

latin american weekly report

26 November 2015, WR-15-47

ISSN 0143-5280

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This edition of *Latin American Weekly Report* has been produced for Canning House Corporate Members by LatinNews (www.latinnews.com).

Latin American Newsletters since 1967

Macri triumph heralds biggest regional power shift in a decade

Mauricio Macri will become president of Argentina on 10 December ending 12 years of Kirchnerismo. The economic, political and social implications of Macri's run-off victory against Daniel Scioli on 22 November are enormous. Macri is promising a profound economic reform, the removal of exchange rate controls, and the restoration of credible institutions. Move too fast and he will face social unrest; too slow and he will face political discontent. The scale of the economic challenge will be all the greater because of the political challenge confronting Macri. The big power shift in Argentina was only at the executive level. Even if he succeeds in keeping his loose Cambiemos coalition together, Macri will have a minority in both chambers of congress where a hostile Kirchnerismo will remain the dominant force.

Macri overcame historical precedent. It is the first time that a centre-right candidate has triumphed in Argentina; other than hiatuses under military rule, Peronists and Radicals have governed for most of the last century. Kirchnerismo (2003-2015) held sway for longer than any political dynasty in Argentina since 1853. While the Unión Cívica Radical (UCR) forms a key part of Macri's Cambiemos coalition, providing him with the national presence that he lacked, the senior partner will be his Propuesta Republicana (PRO) party, formed only a decade ago.

Macri, mayor of the city of Buenos Aires since 2007, bided his time, consolidating his support base and establishing himself as an elected politician of stature. He opted not to seek the presidency in 2007 and 2011 when Kirchnerismo was strong, forging a coalition to strike when it showed signs of running out of steam and public disillusionment outweighed fear of change. But Kirchnerismo still posed a formidable challenge. Macri won 51.4% of the vote to 48.6% for Daniel Scioli (705,000 votes separating them in just over 25m cast). Scioli conceded defeat early, urging Macri, who overturned a deficit of three percentage points from the first round, to "preserve the achievements and rights" won over the last 12 years.

There was the hint of a threat in Scioli's injunction. Kirchnerismo will not make life easy for Macri. President Cristina Fernández held a 45-minute closed-door meeting with Macri in the presidential residence of Olivos two days after his election but will provide no assistance in the short transition period. The composition of the federal congress is unfavourable to say the least. When Macri takes office on 10 December the Kirchnerista Frente para la Victoria (FPV) and allies will have 117 legislators in the 257-seat lower chamber of congress, more than the three parties within Cambiemos put together: 91 seats (PRO, 41; UCR and Coalición Cívica, led by Elisa Carrió, 50). Assuming he can keep his heterogeneous coalition together, Macri will still need to find new allies. Non-Kirchnerista Peronism will have 36 seats, 30 in the hands of the coalition led by the third-placed presidential candidate,

Peronist opposition

The future of the Partido Justicialista (PJ; Peronists) as an opposition party is unclear. Opposition is not a role to which the PJ is accustomed, and it is likely that at least part of the party, most likely that allied with Sergio Massa, will seek some kind of accommodation with Mauricio Macri, while the Kirchnerista FPV faction will provide solid opposition.

Sergio Massa, the majority of whose supporters backed Macri in the run-off. The Partido Socialista-Generación para un Encuentro Nacional (PS-GEN) will have nine seats.

Skilful horse-trading might enable Macri to forge a majority of 129 in the lower chamber but this will not suffice in the senate where the FPV and allies will have an outright majority with 42 of the 72 seats. The PRO will have just four seats; UCR-CC, 11 seats. Macri will be able to fall back on issuing some decrees of necessity and urgency (DNUs), criticised but used by Fernández, in the event of a hostile senate blocking his political and economic reforms. Dialogue will be his main recourse, however, until legislative elections in October 2017 when half of the lower chamber and a third of the senate will be renewed. But it will need to be dialogue with a clear purpose, striking specific accords, not the broad but aimless dialogue processes undertaken in Peru by President Ollanta Humala, who also lacks a congressional majority.

Macri will need to maintain a solid level of popularity given his congressional weakness. This would make congress less inclined to oppose him and non-Kirchnerista Peronists more disposed to cooperate with him; as a corollary, if his approval rating drops in opinion polls congress will gun for him. And here it is worth mentioning another formidable historical precedent. No elected non-Peronist president has served a full term in the last 75 years. The UCR's Raúl Alfonsín (1983-1989) resigned six months before the end of his term amid a sharp currency devaluation and rampant inflation. Fernando de la Rúa (1999-2001) resigned from office and was flown out of the Casa Rosada by helicopter amid violent protests triggered by another economic debacle. Peronist obstructionism was at least partly to blame in both cases.

Even if Macri manages to push reforms through congress enacting them could be tricky. The dominance of Kirchnerismo is not restricted to congress. It also controls half of the 24 governors; Cambiemos just five. Governors are powerful in Argentina: they control congressional votes and, often, popular protests. Kirchnerismo could also resort to encouraging the re-emergence of popular protest groups, or piqueteros, under firebrands like Luis D'Elía. Then there is the political youth organisation, La Cámpora, created by Fernández's son Máximo, although this will lose some power and influence without access to public funds.

On the plus side for Macri, the trade unions have also played a key role in governability in Argentina. The Confederación General del Trabajo (CGT), traditionally closely aligned to Peronism, staged 13 general strikes against the Alfonsín administration and was a constant thorn in his side. But the CGT is a divided force now: one sector, under Antonio Caló, supported Scioli; but another under Hugo Moyano, openly opposed to Kirchnerismo, welcomed Macri's victory.

Fernández had urged voters to use their "memory" when casting their ballots, recalling what the country was like when her late husband Néstor Kirchner took up the reins of power in 2003 (dragging Argentina "out of hell" was his favourite mantra throughout his mandate). "Nothing is for ever and it is important to care for it," she said citing "a qualitative jump" over the last 12 years. She also stressed that "devaluations liquidate rights; not everyone is equal," an indirect suggestion that Macri will roll out an economic package that will hurt ordinary Argentines and that he represents the rich. But Macri's progressive Right (the tag Kirchnerismo claimed on the Left), is not the fascist Right that has been pre-eminent at various junctures in Argentina's history. Macri is clear that his government will continue trials against human rights abusers from the last military dictatorship. And it was noteworthy during his victory speech, and on several other occasions since then, that he highlighted as his main priority "constructing an Argentina with zero poverty" (customarily a leftist priority).

UCR elections

The president of the UCR, Senator Ernesto Sanz, who played a fundamental role in forging the electoral alliance between his party and Mauricio Macri, declined a position in the new government. Sanz, who has decided to retire from politics, will be replaced on 4 December when the UCR elects a new president. The party has expressed its commitment to Macri but much will depend on Sanz's successor.

Macri struck many of the right notes during his victory speech by promising to govern for all, moving away from the divisiveness that has characterised the last 12 years, and by not focusing on exposing wrongdoing in the outgoing government as so often with incoming presidents in Latin America. "Argentina cannot afford to lose any time in conquering the future," Macri said "[or] waste time with revenge or settling accounts, because we have to put all of our energy into constructing the Argentina of our dreams."

Economic challenge

The promise of "zero poverty" sounds ambitious when the economic difficulties facing Macri are weighed up. Macri has promised "gradual" action to remove exchange rate controls and to establish a single exchange rate with ordered intervention by the central bank, but great care will be required to avoid triggering devaluation and inflation. The big dilemma is that Argentina needs more access to foreign capital to lift exchange rate controls; international credit markets will only provide this access if Argentina resolves the longstanding 'holdout' problem; but central bank reserves have fallen beneath US\$22bn, hindering a rapid resolution of the 'holdout' problem. And aside from the economic imperatives, a bad deal with the holdouts would be political hara-kiri.

Solve this conundrum and Macri will next have to confront twin trade and fiscal deficits; zero growth; and low productivity against the backdrop of a sharp contraction in Brazil, Argentina's most important trading partner, and China's slowdown. In the face of this concatenation of economic problems, Macri is promising to restore Argentina's institutional credibility, creating clear rules of the game and an "independent" central bank, and releasing "truthful official statistics available to the public" as opposed to the distorted "official" figures, especially on inflation, currently released by the once prestigious national statistics institute (Indec). "Argentina does not have a credible or reliable system of information," Macri said, stressing the importance of "making Argentina predictable in the eyes of the world" in order to attract investment.

The man charged with presiding over the pending economic reforms is Alfonso Prat-Gay, a former central bank president (2002-2004) and member of Coalición Cívica, who will be the new economy and finance minister. There will be five more ministers in the economic cabinet: production (Francisco Cabrera, PRO); transport (Guillermo Dietrich, transport minister under Macri in the city of Buenos Aires); energy and mining (Juan José Aranguren, a former president of Shell Argentina reviled by Kirchnerismo); agriculture (Ricardo Buryaile, leader of the Confederaciones Rurales Argentinas, one of Argentina's four main agricultural entities also opposed to Kirchnerismo); and labour (Jorge Lawson, yet to be confirmed, currently serving in the provincial government of Córdoba, under the dissident Peronist governor José Manuel de la Sota).

In addition to Prat-Gay's appointment, Macri also rewarded his coalition allies with other cabinet positions. Julio Martínez (UCR) will become the new defence minister; Oscar Aguad (UCR) will be the new telecommunications minister. In the interests of presenting his government as non-ideological, Macri also revealed that he would retain the current Kirchnerista science and technology minister, Lino Barañao, in his post.

Provincial breakdown

Macri argued that the electoral result did not so much reflect an ideologically divided country as "a profound change of epoch"; but pinned on a map of Argentina the results do delineate a geographically divided country. Macri won in 11 of Argentina's electoral districts; Scioli took 14. But the decisive blow was struck in the populous urban centres. Macri won five of the largest six electoral districts comfortably and was only narrowly defeated in the largest, Buenos Aires province, where Scioli had been governor since 2007.



Results by electoral district by number of votes (%)			
	Macri	Scioli	Valid votes (nearest thousand)
Buenos Aires province	49	51	9,460,000
Buenos Aires City	65	35	1,937,000
Córdoba	72	28	2,154,000
Santa Fe	56	44	2,039,000
Mendoza	58	42	1,087,000
Tucumán	41	59	960,000
Entre Ríos	54	46	838,000
Salta	46	54	689,000
Chaco	41	59	677,000
Corrientes	45	55	639,000
Misiones	42	58	633,000
Santiago del Estero	28	72	554,000
San Juan	40	60	430,000
Río Negro	38	62	398,000
Jujuy	53	47	396,000
Neuquén	47	53	376,000
Formosa	64	36	321,000
Chubut	41	59	315,000
San Luis	64	36	276,000
La Pampa	51	49	212,000
Catamarca	47	53	212,000
La Rioja	57	43	202,000
Santa Cruz	42	58	174,000
Tierra del Fuego	41	59	93,000
Total	51	49	25,102,000

Susana Malcorra

Susana Malcorra, the current Chef de Cabinet to the United Nations (UN) secretary general Ban Ki-moon, will take over as Argentina's new foreign minister on 10 December. Malcorra has been working at the UN since 2004, before which she worked in the private sector for IBM and Telecom Argentina.

BRAZIL & SOUTHERN CONE

ARGENTINA-REGION | DIPLOMACY

Macri's victory poses challenge for Maduro

Argentina's foreign policy will undergo wholesale change under Mauricio Macri. As regards foreign trade, an outward-looking, pro-investment, pro-free market model will replace an inward-looking, statist and protectionist model. Then there is the geopolitical significance of Macri's triumph. Overnight, Venezuela will see a close ally become a fierce critic. The beleaguered opposition in Venezuela will gain a key ally, and voters could take heart from Macri's victory against a long-ruling leftist political dynasty to spring an upset in legislative elections in the country on 6 December.

Macri's victory will change the regional dynamic in Latin America significantly, especially within the Southern Common Market (Mercosur). There is no chance that Venezuela's President Nicolás Maduro will be sending Macri a puppy called 'Simón' as his late predecessor Hugo Chávez (1999-2013) did President Cristina Fernández to underpin the ideological solidarity between the two countries. Venezuela's opposition figurehead, Henrique Capriles Radonski, tweeted his fervent congratulations: "Arriba Argentina!" There was a deafening silence from the Maduro administration.

Ecuadorean opposition

Guillermo Lasso, the leader of Ecuador's centre-right Movimiento Creo, fed President Correa's paranoia by claiming that Mauricio Macri's victory marked "the start of change in the region; the winds of freedom are coming from the south heralding change in Latin America".

Macri has been fiercely critical of Venezuela under Maduro. Macri has already said that he will seek to have Mercosur's democratic clause applied to Venezuela in the next Mercosur summit on 21 December. This would be making a massive splash in his first appearance in a regional forum as president. Macri said that Venezuela should be suspended from Mercosur because of the Maduro administration's "persecution" of political opponents. "The accusations are clear...they are not an invention," Macri said. Lilian Tintori, the wife of the imprisoned opposition leader in Venezuela, Leopoldo López, was in the electoral bunker of Macri's coalition Cambiemos.

Mercosur's democratic clause can only be applied by consensus. Paraguay might well support it, but not Uruguay or Brazil (which has been completely mute about recent political developments in Venezuela). Indeed, Mercosur's high representative, Brazil's Florisvaldo Fier, said last month that there was no suggestion of applying the democratic clause in Venezuela's case.

Macri's triumph will provide a fillip for Venezuela's right-of-centre opposition, however, ahead of key legislative elections on 6 December. However futile in practical terms, Macri's action will confirm that a major regional power has decisively shifted camp over Venezuela. It will also mean that if there is any suggestion of electoral fraud arising from these elections, Macri will break the customary regional silence over the issue when he takes office four days later.

Ecuador's President Rafael Correa has already accused Macri of openly interfering in Venezuela's sovereign affairs, and cast doubt on his stated commitment to work with "all of our Latin American brothers". Correa has only just announced his support for the inclusion of a clause in a pending constitutional reform to bar him from seeking re-election in February 2017, partly because of a professed belief that the Right no longer poses a threat to the continuation of his 'Citizens' Revolution'.

Correa might now be concerned that the Right will take succour from Macri's victory. There are some parallels between Macri, the centre-right mayor of Argentina's capital, Buenos Aires, and Mauricio Rodas, the centre-right mayor of Ecuador's capital, Quito. Rodas has not really shone in Ecuadorean politics yet; he has not held an elected position as long as Macri (he took over in February 2014); and he has not managed to forge an electoral alliance of the same strength. But Correa has shown how jittery he can get about the return to power of the "resurgent Right" (*see sidebar*).

It was no surprise that Colombia's President Juan Manuel Santos, somewhat isolated on the Right in the region and with problematic relations with Venezuela, offered Macri "all of our support" on *Twitter*. In addition to injecting fresh impetus to the Mercosur-European Union (EU) free trade negotiations, Macri is also determined to forge closer ties with the more open economies of the Pacific Alliance, Mexico, Peru, Chile and Colombia. This will suit Uruguay. The left-wing Frente Amplio (FA) government of President Tabaré Vázquez enjoys a closer ideological affinity with the outgoing government in Argentina but in practice it could work much more comfortably with Macri, especially regarding openness to free trade and removing trade restrictions.

Macri is also keen to move swiftly to establish a good rapport with Brazil's President Dilma Rousseff. Though hardly a paragon of trade openness, the Brazilian government struggled to contain its frustration at Argentine trade protectionism, and the two female heads of state, Rousseff and Fernández, are not nearly as close as gender and ideology might suggest.

Head of PT in the senate arrested

On 25 November Brazil's federal police arrested Delcídio do Amaral, the leader of the ruling Partido dos Trabalhadores (PT) in the federal senate, and André Esteves, CEO of the investment bank BTG Pactual, over accusations they attempted to bribe a key witness in 'Operation Car Wash', the investigation into corruption at the state oil company Petrobras. The arrests mark the first time a banker, and more significantly a serving senator, have been directly implicated in the spiralling investigation.

According to a phone conversation between Do Amaral and Nestor Cerveró, a former Petrobras director, secretly recorded by Cerveró's son, Bernardo, the senator offered R\$4m (US\$1.07m) plus a monthly stipend of R\$50,000 to Nestor if he refused to testify in the case, or testified but omitted any mention of Do Amaral. More damningly still, the senator also suggested Cerveró should flee to Spain following a route via Paraguay. The senator even had an idea as to what kind of private jet Cerveró should use so as to avoid having to refuel mid-route. He also said that he would use his influence to pressure the supreme court to release Cerveró under habeas corpus in order to facilitate his escape.

In the tape recording, Do Amaral said that the money for the payment would come from Esteves. According to the public ministry, the body of independent prosecutors, as soon as Bernardo Cerveró had recorded the conversation he informed local investigators that pressure was being brought to bear on his father over his testimony. Nestor ignored Do Amaral's request and in his witness statement said that the senator had received kick-backs from the purchase of oil platforms and a refinery in Pasadena, Texas.

Speaking on 25 November, the supreme court justice Teori Zavascki described Do Amaral as a member "of a criminal organisation investigated by the Car Wash investigation." Brazilian politicians cannot be investigated or arrested without the permission of the supreme court; after the latest revelations the court voted unanimously in favour of Do Amaral's detention. Though Do Amaral is the first sitting senator arrested in the case, the court has permitted prosecutors to investigate dozens of other politicians. As well as being the leader of the party in the senate, he was also the president of its commission on economic affairs.

On 25 November the senate voted by 59-13 to maintain the preventative detention ordered for Do Amaral. It was an unprecedented decision for the senate and it is still not clear whether, according to house rules, he can continue to work as a senator. The PT itself voted for Do Amaral's release, but the acting head of the party, Humberto Costa, insisted that the support was down to individuals and it was not official party policy. Renan Calheiros, the senate president, from the PT-allied Partido do Movimento Democrático Brasileiro (PMDB), described the PT senators' vote as "cowardly and opportunistic". Many senators now worry that Do Amaral may now turn state's witness in order to reduce a possible sentence against him. If he does, senators fear he could implicate others.

Banker arrested

The arrest of Esteves, a billionaire banker, caused BTG Pactual, Brazil's biggest investment bank, to lose 20% of its value on the stock market on 25 November. According to the local financial press, Esteves has a reputation as an ambitious workaholic. BTG has often been criticised for its appetite for risk-taking and has invested in the oil-rig supplier Sete Brasil, one of the targets of 'Operation Car Wash'. Unlike Do Amaral, who has been placed in indefinite preventative detention, Esteves is subject to a temporary prison order, which expires after 10 days. His lawyer insisted to the local media that his client's involvement in the Cerveró escape plan was "highly improbable".

TSE authorises new political party PMB

On 18 November, the supreme electoral court officially authorised the creation of Brazil's 35th political party: the Partido da Mulher Brasileira (PMB). This new party already has seven federal deputies, all of whom are men. The founder, creator and president of the PMB is Ms. Suêd Haidar Nogueira.

Allegations start to catch up with Cunha

Eduardo Cunha, the speaker of the federal lower chamber of congress from the Partido do Movimento Democrático Brasileiro (PMDB), finds himself increasingly isolated in his struggle to avoid losing his political rights. Politicians from a wide range of parties have taken to the floor of congress to demand his removal. At present, Cunha has enough allies and resourcefulness to delay the work of the ethics committee that is investigating his case. However, the use of these stalling tactics is raising the ire of many colleagues and perhaps making his ouster more likely.

On 19 November, the reporter on the Cunha case, Fausto Pinato, from the Partido Republicano Brasileiro (PRB), was due to present his findings to the ethics committee. However, Cunha managed to block this initiative by convening a plenary session of the lower chamber at 9am that day. According to house rules, no committees are allowed to meet in conflict with this session. This provoked an open rebellion against Cunha on the floor of the chamber, with cries of “shame” and “Out, Cunha” resounding through congress.

Then, on 24 November, Pinato managed to present his report, calling for further investigation into Cunha. However, allies of Cunha on the ethics committee called for more time to analyse the decision. The committee will now meet again on 1 December. Given that the committee has 90 days to deliberate, no final decision on Cunha is likely until well into 2016.

Whereas the main opposition, the Partido da Social Democracia Brasileira (PSDB), has become increasingly outspoken in its desire to see Cunha removed from office, along with other, smaller left-wing parties, the ruling Partido dos Trabalhadores (PT) is caught in a bind. On the one hand, in the midst of the scandal at the state oil company Petrobras it wishes to show it is tough on corruption; on the other hand, it does not want to do anything that might provoke Cunha into instigating impeachment proceedings against President Dilma Rousseff.

It appears the committee is evenly divided, between 10 pro-Cunha deputies and 10 anti-Cunha deputies. If that is the case, the tie would be broken by the president of the committee, José Carlos Araújo. In the meantime, Cunha’s allies are now trying to remove Pinato as committee reporter because he himself has a case against him at the supreme court.

Mining waste reaches the Atlantic

Over the weekend of 21-22 November, the tide of mud and mining waste from the collapse of the Fundão dam, near Mariana, Minas Gerais, reached the Atlantic Ocean, after flowing down 600km of the Rio Doce. All along the river, fish, plant and animal life has been devastated: the high turbidity of the waters has drastically reduced the level of oxygen present in the river. A mud plume has drifted around 9km along the coast of Espírito Santo, endangering the Comboios nature reserve.

Samarco, the joint venture between the Anglo-Australian mining giant BHP Billiton and Vale, the Brazilian mining firm, so far insists that the levels of heavy metal particles present in the sediment are not dangerous. However, tests are still ongoing, with many biologists arguing that the level of toxicity in the water will not be apparent for some time.

The national water agency (ANA) initially prohibited the cities along the river from using the water for human consumption. That ban has now been lifted for the biggest city, Governador Valadares, but around 150,000 residents elsewhere along the river are still without a regular water supply.

Trade surplus

In October, Brazil posted a trade surplus of US\$1.99bn and an accumulated surplus of US\$12.24bn in 2015. Exports amounted to US\$16.05bn (down 4.1% year-on-year) and imports US\$14.05bn (down 21.1% year-on-year). For the first time in two years, Brazil’s exports to Argentina increased, mainly due to increased auto exports.

On a knife-edge

The apparent assassination of an opposition candidate lays bare mounting tensions in Venezuela with just a fortnight to go until legislative elections on 6 December, ahead of which all polls now indicate that the ruling Partido Socialista Unido de Venezuela (PSUV) may lose its majority control of the unicameral national assembly. Evidencing some panic (if not outright desperation) in official circles, President Nicolás Maduro has resorted to threatening PSUV members not to betray the legacy of his late predecessor and founder of the Bolivarian Revolution, Hugo Chávez (1999-2013).

While opposition gains are now a given, the size of its future congressional representation remains the big unknown, given the vagaries of Venezuela's mixed PR system (which sees a strong inbuilt rural-urban bias that to-date has favoured the ruling party).

Another big question lies around the official reaction to the coming political shift. The country is on-edge, with real fears as to how hardline government factions and their supporters might react to electoral defeat. Writing for the website *Provinci* earlier this week, the University of Southern California Professor Michael Penfold noted that more than an opposition victory, the future of the country will be determined by how *Chavismo* loses the upcoming election.

While most polls put the opposition well ahead in voting intentions (with a margin of 35% in the latest survey by Datanálisis), Venezuelan electoral specialists caution that the opposition should be planning for a simple majority (84-85 of the 167 seats), and not the three-fifths or two thirds 'super majority' being posited by some external observers.

Outlining a series of scenarios as to how the government might react to the new opposition legislative presence, Penfold points out that the ideal situation for President Maduro would be 'non-unitary opposition' in the assembly, with the MUD having no more than a simple majority (50%) and with up to another 10% or so of the legislature comprised of candidates from smaller left-leaning parties that remain sympathetic to the social tenets of the Revolution, and with which Maduro could still negotiate; perhaps by offering them a few ministries or even the post of vice-president.

This could be a perfect scenario for Maduro, as it would allow him to accept defeat with grace, while also forging a new, broader coalition across which some of the political and social costs of painful but necessary reforms could be spread from next year. This 'co-habitation' scenario would also re-legitimise the Maduro government's position internationally, not least in the immediate region; and Penfold warns that the centre-right opposition Mesa de la Unidad Democrática (MUD) appears not to have prepared for this "perfectly plausible" outcome.

A 'solid unitary opposition' led by the MUD with more than 55% of deputies, would still be ripe for negotiations of course, and Penfold warns that *Chavismo* will remain in a position to 'contain' the MUD's legislative presence, not least because Maduro will still retain important veto powers, which in the final instance are backed by a pliant supreme court. The US academic warns, however, of a potentially serious clash of institutional powers in this scenario (see *sidebar*).

Decree powers

It is also the case, which Professor Michael Penfold does not mention, that the outgoing PSUV-controlled assembly is expected to award President Maduro expansive new decree powers before it leaves, which could allow him to bypass the assembly for an extended period. These powers can only be revoked by a three-fifths majority (99-100 seats).

Support for re-election

A previous Ipsos survey released on 25 October showed that 49% of those polled would vote “yes” in the referendum; 39% would vote “no” while 11% were undecided. Again the number of respondents was not provided. The survey showed that support for President Evo Morales’ re-election is highest in rural areas (61% in favour; 28% against and 10% undecided) while in urban areas, there was a tie (44% in favour and against) while 11% opted not to respond. Such surveys often tend to understate support for Morales which typically is strongest in rural areas.

Throwing a cat among the pigeons

If the opposition intends to push for a presidential recall referendum, which is advocated by more hardline MUD leaders like Leopoldo López, who coordinates his conservative Voluntad Popular party from his prison cell, the sole permitted window to do so is after the half-way point of the six-year presidential term and before the fourth year of the term begins. In the case that the president becomes unavailable to serve in the final two years of a term, the vice-president takes over and there is no fresh election.

However, Penfold posits that the supreme court’s constitutional chamber could well argue - albeit somewhat arbitrarily - that the current presidential term began on 7 October 2012, when Hugo Chávez won his final re-election; or on 10 January 2013, when he was due to be sworn in, but ahead of which the supreme court said that the seriously-ill president could just automatically ‘roll on’ in continuous office following his re-election; or on 14 April 2013, when Maduro was elected in a snap ballot after Chávez’s death on 5 March. If it were to decide that the current term began immediately after the October 2012 election, for instance, that would give the MUD just 10 months to stage a recall referendum.

Luis Manuel Díaz

Luis Manuel Díaz, local leader of the traditional opposition party Acción Democrática (AD) in Altagracia de Orituco (Guárico state) was shot dead at a campaign event at around 7.30pm on 25 November, according to the party chairman Henry Ramos Allup. Allup accused “armed bands from the ruling PSUV” of firing shots at Díaz, a candidate in December’s legislative elections, from close range (and not, as was initially reported, from a moving vehicle). Díaz was on stage with Lilian Tintori, the high-profile wife of Leopoldo López.

While government authorities have yet to confirm the incident officially, the MUD issued a statement holding the “state of Venezuela responsible, by act or omission, for any act of violence in Venezuela. The violent discourse from the highest levels of the state is responsible for sowing hatred”.

The MUD noted that this was not the first such incident against opposition candidates. Just days earlier (on 22 December), Miguel Pizarro, a deputy seeking re-election for Primero Justicia (PJ), reported having to flee an area when would-be assailants dressed in red (the PSUV colours) threatened to shoot him and his colleagues.

When in office, Hugo Chávez tacitly allowed armed pro-government gangs known as ‘colectivos’ to menace government opponents – when occasionally they got out of hand, he would simply rein them in for a while. The MUD alleges that in the post-Chávez era, these colectivos, some of which are alleged to be parapolice/paramilitary groups, have been allowed to act with complete impunity. The national assembly leader and the powerful PSUV second-in-command, Diosdado Cabello, ostensibly oversees the colectivos these days.

Eliás Pino Iturrieta, an editor for the daily *El Nacional*, reported that he was told by witnesses present at the event that Díaz was shot by an assassin known to be a member of a criminal gang led by José Antonio Tovar Colina, ‘El Picure’, one of the most dangerous in the country (see sidebar).

Meanwhile, the Union of South American Nations (Unasur), which has a 50-strong mission on the ground to ‘accompany’ the election, issued a statement expressing regret at the death and rejecting “all forms of violence that could affect the normal development of the electoral process”. This latest fatality will likely trigger fresh statements of concern from external observers including the US and the European Union, both refused permission to observe the Venezuelan election. Tintori, who regularly alleges harassment by the authorities, tweeted that she would “denounce, in detail, the terror, the harassment and the violence that we are subjected to today by the regime”.

Campaigns kick off ahead of February

Campaigns are well underway ahead of the February 2016 popular referendum on whether to change the 2009 constitution to allow President Evo Morales to run again in 2019 for his Movimiento al Socialismo (MAS). With current approval ratings of 66% (above the 61% with which he won a third consecutive re-election in October 2014) and the political opposition fragmented, Morales – Bolivia’s longest serving President – is confident of victory.

The start of the campaigns followed the approval on 5 November by the MAS-controlled bicameral legislature of the question to be posed to the electorate: “Do you agree with the reform of constitutional article 168 so as to allow the president and vice-president to stand for two consecutive re-elections?” The current constitution allows the president and vice-president to stand for a single consecutive re-election. First elected in 2005 and then again four years later, Morales was permitted to compete again in the October 2014 general elections on the grounds that this was his first re-election under the 2009 constitution.

The MAS campaign coordinator is Iván Iporre, the director of Bolivia’s school of plurinational public management (EGPP). Other members of his team include Amanda Dávila, a former minister of communication (2012-2015); former interior minister Hugo Moldiz (January-May 2015); and former culture minister Pablo Groux (2012-2015). Dávila told reporters that the “Yes” campaign would focus on factors like “consolidating the industrialisation process; eradicating extreme poverty; investment to create jobs; [and] political and economic stability” among other things, all of which have ensured that President Morales’ approval ratings remain high. Indeed the latest survey by pollster Ipsos, published on 9 November, gave Morales a 66% approval rating and 25% disapproval. The survey did not specify the number of respondents but interviewed people across Bolivia’s departments in both rural and urban areas.

“No” campaign

Key opposition figures like Samuel Doria Medina (of the Unidad Nacional) and Santa Cruz department governor Rubén Costas, of the Movimiento Demócrata Social (MDS, comprising the rump of the former regional opposition governors’ bloc, Consejo Nacional Democrático), have shied away from leading the “no” campaign. The two had forged the Unidad Democrática (UD) electoral alliance in 2014 which fielded Doria Medina as its presidential candidate (who took 24% of the vote). Instead, Doria Medina said that the opposition’s “chief task” was to monitor the voting process to ensure that the will of the people was respected – a dig at the electoral authorities which remain under question (see sidebar). On 13 November the UD also filed a complaint before the Washington-based Inter-American Commission on Human Rights (IACHR) citing concerns about the lack of independence of the electoral authorities (TSE) and constitutional court (TC) – long an opposition complaint.

Instead, on 11 November a group of MAS dissidents and other public figures announced a joint platform to promote the “No” campaign. These include Amalia Pando, a well-known journalist; the incumbent mayor of La Paz, Luis Revilla, of the left-wing party, Soberanía y Libertad (Sol.bo) which recently marked its one year anniversary; Gualberto Cusi, a former TC magistrate suspended in November 2014 for alleged dereliction of duties; former MAS senator Eduardo Maldonado (2010-2015); Alejandro Almaraz, a former deputy minister of land (2006-2009); and current Sol.Bo councillor Cecilia

New supreme court president

On 3 November Justice Pastor Mamani was elected president of the supreme justice court (CSJ) by five votes in favour to four against. He replaces Jorge Isaac von Borries Méndez, who had been in the post since February 2014. Méndez quit citing health reasons although subsequently the press suggested that some in the magistrates’ council (Consejo de la Magistratura) had made his life difficult. Mamani becomes the first indigenous CSJ president in Bolivia’s history.

'El Picure'

José Antonio Tovar Colina is a much-feared criminal active in the Venezuelan states of Guárico, Aragua and southern Anzoátegui. It is worth noting, however, that his criminal gang is not usually linked to the local security apparatus and has been the target of several raids by security forces, most recently in May by the national guard's anti-extortion and anti-kidnapping unit.

TSE concerns

As part of efforts to shore up faith in the electoral process, on 17 November the president of the supreme electoral court (TSE), Katia Uriona, told reporters that the TSE had invited "at least" four international organisations – the Organization of American States (OAS); Union of South American Nations (Unasur); European Union (EU); and Association of World Election Bodies (A-WEB) to monitor the referendum.

The vote will be the next test for the seven-member court which resigned en masse in May amid concerns over its lack of independence and close links to the MAS following its handling of the March 2015 gubernatorial and municipal elections.

With six new justices elected by the national legislature and the other appointed by President Morales in line with a 2010 law, the new court began sitting in July, and faced its first test in September with its administration of referendums on autonomy statutes that would grant local governments greater powers which were held in five of Bolivia's nine departments – Chuquisaca, La Paz, Cochabamba, Potosí and Oruro. That vote produced optimism regarding the court's independence, given that it resulted in a defeat for the MAS government; all five departments voted against the move for which the MAS had been pushing.

ECUADOR | POLITICS

Correa takes El Niño action ahead of protests

President Rafael Correa has decreed a state of exception in 17 of Ecuador's 24 provinces for two months as a preventative measure ahead of the eventual arrival of the El Niño weather phenomenon. This confers on Correa the right to suspend or limit freedom of movement, association and information and will include the whole of the period during which the national assembly will debate 15 constitutional amendments, including indefinite re-election. Protest movements have planned a march on 26 November in Quito (part of Pichincha, one of the provinces included in the state of exception) and a general strike to coincide with the assembly's debate in December.

The opposition is suspicious of the timing of President Correa's decision to decree a two-month state of exception. It is equally suspicious of Correa's announcement that the reform introducing indefinite re-election will only take effect from 24 May 2017 thus excluding him and deputies who have served two straight terms from standing again in February of that year. "[Correa] moves his chess pieces in accordance with a political strategy, not by chance," one opposition deputy, Cynthia Viteri, said. Indigenous protest groups also suspect a trick.

Despite this suspicion, Gabriela Rivadeneira, the president of the national assembly, agreed last week to accept Correa's proposed provision "with respect and solidarity" even though a number of deputies from the ruling Alianza País (AP), including her, were reluctant to do so. Correa tweeted Rivadeneira's name along with that of former vice-president Lenín Moreno, and the interior minister, José Serrano, as possible successors. The incumbent vice-president Jorge Glas has already ruled himself out of the running.

Meanwhile, Correa has engaged in a piecemeal cabinet reshuffle over the last month. The latest changes saw Margarita Guevara, a doctor by profession who had been a territorial coordinator for the health ministry, replace Carina Vance who had served as health minister for more than three years and on whose watch the budget assigned to health almost doubled from US\$1.31bn in 2011 to US\$2.41bn in 2014; and Carlos Pareja Yanuzelli, the

Successors

The foreign minister, Ricardo Patiño, showed a letter from former vice-president Lenín Moreno expressing his complete loyalty to the 'Citizens' Revolution' and his pride at being mentioned as a possible successor to President Correa. Patiño said Moreno had made it clear that he would never consider running for another movement. Patiño himself might feel aggrieved at having been overlooked by Correa as a potential successor given that he has served in every cabinet since Correa took office in 2007 holding all of the most important positions. Bolivia's President Evo Morales said this week that Correa had confided in him that he was stepping aside to spend more time with his family.

current director of the state oil company Petroecuador replace Pedro Merizalde as hydrocarbons minister. Days later Xavier Enderica, a former South American swimming champion, became the new sports minister; and Daniel Ortega, the environment minister.

The biggest changes saw Leonardo Berrezueta, who was serving as governor of Azuay, take over as labour minister from Carlos Marx Carrasco, and Patricio Barriga, who represents Correa on the council of regulation of information (Cordicom), replace Fernando Alvarado as communications minister.

Marx had only held the post for 18 months and could have paid the price for the involvement of part of the trade union movement in the string of protests against the Correa administration this year denouncing the new labour code. Marx, however, had spent the seven years prior to his appointment as labour minister as head of the tax agency and presided over the largest increase in the tax take in Ecuador's history. For his part, Alvarado had held the post since 2009, the longest continuous stretch at the head of one ministry under Correa, masterminding strategic communications and the dark art of spin. Marx will remain as president of the AP's ethical commission; Alvarado takes over as tourism minister replacing Sandra Naranjo, the rising star who became head of the planning and development ministry (Senplades) several weeks ago.

TRACKING TRENDS

COLOMBIA | Creating a state holding company. As part of its bid for entry into the Organisation for Economic Co-operation and Development (OECD), Colombia will create a holding company for state-owned businesses. Under the plan, announced by President Juan Manuel Santos, all 111 state companies will eventually enter the holding company, which will be run by an independent board and will be autonomous from the finance ministry.

In the first phase, cabinet ministers will give up their seats on the boards of state-owned oil company Ecopetrol and the two state electricity companies Isagen and ISA. Santos said the plan would allow state companies to be run more efficiently and transparently.

PERU | Restive Madre de Dios region goes on strike. Led by the regional president and long-time leader of local informal miners, Luis Otsuka Salazar, Peru's region of Madre de Dios has gone on an "indefinite strike" to demand the repeal of new regulations seeking to end illegal logging and gold mining and formalise small scale miners in the area.

President Ollanta Humala insists the regulations must remain. Delegates from protestors, grouped under the Alianza de Federaciones de Madre de Dios, were due in Lima on 26 November to meet members of congress in a bid for mediation.

MEXICO & NAFTA

MEXICO | SECURITY

Threatened by Isis

Islamic State (Isis) has released a new video threatening to strike back at all the 60 countries that form part of the US-led international coalition formed to combat it. Among those is Mexico, the only Latin American country to be part of the coalition. This has led to heightened concerns about whether Mexico is prepared to prevent terrorist attacks or stop terrorists from using its territory to enter the US to launch an attack.

Travel warnings

Ruiz explained that as part of the standard security protocols her ministry has issued two travel warnings for Mexican nationals who “are or would be in France and Belgium”. The SRE has urged all Mexican nationals in these countries or planning to travel to these countries to exercise “extreme prudence”, avoid crowded public places such as shopping centres and to limit as much as possible the use of public transport. “Due to the unpredictable and indiscriminate nature of the terrorist attacks, it will be necessary to exercise a high level of alertness at all times and remain informed through official sources about the situation prevailing at the sites that you wish to visit,” the unprecedented travel warning adds.

The four-minute Isis video entitled ‘No Respite’ was released on 24 November in apparent response to the latest aerial bombing campaign launched by the US and France in the wake of the 13 November Isis terrorist attacks in Paris, in which 137 people were killed (including two Mexican nationals). In the video, the terrorist group identifies all 60 countries that have answered the US’s call to form a new coalition to fight it; challenges them to do so; and warns them that they now are all potential targets.

Back in February Mexico’s interior minister, Miguel Angel Osorio Chong, revealed that Mexico had agreed to join the coalition after he reiterated Enrique Peña Nieto’s administration’s commitment to work with the US on transnational security issues during a summit held in Washington DC. Mexico has a long tradition of pursuing a decidedly non-interventionist foreign policy (enshrined in the ‘Estrada Doctrine’) and its security forces are constitutionally barred from conducting any kind of operations outside of their own country. However, Osorio Chong said that Mexico had agreed to join the coalition as a “support country without any specific commitment”.

With the exact role that Mexico is to play in the coalition and the attendant risks that this could produce for the country still unclear, the federal senate’s foreign relations commission questioned the deputy foreign minister for North American affairs, Carlos Pérez Verdía, about this. Pérez Verdía told the senate that as part of the coalition Mexican authorities were in permanent dialogue and constantly exchanged information on potential terrorist threats with both the US and Canada. “We have an important dialogue with our US and Canadian counterparts.... In the area of security there are two groups. With these groups the main focus is prevention, intelligence, information sharing, being alert, and [also] sharing action protocols of our security forces, our armed forces”, Pérez Verdía explained.

Pérez Verdía added that the Peña Nieto government’s objective was to form part of a multilateral effort designed to evaluate risks and coordinate actions with the international community. The deputy minister’s explanations proved to be satisfactory, albeit they did not diminish the level of concern that the country could be targeted by Isis or used to breach US security. This as on 19 November the US Department of Homeland Security reported that two Syrian families – two men, two women and four children – had turned themselves in to US authorities in Laredo, Texas, after admitting to trying to illegally enter the US from Mexico. Earlier this week, European authorities confirmed that one of the men believed to be responsible for the Paris attacks entered Europe by posing as a Syrian refugee.

Indeed, the commission’s president, Gabriela Cuevas of the right-wing opposition Partido Acción Nacional (PAN), called for the government to implement all the intelligence tools, international information exchange agreements and other protocols necessary to mitigate the risks of a terrorist attack. “Mexico does not know terrorism as such, but now that it is said that Isis will go against these 60 countries [of the international coalition], including ours now, it is clear to me that this not because of Mexico’s policies...but because of our lifestyle of freedom, human rights, beliefs and values that are very distant from those of this radical group”. A day later on 25 November Foreign Minister Claudia Ruiz Massieu gave a press conference in which she reiterated that following the Paris attacks and the related security emergency in Belgium, the government had “deployed all the prevention and information alert protocols” (see sidebar). Significantly, Ruiz added that at a special

Reforms to law on state contracts

On 17 November Guatemala's 158-member unicameral legislature approved reforms to the current law on state contracts, aimed at strengthening transparency and making bidding processes more competitive. Changes introduced by the reform, which awaits promulgation by the executive, include making the national statistics institute (INE) the regulating body of market reference prices and creating a single registry of state providers – Registro Único de Proveedores (RUP).

meeting in which Peña Nieto discussed the issue of terrorism with his fellow G-20 leaders, at the recent group summit in Turkey, he stated that “part of our foreign policy is to find a collective solution to the terrorism problem.”

CENTRAL AMERICA & CARIBBEAN

GUATEMALA | POLITICS

Cicig names next priority

The United Nations (UN)-backed International Commission against Impunity in Guatemala (Cicig) this month presented its eighth annual report on its work in the country. Tasked with investigating the infiltration of state institutions by criminal organisations, the 148-member Cicig has had a remarkable year: together with the attorney general's office (AG), its exposure of the so-called La Línea corruption ring in the tax authorities ultimately forced both Otto Pérez Molina and Roxana Baldetti to resign as president and vice-president respectively – a move unprecedented for the country. Cicig says the next focus of its investigations will be the health sector, which the human rights ombudsman (PDH) recently warned is in crisis.

On 13 November Iván Velásquez, the head of Cicig – whose mandate was extended until September 2017 – presented the report which noted that 21 investigations against criminal structures had been filed before the courts over the reporting period which all dealt with the five criminal phenomena prioritised by Cicig. These are: contraband and tax fraud (of which La Línea was the most high-profile case); judicial corruption; administrative corruption; illicit electoral financing; and narcotrafficking and money laundering. As a result of these investigations, 184 people had been charged.

Three days earlier a local think tank, Instituto Centroamericano de Estudios Fiscales (ICEFI), released another report, with the support of the Swedish embassy and UN Children's Fund (Unicef), which illustrated the costs of strengthening the justice system (*see box*). Velásquez further ruffled feathers with a proposal to introduce a temporary tax to pay for strengthening prosecutors' offices in the country. He pointed out that a similar tax was imposed to finance the 1996 peace accords that ended the 36-year civil war. The proposal drew predictable opposition from the country's private sector which has staunchly resisted the introduction of any new taxes. Industry leaders such as Javier Zepeda, of Guatemala's chamber of industry, and Jorge Briz, of the umbrella private sector lobby Comité Coordinador de Asociaciones Agrícolas, Comerciales, Industriales y Financieras (Cacif) rejected the proposal outright.

The next priority for Cicig

Velásquez's report also highlights the urgent need to reform various laws as part of efforts to crack down on impunity and corruption citing, among other things, the law on state contracts (which is currently in the process of being amended – *see sidebar*); the electoral law and law on political parties (LEPP); judicial law; and civil service law.

As regards the next focus of investigation, in an interview with a local radio station on 4 November, Velásquez said that Cicig would look at the national health system, which on 9 November the PDH declared to be in the “worst state of crisis documented to date”. That the sector has been vulnerable to corruption was most recently illustrated on 28 October with Cicig's announcement of 11 arrests in connection with an alleged criminal ring operating out of the national social security institute (IGSS), a scheme which centred around kickbacks on medicine purchases. This is the second major

Lack of funding

Health Minister Mariano Rayo is also warning that the Q\$5.53bn (1.1% of GDP) allocated to the health sector in the national 2016 draft budget (down 2.1% on this year's allocation) is insufficient and, if approved, will mean that the public health sector will be unable to meet the needs of 40% of the population.

scandal to involve the IGSS this year after revelations of corruption involving a Q\$116m (US\$14.5m) medical services contract forced IGSS president Juan de Dios de la Cruz Rodríguez López to resign in May (along with other senior officials) [WR-15-21].

The impact of all of this was laid bare with the announcement on 17 November by the finance minister, Dorval Carias, of an additional Q\$350m (US\$47m) budget transfer to address the crisis in the sector. Three days earlier the public health minister, Mariano Rayo, visited three of the country's 44 hospitals – Roosevelt, General San Juan de Dios and Regional de Occidente San Juan de Dios – where he met executive directors, medical staff and unionists to analyse their budget situation and the state of medicine supplies. In a press release, Rayo – who has denounced the existence of 23 parallel structures in the health ministry through which funds were syphoned off – stated, “We agree that the situation is critical, the lack of supplies is an undeniable reality”. Among causes of supply shortages mentioned, the press release cites the fact that a number of suppliers face criminal charges.

The costs and challenges of combating impunity

Entitled the “Costs and challenges of combating impunity in Guatemala”, the ICEFI report urges the need to inject resources into strengthening the justice sector. While alluding to overall progress in combatting corruption, with impunity levels for solving cases of “crimes against life” declining to 72% in 2012 from 95% in 2009, the report estimates that it might cost up to Q\$10.6bn (US\$1.4bn) per year by 2023 (1.36% of GDP) to improve the coverage and the quality of justice and security in Guatemala.

The report notes that while there was an increase in spending on public security between 2012 and 2013, most of it went to the police (PNC) whose budget increased from Q\$2.39bn (0.6% of GDP) in 2012, to Q\$2.81bn (0.7% of GDP) in 2013. The report flags up as a cause for concern the relative lack of resources assigned to the courts – which went from Q\$1.67bn (0.4% GDP) in 2012 to Q\$1.83bn (0.4% GDP) in 2013.

TRACKING TRENDS

HONDURAS | 15 killed in two massacres. Honduran police reported that 15 people had been murdered in two separate attacks in a 12-hour period on 24-25 November. Eight bus drivers were shot in the country's notoriously violent northern city of San Pedro Sula on Tuesday night, while early the next day seven people were shot dead in the capital, Tegucigalpa. In a press conference at which he broke down in tears, Police Commissioner Leonel Saucedo said that in the attacks in Tegucigalpa six of the victims were taken directly from their homes and shot, while in the San Pedro Sula massacre, six masked assailants shot the bus drivers one by one at a bus terminal.

The attacks in San Pedro Sula are being linked to criminal gangs that collect weekly extortion payments from bus and taxi drivers, who pay up out of fear for their lives; while in the capital, Saucedo pointed also to potential links to drug-trafficking gangs. Alarming for the police commissioner, a voodoo doll in his likeness, stuffed with needles, was discovered by investigators at one of the crime scenes.

These latest incidents, widely picked up by international press outlets, cast a fresh shadow over the country, which has made steady progress in reducing the extreme violence that had earned Honduras the dubious reputation of ‘the most dangerous place in the world’, inclusive of active war zones, until recently.

According to the ‘Violence Observatory’ of the Universidad Nacional Autónoma de Honduras (UNAH), to date this year the national homicide rate is an estimated 45 per 100,000 inhabitants, from a peak of 91 in 2011.

According to the government, 174 public transport drivers were killed in 2014. The national human rights commissioner says 34 more were killed in the first three months of 2015.

POSTSCRIPT

Quotes of the week

“What has happened in Argentina is unprecedented, it is a great feat. Argentines have made possible the impossible.”

Argentina's President-elect Mauricio Macri.

“We have a total commitment to make the transition unfold in line with the change of epoch, starting with building bridges...”

Mauricio Macri.

“What else did he want? To don swimming trunks and go swimming in the Olivos pool.”

Argentine cabinet chief Aníbal Fernández responds to criticism from Maruicio Macri about the lack of cooperation over the transition offered by President Cristina Fernández during a private meeting at the Olivos presidential residence.

Peru's judiciary playing key role in presidential race

No sooner did Peru's former president Alan García (1985-1990; 2006-2011) win a legal battle to clear his name than he was hit with another judicial investigation. The judiciary last week annulled the charges against García made by a congressional 'mega commission' into a series of irregularities during his second government (2006-2011). The legal victory came just as he slipped into a distant fourth place in an opinion survey behind César Acuña. The public prosecutor's office, however, has just opened a separate investigation into García for money laundering in his role as president of the Partido Aprista Peruano (PAP), and requested that Acuña's bank secrecy be lifted for alleged asset laundering through ghost companies.

Judge Jesús Soller Rodríguez made the casting vote after a tie on the first civil court to accept an appeal presented by García against the mega commission, which drew up nine separate reports into corruption cases he allegedly was involved in. The standout case against García, who has just announced his intention to run for a third term in April 2016 [WR-15-44], is the 'narco indultos'; upwards of 5,000 criminals were awarded presidential pardons, allegedly in return for payments averaging US\$10,000 each.

Deputy Sergio Tejada, who was president of the mega commission, said he would present a complaint to the constitutional tribunal despite the fact that the first civil court is the last court of appeal. Tejada said it was "deeply regrettable" that Soller was not forced to recuse himself given that he has relatives who are PAP members: "It is an extremely questionable ruling. Judge Soller has proven Aprista ties." First Lady Nadine Heredia, who is still embroiled in a lengthy legal process over far less serious allegations, quickly sent out several mordant tweets. "How about this news to begin to feel confidence in the judiciary?" Heredia asked rhetorically.

García faces an uphill task recovering the trust of Peruvian voters in time for the elections. The latest Datum poll put García (7%) in fourth place in the race for the presidency, well behind the frontrunner Keiki Fujimori (35%) and second place Pedro Pablo Kuczynski (19%) but also Acuña (up to 9% from 4% in the previous poll a month earlier). Acuña only resigned last month as governor of the northern region of La Libertad (a traditional PAP stronghold) to seek the presidency.

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LATIN AMERICAN WEEKLY REPORT is published weekly (50 issues a year) by **Latin American Newsletters**, Hamilton House, Fourth Floor, Mabledon Place, London, WC1H 9BB, England. Telephone +44 (0)203 695 2790, Email: subs@latinnews.com or visit our website at: <http://www.latinnews.com>

EDITOR: JON FARMER. Subscription rates will be sent on request. Overseas subscription sent by airmail. Printed by Quorum Print Services Limited, Unit 3, Lansdown Industrial Estate, Gloucester Road, Cheltenham, Glos. GL51 8PL
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