentions on social media. Analysts say this makes the increase in Haddad's support all the more significant and suggests that the PT could still stand a chance in this election.

Although it was expected that Haddad would replace Lula as the PT's candidate, the party waited until the eleventh-hour to make the change official. Upon declaring Lula ineligible, the country's electoral court (TSE) had given the PT until 11 September to announce a substitute candidate. The PT not only appealed against the TSE's ruling but it also requested that the deadline be extended – a request that was rejected by both the TSE and the STF. The PT had sworn to pursue all avenues in order to guarantee Lula's right to run, and the last-minute nature of the Haddad-Lula substitution showed the party as having exhausted all recourses.

## **Electoral interference**

STF Justice Gilmar Mendes has said that members of the public prosecutor's office (MP) have shown "abuse of power" in pursuing legal actions against candidates. The São Paulo state MP levelled accusations of administrative wrongdoing and corruption against presidential candidates Geraldo Alckmin (PSDB) and Fernando Haddad (PT) earlier this month, while the MP for Paraná state authorised the arrest of PSDB senatorial candidate Carlos Alberto 'Beto' Richa this week. Justice Mendes reportedly said that the timing of these actions, which relate to cases that have been under investigation for years, could interfere with the electoral process.

The form of the announcement portended the role that Lula will continue to play within the election campaign. PT authorities gathered with supporters outside the federal police headquarters in Curitiba, in the southern state of Paraná, where Lula is imprisoned, to hear PT founding member Luiz Eduardo Greenhalgh read out a letter written by the former president. "I ask, from my heart, that all those of you who would vote for me vote [instead] for our comrade Fernando Haddad as President of the Republic," read the letter, going on to say: "We are already millions of Lulas, and from today, Fernando Haddad will be Lula for millions of Brazilians."

Convincing the electorate that 'Haddad is Lula' now forms the crux of the PT's electoral strategy. Lula's letter presented the former mayor of São Paulo (2013-2017) and former education minister (2005-2012) as responsible for his past governments' successes, particularly in the education sector, and said that Haddad had coordinated the PT's current government plan.

Haddad, who is a university professor with degrees in law, economics, and philosophy, has been seen as setting aside his profile of left-wing intellectual to emulate Lula's working-class background and appeal to that section of his support base.

In a perhaps simpler attempt to capture the uninterested and uninformed voter, the PT's campaigning material now reads 'Haddad é Lula' where Lula's name was before. The party has updated all of its social media channels to show a picture of Haddad, not with his newly announced running mate, Manuela d'Ávila, of the Partido Comunista do Brasil (PCdoB), but with Lula's smiling face hovering above his right shoulder.

A poll commissioned by investment firm XP Investimentos and conducted between 3 and 5 September lends credence to these tactics. The poll gave Haddad 14% of voting intentions, second behind Bolsonaro (20%), in a scenario where he was explicitly backed by Lula. In the Northeast, a traditionally pro-Lula region, Haddad's support has risen to now rival Bolsonaro's.

Haddad's political opponents are already countering this strategy by comparing the new PT candidate to former president Rousseff, Lula's protégée and anointed successor in the 2010 and 2014 presidential elections. Rousseff, now standing for the senate, was president when Brazil entered an economic recession from which it is still struggling to recover. She was then impeached for fiscal mismanagement in 2016 and has been investigated as part of the 'Lava Jato' corruption probe. Recent corruption accusations levelled against Haddad in relation to his 2012 mayoral campaign (which he went on to win) could be used by opponents to draw further parallels with Rousseff and attempt to undermine his campaign, although they are unlikely to impede his candidacy.

Candidates now have three weeks of campaigning left. Bolsonaro, who remains in hospital recovering from his injuries, will centre his campaign more than ever on his social media channels, an area in which he is believed to have an advantage. Haddad will strive to raise his profile to capture the as-of-yet undecided Lula voters. Meanwhile, Gomes and Silva will no doubt look to exploit anti-PT sentiments amongst the left-wing electorate in an attempt to secure a place in the second round.

Only a week ago, it seemed unlikely that the PT would reach a hypothetical second round without Lula as its candidate. Today, there is a very real chance that Bolsonaro will face Haddad in the likely presidential run off.

**Chávarry ensnared in spreading scandal****Ricardo Belmont**

Ricardo Belmont said in an interview with *El Comercio* on 22 August that both he and Vladimir Cerrón Rojas, the leader of the socialist party Perú Libertario (PL) for which he is running for mayor of Lima, were committed to working for the 14 poorest districts in Lima (out of 43) “practically abandoned to their fate”, where the majority of investment would go. Cerrón Rojas said that Belmont had persuaded him to adopt him as the party’s candidate, citing Russian President Vladimir Putin that “if you want to conquer Russia, you must go to Moscow”, meaning that the PL, founded in 2012, needed to gain a foothold in Lima. Cerrón said Belmont had described himself as a “misunderstood Communist”.

Pressure is mounting on Peru’s attorney general Pedro Chávarry to resign. President Martín Vizcarra was joined by the vast majority of Peru’s senior public prosecutors in calling for Chávarry to go this week after damning evidence emerged of his links to the corruption and influence-trafficking scandal rocking the top echelons of the national judiciary. To top it off, thousands of protesters took to the streets of Lima on 12 September to demand his resignation. Chávarry insists he is the victim of a defamation campaign and remains determined to stay on, but his position is starting to look untenable as congress finally begins to debate the Vizcarra administration’s judicial reform proposal.

Protesters called upon the main right-wing opposition Fuerza Popular (FP, Fujimoristas), which dominates congress, to dismiss Chávarry. All the parties in congress, except the FP and its ally Partido Aprista Peruano (PAP), have signed a document presented to the public ministry calling for Chávarry to be removed from his post to face investigation on the grounds that there could be no meaningful justice reform with him still in place.

President Vizcarra, who has also urged Chávarry to resign, said earlier in the week that he could understand public distrust of the judiciary because he shared it. A total of 27 of the 34 presidents of Peru’s councils of prosecutors in the country issued a declaration saying that if Chávarry remained at the helm it would “seriously affect the credibility, confidence, and stability” of the public ministry. Chávarry is clinging on tenaciously. He claims to be the victim of a plot and vows to stay on and “fight the corrupt in this and past governments”. He also issued a statement, hours before the public protest, calling for the constitutional autonomy of the public ministry to be respected.

On 30 August the prosecutor for the region of Callao, Sandra Castro, concluded that Chávarry’s election in June responded to the interests of a criminal network seeking to maintain its influence over the discredited national council of magistrates (CNM), which appoints and oversees judges and prosecutors. Chávarry also appeared on a compromising audio with César Hinostroza, the disgraced former supreme court judge at the heart of the scandal.

Meanwhile, Daniel Salaverry, the FP president of congress, finally called a session for 13 September to analyse a sweeping judicial reform sent to congress by Vizcarra, who wants it to go to a popular referendum before the end of the year. “Peruvians are tired of so much confrontation,” Salaverry said. “They want to see our authorities focused on pushing through the reforms our country requires,” he added. The previous day, during a visit to the north-eastern region of Cajamarca, Vizcarra denounced “an alliance between the corrupt who want to preserve the status quo, and we are going to fight tooth and nail to change that situation”. He complained that there was “no sense of urgency [in congress]; how much longer do we have to wait?” He added that if congress continued its delaying tactics, he would set about collecting signatures: 10% of those eligible to vote, some 2.3m, would be required to stage the referendum.

Vizcarra might have a weak congressional presence but he has strong public support, at least for a Peruvian politician. A recent survey by the national pollster Datum showed that Vizcarra has by far the highest approval rating of any Peruvian politician measured, with 47%. By contrast, Keiko Fujimori, the FP leader, had a disapproval rating of 84%, up three percentage points on



## Urresti

Daniel Urresti was head of army intelligence in the south-eastern region of Ayacucho combating the Sendero Luminoso guerrillas when a reporter for the news weekly *Caretas*, Hugo Bustíos Saavedra, went to the local Castropampa military base to seek authorisation to enter the area to investigate the alleged extrajudicial killings of two civilians by the military. Bustíos was granted permission but was later ambushed, along with his colleague, Eduardo Rojas Arce, by soldiers. Rojas was seriously injured but escaped. Bustíos was less fortunate; he was gunned down and blown up with dynamite.

the previous month and 22 points since the turn of the year; her approval rating, meanwhile, has sunk to just 12%.

## Regional elections

Vizcarra had initially hoped that the popular referendum could be held alongside the first round of regional and municipal elections on 7 October but is reconciled to it taking place at the same time as the second round in December. Vizcarra urged voters this week to “make an effort to elect competent authorities” in the elections. This could be easier said than done. The Datum poll showed that only 17% of respondents are interested in the elections, and 80% had not looked up information about the candidates standing for election on the national electoral council (JNE) website.

The favourite out of 20 candidates to win the second most important elected post in Peru, the mayoralty of Lima, is Renzo Reggiardo of Perú Patria Segura (PS), according to Datum. Reggiardo, a former congressional deputy (2006-2016), only won 19% support in the poll but that was not far short of twice that of his nearest challenger Ricardo Belmont of Perú Libertario (PL), on 10.3%. Third, on 9%, was Daniel Urresti of Podemos Perú (PP). A survey by Vox Pópuli Consultores days earlier, had the same three candidates out in front but on 22.4%, 8.4%, and 6.2% respectively. FP’s Diethell Columbus had under 2% support, while Luis Castañeda Pardo, the son of the incumbent mayor Luis Castañeda, running for Solidaridad Nacional (SN), had 4.1%.

Reggiardo established the populist right-of-centre PPS in 2013 with former members of Cambio 90, which was founded by former president Alberto Fujimori (1990-2000). Reggiardo has sought to distance the party from Fujimorismo and he did not support Keiko’s presidential candidacy in 2016. His candidacy could suffer, however, after the national daily *El Comercio* revealed on 3 September that half of his 156-page plan of governance had been plagiarised, much of it taken from Castañeda’s metropolitan Lima development plan 2012-2025 without citation. Reggiardo attempted to shrug off the embarrassing revelation. He blamed “an involuntary omission”, saying that the mistake was “not to have included a footnote saying from where the documents being referred to came”. He denied plagiarism.

Belmont, a former television presenter, has already served as mayor of Lima from 1989 to 1995 and is seeking a comeback after an absence of 23 years. He was elected in 1989 for his party Obras, an explicit reference to the need for public works in the capital city at the time, and carried out various road infrastructure projects. Belmont says he is running again because the need for public works in Lima is once again acute given the “demographic growth of recent years”. He says the transport system should be declared to be in a state of emergency (with at least a dozen road interchanges, as well as bridges, needed) and has promised to revise all contracts “agreed behind the backs of Limeños”.

Belmont has been accused of xenophobia to win electoral support after claiming on his Facebook page, falsely, that “more than 1m Venezuelans will vote in these elections...in a conspiracy against democracy in Peru”. Peru’s national registry of identification and civil status (Reniec) has revealed that only 26 foreigners will be entitled to vote in these elections (they can only vote in municipal not general elections), including just one Venezuelan. “Venezuelans are invading our streets in droves and creating enormous problems,” Belmont said in the interview, “with aggression and attacks occurring because of this uncontrolled migration”.

The third-placed candidate, Daniel Urresti, has been charged with ordering the murder of a journalist in 1988 (*see sidebar*). A retired army general, Urresti served as the sixth interior minister appointed during the administration of President Ollanta Humala (2011-2016).

## Stimulating orange economy

On 11 September Colombia's trade, industry & tourism minister, José Manuel Restrepo presented five strategies that will be pursued by the new government led by President Iván Duque to boost the so-called 'orange economy', which comprises the creative and cultural economic sector such as the arts, media and other creative industries. Duque co-authored a book about the orange economy during his time at the Inter-American Development Bank (IDB) and promoting the sector in Colombia is one of his main economic objectives. The strategies presented by Restrepo include Col\$400bn (US\$130m) for all creative industry projects; and the issue of Col\$300bn (US\$97.5m) worth of 'orange bonds' that will also be used to finance creative projects.

## Stepping up the war on drugs

"This country is swimming in coca." These words were uttered by Colombia's defence minister Guillermo Botero last week. It is this sort of straight-talking that spared Colombia a repeat of US President Donald Trump's decertification threat this time last year. Trump confined himself this time around to expressing concern about Colombian drug production but he knows that the new government under President Iván Duque is committed to a hard-line anti-drug strategy. This, however, comes amid mounting pressure on the fragile peace in Colombia, with attacks on social leaders and forced displacements surging, top-level divisions within the Fuerza Alternativa Revolucionaria del Común (Farc), and the Ejército de Liberación Nacional (ELN) threatening to abandon peace talks with the Duque administration altogether.

In his presidential determination on major drug transit or producing countries a year ago, President Trump said he had "seriously considered" putting Colombia on the list of countries that had 'demonstrably failed' to make sufficient effort to combat drugs, eliciting a testy reply from the administration led by President Duque's predecessor Juan Manuel Santos [WR-17-37]. In his 2018 presidential determination this week, Trump expressed his deep concerns at the expansion of illicit drug crops "over successive years" in Colombia, but left it at that.

Just hours earlier, Jim Carroll, the deputy director of the Office of National Drug Control Policy (ONDCP), Admiral Karl Schultz, the commandant of the US Coast Guard, and other senior US government officials met Duque in the presidential palace Casa de Nariño to discuss strengthening ties and increasing cooperation in combating narco-trafficking. Carroll expressed appreciation for Duque's promise of "aggressive action to combat cocaine production and trafficking". Last month Duque met the US secretary of defense, James Mattis, in Bogotá, and next month Botero will travel to Washington accompanied by the new ambassador to the US, Francisco Santos, to hold further high-level talks.

In an interview with the national daily *El Tiempo* on 1 September Botero said that while "voluntary [coca] eradication would be ideal...the costs, efficiency, and speed, to list three factors, make forced eradication necessary". In a June report, the ONDCP claimed that the coca cultivation area in Colombia rose by 11% to 209,000 hectares (ha) last year, the highest level in a decade, with inferred cocaine production from that crop expanding 19% to 921 tonnes [WR-18-25]. Botero also advocates renewal of aerial spraying with glyphosate, favoured by the US, although he admitted that there had been "efficiency problems" with the experimental use of drones to carry this out.

Forced eradication and aerial spraying of coca departs from the voluntary crop substitution strategy set out in the peace accord with the Farc. As such, it provides another source of tension within the Farc, exacerbating an internal rift which was laid bare during the meeting of the Farc party leadership, Consejo Nacional de los Comunes, at the turn of the month [WR-18-35]. Two former Farc bloc commanders, Milton de Jesús Toncel Redondo ('Joaquín Gómez') and Emilio Cabrera Díaz ('Bertulfo Álvarez'), who failed to attend the meeting for health reasons, penned a lacerating critique of the Farc's political leadership under the former guerrilla group's maximum leader Rodrigo Londoño Echeverri ('Timochenko') this week.

"Submitting to the constitution and laws does not mean that we have to defend the bourgeois order to the hilt; yet some of our leaders like Timo have dedicated themselves to defending the bourgeois order with an unexpected

## **Panama ties**

Colombia's President Iván Duque met his Panamanian counterpart Juan Carlos Varela on 10 September to discuss security and trade cooperation. Both men expressed their commitment to resolving a trade dispute between Colombia and Panama which has been a suppurating sore in bilateral relations. In 2012 the Colombian government put a 10% tariff on textiles and footwear from Panama's Colón free trade zone, and circumvented a ruling by the World Trade Organization (WTO) in favour of Panama in 2016. The Colombian government has accused Panama, meanwhile, of failing to cooperate in the exchange of tax information. Duque said both issues would be dealt with "in the most constructive way possible".

and surprising zeal," the two former commanders wrote. Both men belong to the more ideologically dogmatic wing of the Farc with Luciano Marín Arango ('Iván Márquez'), the number two in the Farc who negotiated the peace accord with the Santos administration. Unlike Márquez, who has vanished after renouncing his position as a senator, they remain committed to the peace and are leading the reinsertion of former guerrillas into society in the north-eastern department of La Guajira.

Senator Jorge Torres Victoria ('Pablo Catatumbo'), a senior Farc leader, called upon Márquez this week to reveal his whereabouts to "end speculation" which he said was causing "more juridical uncertainty" for demobilised guerrillas. Hernán Darío Velásquez ('El Paisa'), the former leader of the 'Teófilo Forero' mobile column, is also missing, although Henry Castellanos Garzón ('Romaña'), a former bloc commander, sent a letter to the attorney general's office this week claiming he remained committed to the peace process [[WR-18-36](#)].

## **ELN talks**

It is not clear that the same can be said for the ELN. On 9 September the ELN rejected "unacceptable conditions" made a day earlier by Duque for the resumption of peace talks. Duque, speaking after a 30-day deliberation over whether to continue with the peace negotiations, had demanded the release of six recently-kidnapped civilians and members of the security forces, and that the guerrilla group cease "all criminal activities". The ELN, which had blamed the government for refusing to facilitate the safe release of the hostages, eventually released them on 12 September but Duque responded by demanding that the guerrilla group must release all of its hostages. The government claims the ELN is holding a further 10 civilian hostages.

For all the ELN's protestations, there has been some surprise that Duque has not been tougher with the guerrilla group and withdrawn from negotiations altogether. One of the reasons for this is that, unlike his immediate predecessors, Duque lacks a majority in congress, where there is strong support for the integral peace process pursued by Santos. While heads of state are habitually dismissive of opinion polls it would not have escaped Duque's notice that 69% of respondents to a Gallup poll published on 30 August favoured continuing the peace process with the ELN.

## **Congressional complications**

Duque has managed to forge a congressional coalition of sorts over the last week but it is not stable. His right-wing Centro Democrático (CD) and the Partido Conservador (PC) provide the mainstay of his support, with a combined total of 53 of the 171 seats in the lower chamber of congress and 33 in the 107-seat senate. Two small parties, Movimiento Independiente de Renovación Absoluta (Mira) and Colombia Justa Libres (CJL), have also joined Duque's ruling coalition, providing a further two seats in the lower chamber and six in the senate altogether. But the big surprise was the decision by the Partido de la U (PU) on 5 September to enlist in the coalition. The PU was a key part of the pro-peace coalition forged by Santos.

The PU voted by 25-16 to join Duque's ruling coalition rather than declare its independence like Cambio Radical (CR) and Partido Liberal (PL), the other two former parties in Santos' coalition. With the PU onboard, Duque could, in theory, get within a handful of seats of a majority in both chambers of congress. But in practice this looks anything but secure. The vote was so divisive the PU could disband. PU Senator Armando Benedetti, a fierce critic, denounced "mermelada" (corruption) to secure the votes of his colleagues, while PU Senator Roy Barreras said that "when there are irreconcilable internal differences in a party over peace, victims, the rights of minorities, and civil liberties, its dissolution is necessary".



**Overt criticism, covert talks**

“A perverse vision of a socialist paradise in Venezuela has transformed into a criminal narco-state that is robbing the Venezuelan people blind.” This unequivocal censure of the government led by President Nicolás Maduro came from the US ambassador to the United Nations (UN), Nikki Haley, during an informal meeting of the UN Security Council convened by the US government on 10 September to discuss the situation in Venezuela. The following day government strongman Diosdado Cabello warned Chavista supporters at a rally in Caracas to be prepared for “an imperialist foreign invasion”. This all came against the backdrop of the publication of an article in *The New York Times* on 8 September revealing that dissident members of Venezuela’s armed forces (FANB) had met US officials on no fewer than three occasions to seek backing for a coup.

Haley told the Security Council that “something is wrong when citizens of an oil-rich country have to leave in order to beg on Colombian streets to feed their children. That something is the corruption of the Maduro regime”. The assistant secretary for terrorist financing at the US treasury department, Marshall Billingslea, went on to accuse the Maduro administration of “rapacious corruption” and running “a kleptocracy”, stealing at every stage of the state-run food distribution programme.

Haley urged her fellow ambassadors to take concrete action against the Maduro administration, saying that “attention needs to go on those countries that are giving support to Maduro and continuing to get rich off of Maduro’s regime and we need to say enough is enough”. This comment could have been directed at several countries but particularly China for which Maduro departed on 12 September to carry out a three-day visit in search of yet more loans.

After Haley’s meeting, Cabello, the president of the government-stacked national constituent assembly (ANC), stirred up supporters in a Caracas rally to “defend the motherland”, arguing that “imperialism is accustomed to attacking people”. Maduro, meanwhile, denounced “an international defamation campaign to justify an extraordinary extra-constitutional event, a coup”. But he insisted that his government was “invincible and invulnerable”, alluding to the alleged drone assassination attempt on him at a military parade in Caracas on 4 August [[WR-18-31](#)].

Maduro’s apparent self-confidence is likely to be belied by a further purge of the FANB after an article published by *The New York Times* revealed that dissident military officers, including a commander, had held three meetings with US officials at the tail end of last year and the start of this to seek logistical support, especially encrypted radios, for coup plots, encouraged by President Donald Trump’s comment in August 2017 that “we have many options for Venezuela, including a possible military option if necessary”. The US government listened to the coup plotters but refused to support them. The White House indirectly responded to the piece with a statement saying that the US government “hears daily the concerns of Venezuelans from all walks of life”, stressing that its “policy preference for a peaceful, orderly return to democracy in Venezuela remains unchanged”.

Despite this assertion, the article lends credence to the Maduro administration’s narrative of an ever-present external coup threat. It also implies that if the coup plotters had been better organised the US response to the request for logistical support might have been different (*see sidebar*).

**Coup plot**

One unnamed US official cited in *The New York Times* article did not reject the idea of a coup per se but rather the fact that “we had very little confidence in the ability of these people to do anything, no idea at all about who they represented, and to what extent they had not exposed themselves already”. Ongoing purges of the FANB [[WR-18-10](#)] suggest this harsh assessment was not inaccurate.



**A 'Santa Rosa' political storm sweeps through**

'Santa Rosa storm' is the name given to a climatic phenomenon that regularly produces violent storms in the Southern Hemisphere either a few days before or a few days after the feast of Santa Rosa de Lima, celebrated on 30 August. This year, a political version of the phenomenon appears to be sweeping through Paraguay. Since the start of September there have been a series of developments that have shaken up the political environment, producing turmoil for the newly installed government led by President Mario Abdo Benítez.

President Abdo Benítez assumed office on 15 August in an already tense political environment marked by the resurfacing of deep political divisions between the ruling Asociación Nacional Republicana-Partido Colorado (ANR-PC) and the political opposition [[WR-18-33](#)]. But with the arrival of the Southern Hemisphere Spring (which brings warm winds that clash with cold fronts from the Antarctic) the tensions have developed into a storm that is producing significant political instability. Prior to Abdo Benítez assuming office, local civil-society groups had been staging a protest campaign publicly repudiating national legislators who have been accused of corruption, and demanding that they be stripped of their congressional immunity to face prosecution.

The protest campaign led one ANR-PC national legislator to resign and forced the new congress to react. This came by way of the approval on 28 August of a bill repealing a piece of legislation approved by the previous legislature (known as 'ley de autoblindaje') which made it harder for national legislators to be impeached. While promulgating the bill on 3 September, Abdo Benítez said that his administration was determined to "support the fight against impunity" (*see sidebar*).

The resignations have affected not only the ANR-PC but also the right-wing opposition Unión Nacional de Ciudadanos Éticos (Unace) – which has seen its only senator resign. But even legislators from the main opposition Partido Liberal Radical Auténtico (PLRA) have come under public and party pressure to resign over the corruption allegations they face. All of this has shaken up the national legislature with several legislators fighting off corruption allegations and pressure from their colleagues to resign. Among these is none other than the new ANR-PC president of the chamber of deputies and close Abdo Benítez ally, Miguel Cuevas, who stands accused of illicit enrichment while in office and who has become the new main target of the anti-corruption protest groups.

**Intensifying storm**

Further fuelling the political storm, on 10 September a local prosecutor indicted ANR-PC Deputy Ulises Quintana of drug trafficking, money laundering, and influence trafficking charges. The indictment against Quintana, another close Abdo Benítez ally, came after the 6 September arrest of a local drug kingpin, Javier Reinaldo 'Cucho' Cabaña Santacruz.

Cabaña was arrested during a major anti-drug trafficking operation code-named 'Berilo' carried out in the eastern department of Alto Paraná, which borders Brazil, and in which a number of simultaneous raids were carried out. Prosecutors say that in these raids they found evidence that Cabaña had developed close links with Quintana, who represents Alto Paraná, as well as other local government officials.

**Cleaning up congress**

The promulgation of the bill repealing the 'ley de autoblindaje' led to the resignation of two other under fire national legislators that same day, to the satisfaction of the civil-society protest groups which vowed to continue publicly shaming legislators until they "fully clean up congress".

## Uncomfortable picture

In the picture circulating in Paraguayan social media, President Abdo Benítez is seen with his arm around Javier Reinaldo 'Cucho' Cabaña Santacruz as the two pose for the camera inside Abdo Benítez's home. The president has said that he does not recognise Cabaña but has admitted that the picture could be genuine as he had taken "millions of photos" with sympathisers who came to his house to express their support during the electoral campaign. "I can't tell if the picture is genuine or fake, what I can say is that I don't recognise him," Abdo Benítez said, denying that he had received any campaign donations from Cabaña and adding that he was prepared for this to be investigated by the authorities.

According to prosecutors, Cabaña gave money and carried out favours for local politicians, including Quintana, in exchange for political protection. Prosecutors believe that the money distributed by Cabaña to local politicians may have been used to finance their campaigns ahead of April's general election. Based on this evidence, prosecutors have asked for Quintana's immunity to be lifted so that he can face trial.

Quintana himself has said that he knows Cabaña and admitted to receiving favours from him (such as being provided with luxury vehicles for his personal use), but he denies having any knowledge of or involvement in drug-trafficking activity. In a bid to prove his innocence, Quintana has formally requested for his immunity to be lifted by congress, so that he can clear his name in the courts.

Abdo Benítez reacted to Quintana's indictment by saying that he was "hurt" by his ally's implication in drug trafficking. Abdo Benítez said that he hoped that Quintana could fully clear up the allegations. But Abdo Benítez was clear that "no one is untouchable"; that his administration is determined to combat drug trafficking; and that Quintana would have to face justice. Abdo Benítez was also forced to deny that he himself had any links to Cabaña after a picture of the two appeared in local social media (*see sidebar*).

Yet in a clear sign that Quintana's case could undermine Abdo Benítez's plans, following Quintana's indictment, on 10 September, legislators from the opposition Partido Patria Querida (PPQ) called for the introduction of changes to political party finance regulations to prevent drug trafficking money from being used to finance electoral campaigns. The call by the PPQ coincided with the Abdo Benítez administration sending formal invitations to 70 political parties and movements asking them to take part in an exploratory dialogue on electoral reform.

Reforming the electoral system to make it more transparent and fair is a long-held opposition demand. Convening a dialogue on this is an attempt by Abdo Benítez to build a political consensus that would allow his government to then advance on its objective to introduce comprehensive political and judicial reforms aimed at addressing government corruption. But the issue of drug trafficking financing electoral campaigns now looks set to dominate this debate.

### Diplomatic U-turn upsets Israel

Further shaking up Paraguay's political environment, in one of its first foreign policy decisions, the new government led by President Abdo Benítez announced on 5 September that it was reversing the previous administration's decision to move Paraguay's embassy in Israel to Jerusalem from Tel Aviv. Under the previous Horacio Cartes administration (2012-2018), Paraguay was one of just two countries (with Guatemala) to follow the US's lead in announcing in May that it would recognise Jerusalem as Israel's capital despite United Nations (UN) resolutions that stipulate the city should be shared by Israeli and Palestinian states.

The decision by the outgoing Cartes administration was criticised by the Abdo Benítez government transition team, which complained that it had not been consulted about it. In announcing the reversion, Abdo Benítez's foreign minister, Luis Alberto Castiglioni, said that Paraguay had always upheld international law and that the move was in compliance with UN resolutions and in line with Paraguay's commitment to support a peaceful resolution to the Israeli-Palestinian conflict. However, the move by Paraguay upset the Israeli government, which responded by announcing that it would be closing its embassy in Paraguay, which had only opened in 2015. Paraguay and Israel have had uninterrupted diplomatic relations since 1948 and the Middle Eastern country is a leading market for Paraguayan beef exports. This has resulted in the move by the Abdo Benítez administration being criticised by Cartes and his allies, as well as public demonstrations being staged against the decision by local civil-society groups.

## Jones Huala extradited

On 11 September the Argentine government reported that it had extradited radical Mapuche indigenous leader Facundo Jones Huala to Chile, where he is wanted on arson and illegal possession of firearms charges. Argentine national Jones Huala has led violent protests in demand of the restitution of ancestral Mapuche lands in Argentina and Chile. He has been wanted in Chile since 2013. Following his arrest in Argentina's southern Chubut province last year, he has been fighting extradition on the grounds that he faces prosecution under Chile's draconian anti-terrorism laws. Jones Huala's arrest sparked deadly protests in Chubut last year. However, Argentina's supreme court approved his extradition on 23 August.

## Under pressure to find fiscal balance

After announcing a series of drastic economic measures and setting ambitious new macroeconomic targets designed to dispel Argentina's currency crisis [WR-18-35], the government led by President Mauricio Macri is now under intense pressure to deliver. Key to these efforts is an austere and balanced 2019 national budget. But achieving this is no mean task as the Macri administration needs the opposition-controlled federal congress, and the mostly opposition provincial governors in particular, to agree to deep and politically unpalatable spending cuts. What could prove to be a critical political negotiation intensified this week, with the Macri administration presenting its latest proposals to provincial governors.

As part of its latest economic adjustment plan, the Macri administration has boldly promised to wipe out the primary fiscal deficit by next year to try and restore market confidence in the peso and Argentina's domestic economy by showing that it is determined to fix Argentina's macroeconomic imbalances once and for all [WR-18-35]. It is also seeking an advance on the US\$50bn credit line agreed with the International Monetary Fund (IMF) to cover all its 2019 budget financing needs. But in order to seal such a deal with the IMF, it has to present a viable draft budget approved by congress. Acutely aware that the success of any attempt to reduce fiscal spending depends on provincial governments adopting suitably austere spending plans, the Macri administration is currently focused on reaching a broad budget agreement with the country's 23 provincial governors before presenting its draft budget to congress. As part of these efforts, President Macri chaired a meeting with 19 provincial governors on 11 September to discuss budget plans.

Prior to the meeting Macri's interior minister, Rogelio Frigerio, said that the federal government was looking for the provinces to help it present a 2019 national budget that "is in line with the commitments that we have assumed as a country". Frigerio said the federal government fiscal retrenchment plans announced by Macri last week would reduce the fiscal deficit from 2.7% to the previous target of 1.3% but that in order to achieve a zero deficit, provincial governments would also have to reduce their budgets. Economy & Finance Minister Nicolás Dujovne echoed Frigerio's words. "It is not the [federal] government [alone] that is seeking fiscal balance but Argentina's political system...which must responsibly commit to adapting to the new circumstances that we face," Dujovne said.

No specific details of the negotiations have been made public. But at a press conference after the meeting Dujovne hailed the fact that "we have reached an understanding with members of the opposition to achieve a balanced budget". The existence of an agreement in principle was acknowledged by a handful of opposition provincial governors who attended the press conference with Dujovne. Among these was Salta Governor Juan Manuel Urtubey of the main opposition Partido Justicialista (PJ, Peronists), who called on the federal congress to approve the budget eventually presented by the government and "give the executive power the tools to work next year". Urtubey was careful to add that the resulting budget must have "the smallest possible social impact".

As positive as the recent meeting appears to have been, a handful of hard-line PJ governors continue to refuse to negotiate their budgets with the Macri government. With the 15 September legal deadline for the federal government to present its draft budget to congress fast approaching, time for striking a general agreement with the governors is running out.

**Truth commission**

The first truth commission to be established by the incoming government will be for the 43 students abducted and murdered in Iguala, Guerrero, in September 2014. Alejandro Encinas, who will serve as undersecretary for human rights in the interior ministry (Segob) from 1 December, said this would be “the first step to guarantee victims’ right to the truth, and the application of justice”. Encinas said that “very heterodox solutions are needed to confront the major human rights problems we have”, adding that “the country is turning into a massive mass grave”.

**Power struggle begins**

Mexican news headlines this week have been dominated by an escalating spat between prominent members of President-elect Andrés Manuel López Obrador’s coalition Juntos Haremos Historia (JHH). It has exposed López Obrador’s weakest flank: state-level politics. López Obrador will exercise control over both chambers of the federal congress when he takes office on 1 December, but 27 of the country’s 32 state governors will be in the opposition camp – and now it appears that a JHH governor-elect could be heading that way too. Improving cooperation with political rivals would be one answer but undercutting them looks like being the preferred option by replacing federal delegations with a handpicked coordinator for each individual state, who could wield as much if not more power than elected governors.

The internal coalition dispute burst into the open during a national meeting of local deputies from López Obrador’s left-wing Movimiento Regeneración Nacional (Morena) and its JHH coalition partners, Partido del Trabajo (PT) and Partido Encuentro Social (PES), held in Mexico City at the weekend. The Morena party president, Yeidckol Polevnsky Gurwitz, who attended along with her PT and PES peers, Alberto Anaya Gutiérrez and Hugo Erick Flores Cervantes respectively, admonished Cuauhtémoc Blanco, the governor-elect of Morelos for failing to appoint former Morena senator Rabindranath Salazar to his transition team. Polevnsky accused Blanco, who was not in attendance, of being ungrateful: Salazar was Morena’s pick for governor but Flores persuaded López Obrador to back Blanco, who had joined the PES in March 2017. Polevnsky claimed that Salazar would have won the gubernatorial elections had he not stood aside for Blanco, who will take office on 1 October.

If Polevnsky had stopped there it might have been the end of the matter. But she went on to accuse Blanco, a former football star, of not being a team player. Polevnsky said he did not understand the concept of being in a coalition and was not playing fair as he should have appointed Morena politicians to future ministerial positions.

Polevnsky also launched a scathing attack on José Manuel Sanz, head of Blanco’s transition team rather than Salazar. Using the pejorative term for a Spaniard ‘españolito’ to refer to Sanz (born in Spain in 1950 but a naturalised Mexican since 1982), Polevnsky accused Blanco’s right-hand man of offering bribes to two local Morena deputies to join the PES. The JHH won 13 of the 20 seats in the Morelos state congress, Morena securing eight of them.

Polevnsky said that Sanz might be accustomed to buying and selling sportsmen but it did not work like that in politics. Sanz served as an agent for a succession of top Mexican football stars to play in Europe, which is when he became friends with Blanco. Sanz began managing Blanco’s political career in 2014 when the former football star won the mayoral elections in Cuernavaca, the state capital of Morelos.

Blanco did not take the criticism lying down. He criticised Polevnsky’s xenophobic comments about Sanz, and told her to desist from claiming that he had only won election because of López Obrador’s support. He also denied bribing Morena deputies, and told Polevnsky, in no uncertain terms, to keep her thoughts to herself. Polevnsky did not heed this advice, however, and the unedifying feud continued to play out over several days.



## Tupperware politics

Social media has been alive with references to the ‘Tupperware politics’ advocated by the president of the senate, Morena’s Martí Batres. Batres is behind a move to ban snacks, coffee, and bottles of water that freely circulate during congressional sessions as part of the proposed Republican austerity measures. Batres argues that this is unnecessary and that he brings his lunch in to work with him in a Tupperware box.

It is not clear whether Blanco was seeking to cut loose. But this public spat could encourage Morena to fast-track a controversial congressional initiative to supersede large federal delegations to the states with 32 state coordinators, selected by López Obrador [WR-18-30]. This measure is ostensibly a cost-cutting exercise but detractors point out that the proposed state coordinators have the profile of political operators and that, through their control of federal government resources, they could encroach on the power of governors and allow López Obrador to assert authority over the states.

The spat between Blanco and Plevinsky also lays bare the disparate nature of the JHH which will produce further internal political tensions, especially if López Obrador’s popularity wanes. Not only does the JHH comprise three discrete political parties but Morena itself is also made up of a hotchpotch of radical and moderate leftists, and politicians drawn from political parties as ideologically distinct as the right-wing Partido Acción Nacional (PAN) and the outgoing Partido Revolucionario Institucional (PRI).

During the national meeting of local deputies, Morena’s coordinator in the federal lower chamber of congress, Mario Delgado, expressed his concern that state governments could seek to stymie López Obrador’s legislative agenda. He singled out five state governments – Hidalgo, Morelos, Puebla, Sonora, and Veracruz – for planning to block the “transformative laws” being drafted in the federal congress.

Delgado warned the deputies in attendance that the old political system in Mexico had not changed. “The dinosaur is still here, dazed, not knowing what has happened,” Delgado said, “but we have to change the political system which requires a lot of discipline, persistence, and intelligence”.

It is far from clear that Morena will live up to these high standards. Judging by what occurred just days earlier, old-style politics is indeed alive and well but it is not just traditional parties practising it. Five federal deputies from the Partido Verde Ecologista de México (PVEM) suddenly defected to Morena, giving the party an outright majority, with 252 seats in the 500-seat lower chamber. The floor-crossing appeared to be the fruit of exactly the type of under-the-table deal Morena has always inveighed against in others. Morena promptly used its majority in the lower chamber to modify a vote by the senate which had refused to grant a PVEM grandee, Senator Manuel Velasco, leave of absence to complete his term as governor of the southernmost state of Chiapas.

Velasco denied that any quid pro quo arrangement had been reached with Morena. Delgado, meanwhile, denied any betrayal of Morena’s principles, saying that the PVEM deputies had committed to adhering to the party line. This could well be true. Since its formation in 1993, the PVEM has shown a determination to be with the winning team, allying itself first with the PAN, and then the PRI. It was eye-catching that Morena, which has always criticised the PVEM as unprincipled, corrupt, and up for hire was suddenly prepared to set aside these qualms and welcome the party’s deputies into the fold in order to obtain its congressional majority.

## Setting a good example

While the PVEM alliance cast doubt on Morena’s commitment to a new brand of politics, Delgado urged JHH deputies to help alter the image of “privilege, excess, and luxury” associated with federal deputies. He promised to deliver spending cuts to the tune of M\$409m (US\$21.2m) over the course of the next three months in accordance with López Obrador’s ‘Republican austerity plan’ by reducing foreign and domestic travel by deputies and ending perks such as life insurance, medical bills, fuel vouchers, and meal allowances (*see sidebar*).

## Tensions with US over China

The US government has recalled for consultations its ambassadors to the Dominican Republic (Robin Bernstein) and El Salvador (Jean Manes), as well as its chargé d'affaires in Panama (Roxanne Cabral). The move by the US government was explicitly attributed to the recent decisions by all three countries to break ties with Taiwan in favour of mainland China.

In the statement announcing its decision, released on 7 September, the US State Department said that the three officials had been recalled for “consultations related to recent decisions to no longer recognize Taiwan”. The decisions to make the switch by the Dominican Republic and Panama (in April 2018 and June 2017 respectively) had prompted little public outrage. However, days after the Salvadorean government made the announcement on 20 August, Manes had already tweeted that the US was “analysing” the decision which “without doubt...will impact our relations with the Salvadorean government” – indicative no doubt of growing unease in Washington at China’s increasing influence in the region. In Central America, Guatemala, Honduras, Belize, and Nicaragua are the only countries still recognising Taiwan, with Costa Rica having swapped allegiance in 2007.

Also evident of growing US discomfort with China’s success at wooing former Taiwan allies, on 3 September four US Senators (two Republicans and two Democrats) introduced the Taiwan Allies International Protection and Enhancement Initiative (TAIPEI) Act which could further impact relations. This legislation authorises the State Department to downgrade US relations with “any government that takes adverse actions with regard to Taiwan” and to “suspend or alter US foreign assistance, including foreign military financing, to governments that take adverse actions with regard to Taiwan”.

The Dominican government has since come out and insisted that bilateral relations are “excellent” and ruled out the possibility of “reprisals”. However, in a 9 September press release, Panama’s President Juan Carlos Varela was more critical, stating: “We respect the sovereign decisions of other countries and we will always ask the same respect for ours”. These sentiments were echoed by El Salvador’s presidential spokesperson Roberto Lorenzana, who pointed out that by establishing relations with China, the Salvadorean government was doing “nothing more than taking a decision that the US government itself took 40 years ago”.

The US decision to recall its ambassadors comes amid continued evidence of closer cooperation between China and its new Central American allies. On 10 September the local press reported that Luis Ernesto Camilo, the president of the Dominican civil aviation directorate (JAC), met Tiefei Xu, a Chinese embassy official, to discuss a future meeting with representatives from three Chinese airlines – Air China, China Southern and China Eastern – who have shown an interest in launching direct flights to the Dominican Republic. The Dominican minister for regional integration policies, Miguel Mejía, and the country’s new ambassador in China, Briunny Garabito Segura, recently met Chinese business representatives interested in investing in the country, with plans to visit before year-end.

Panama, meanwhile, held the second round of talks regarding a free trade agreement (FTA) with China between 20 and 24 August, following the first round in July; a third round will take place next month.

### Balance sheet

In his final balance sheet in June, President Varela listed various examples of progress in bilateral relations with China, one year on. Among other things, these include the establishment of embassies in both countries; Air China’s start of operations of a Beijing-China flight and other measures to boost tourism; the signing of 23 agreements in different areas; Varela’s trip to China in November 2017; and the installation of a commission tasked with drawing up a feasibility study for the Panama-David train (a 450km rail link which would connect Panama City with David, the capital of Chiriquí province, in just two-and-a-half hours).

**UNSC holds meeting to address crisis**

Last week the United Nations Security Council (UNSC) held its first meeting on Nicaragua. This is the international community's latest attempt to address the crisis stemming from the crackdown by President Daniel Ortega on anti-government protesters which has left 481 dead on the latest (4 September) report by local human rights NGO ANPDH. That Ortega is showing no signs of bowing to international pressure was most recently evidenced by his expulsion of a UN mission following its release of a report damning of his government as well as his promotion of officials who have been sanctioned by the US government.

Called by the US ambassador to the UN, Nikki Haley, who took over the rotating presidency of the UNSC this month, the meeting took place on 5 September. The UN body is tasked with maintaining international peace and security and Haley justified the need for the meeting on the grounds that the "increase in the migratory crisis" caused by the crackdown is considered a "threat to regional security" (*see sidebar*), warning that "an exodus from Nicaragua will overwhelm the region and create a broader crisis".

Unsurprisingly Nicaragua's foreign minister, Denis Moncada Colindres, was quick to reject Haley's case, insisting that there was "consensus" that his country was not a threat to international peace and security. He went on to describe the debate as "a clear interference in the internal affairs of Nicaragua, and a violation of the Charter of the United Nations and International Law" – a view shared by allies like Bolivia, Venezuela, China, and Russia, leaving UNSC members divided.

The meeting came less than a week after President Ortega faced yet more criticism for his 31 August decision to terminate the presence of a mission of the UN Office of the High Commissioner for Human Rights (OHCHR). Slammed by members of the international community including the European Union and US government, the announcement followed the OHCHR's release of a highly critical report on the crisis which cites "violations and abuses of international human rights law". These include the "disproportionate use of force by the police, sometimes resulting in extrajudicial killings; enforced disappearances; widespread arbitrary detentions; torture and ill-treatment; and violations of the right to freedom of opinion and expression, and of peaceful assembly". It also called on the UN Human Rights Council (UNHRC) and "the broader international community" to take "concrete action" in response to the crisis.

**Díaz promoted**

President Ortega's recent promotion of General Francisco Díaz to head the national police (PNN) was denounced by the international community. Díaz has been de facto PNN director in the absence of Aminta Granera who resigned in late April as the crisis erupted, and he was one of three government officials sanctioned by the US on 5 July under the Magnitsky Act for human rights abuses against anti-Ortega protesters.

As well as Díaz, whose daughter is married to one of Ortega's sons, on 23 August Ortega also promoted General Ramón Avellán to deputy PNN director. In a statement, international NGO Human Rights Watch (HRW) condemned these promotions as "an indication that the international community should redouble its efforts to halt Ortega's crackdown on dissent". It also noted that, in April, Ortega had dispatched Avellán to Masaya where he became the highest-ranking PNN member in the province. Under his leadership, "police and armed pro-government gangs brutally suppressed protesters, killing dozens".

**Migration**

Highlighting the impact on migration, US Ambassador Nikki Haley noted that "more than 25,000 Nicaraguans have already migrated to Costa Rica, with Honduras, Panama and Mexico also receiving asylum seekers". Costa Rica's ambassador to the UN, Rodrigo Alberto Carazo, said that in the first eight months of 2018, Costa Rica has received 12,000 asylum requests from Nicaraguans.

## Quotes of the week

“Brazil’s judiciary has taken away the right of the people to choose freely. They’re censoring me like they did during the military dictatorship.”

*Brazil’s former president Lula da Silva in a letter urging his supporters to vote for Fernando Haddad in the upcoming presidential elections.*

“It is absolutely unacceptable and unjustifiable that officials in the government of Donald Trump held meetings to promote the violent actions of extremists to attack Venezuelan democracy.”

*Venezuela’s Vice-President Jorge Arreaza.*

“Peru has all of the conditions in place to be a great developed nation. All we need is to weed out the bad elements that, through corruption, are preventing Peru from progressing.”

*Peru’s President Martín Vizcarra.*

## Chevron ruling causes political recriminations in Ecuador

An adverse ruling for Ecuador’s government in its long-running legal battle with the US oil giant Chevron has led to the latest instalment in a bitter domestic political struggle between President Lenín Moreno and his predecessor Rafael Correa (2007-2017).

The International Court of Justice (ICJ) ruled on 7 September in favour of Chevron in an environmental contamination case which dates back to 1993 when Texaco, acquired by Chevron in 2001, was charged with being responsible for a large oil spill in Ecuador’s Amazon. The ICJ ruling found that the Ecuadorean government had violated a bilateral investment treaty (BIT) with the US, and denied Chevron access to justice and due process in a case heard by Ecuador’s national court of justice (CNJ), which ruled in 2011 that Chevron should pay compensation to indigenous communities represented by the Frente de Defensa de la Amazonía (FDA) to the tune of US\$9.5bn. The ICJ said that the CNJ ruling had been obtained through fraud, bribery, and corruption.

Ecuador’s ombudsman’s office called upon the Moreno administration to insist that Chevron pay up. The lawyer of the FDA, Pablo Fajardo, said he would fight on but expressed exasperation that the Moreno administration had rolled over and accepted the ruling, which could run to hundreds of millions of US dollars in damages and legal costs. Although Ecuador’s attorney general Íñigo Salvador said the country planned to appeal the ruling, the Moreno administration’s response has been limited to blaming the Correa government. In a letter to Salvador, the secretary general of the presidency, Eduardo Jurado, called for action to be taken “to determine civil, penal, and administrative responsibilities of the previous administration, so they pay [any resulting financial] penalty”.

Jurado said Correa and his officials must explain why they did not defend the national interest “in accordance with international law”. He accused Correa of wasting public funds on propaganda campaigns to project his image on the global stage, such as inviting Hollywood actors (at great expense to the Ecuadorean state) to come to the country to take part in his ‘La Mano Sucia de Chevron’ campaign. He said that Correa’s determination to “win an international role for himself and amass power in his own hands could result in major economic damage for all of Ecuador”. Correa’s former foreign minister Ricardo Patiño accused the Moreno administration of being “confused, seemingly unaware that the fight is between Chevron and the Ecuadorean state”. He added: “We stand accused of having defended Ecuador.”



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