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## Farc deal sealed in Cuba but referendum challenge remains

"The day has come; we can finally say that everything is agreed," Colombia's President Juan Manuel Santos celebrated in an emotional televised address on 24 August. After three years and nine months of intense negotiations, stumbling blocks, interruptions, and threats of rupture, peace talks between the Santos administration and the Fuerzas Armadas Revolucionarias de Colombia (Farc) concluded successfully in Cuba earlier that day. The final peace accord now goes to congress which will call a referendum. Santos said this would be held on 2 October. He insisted that it was up to the public to endorse "this historic accord putting an end to this long conflict", but with recent opinion surveys suggesting serious fluctuations in support for the peace deal this is far from assured [[WR-16-31](#)].

"Today begins the end of the suffering, the pain and the tragedy of war, and opens a new stage in our history," President Santos said. He said the definitive peace accord struck with the Farc was a culmination of efforts by his seven immediate predecessors from Belisario Betancur (1982-1986) to Alvaro Uribe (2002-2010). The accord, which extends to 200 pages covering rural reform, political participation, illicit crops, truth, justice and victim reparation, a bilateral ceasefire, guerrilla disarmament, and implementation of the peace, will be made available on government websites and social media for viewing.

The government will be hoping that a fully informed public will rally behind the peace deal but, together with the left-wing opposition, it will need to get its points across in the forthcoming campaign, especially as Uribe's right-wing Centro Democrático (CD) is preparing to launch an emotive campaign to vote 'no' in the referendum on the grounds that the government has ceded far too much ground to the Farc. The head of the government negotiating team, Humberto de la Calle, insisted that "the best accord possible" had been achieved, and Santos stressed that it cannot be modified, which means there will be a huge amount of uncertainty in the event of a triumph for the 'no' campaign.

Santos will hold a formal signing ceremony in Colombia, along with the maximum leader of the Farc, 'Timochenko' (Rodrigo Londoño Echeverri), at some stage next month, with as many heads of state attending as possible to try and give momentum to the 'yes' campaign. Meanwhile, the Farc secretariat, military commanders and hundreds of mid-ranking guerrillas will meet for the guerrilla group's 10<sup>th</sup> conference since 1965 and the first to discuss peace rather than war strategy. Every Farc bloc will ratify the accords, and discuss the group's future as a political party. The Farc will have three delegates in the lower chamber and senate until 2018, with a voice but no vote, to discuss the laws to enact the peace accord. Thereafter the Farc will be guaranteed five seats in each of the lower chamber and the senate for the

## **The risks of manual coca eradication**

On 16 August Colombia's national police reported that one farmer was killed and nine police officers seriously wounded during a violent clash between a police manual coca eradication unit and presumed coca growers in the municipality of Tablón de Gómez in the southern department of Nariño. According to police reports, the violence took place when the police unit was confronted by a group of 50-60 farmers armed with knives and clubs. This is the most violent incident affecting the new manual coca eradication programme since it was launched by the government in May 2015 after it suspended aerial glyphosate spraying of illegal coca plantations. But this was not the only such incident, with the police reporting some 400 such clashes since last year.

2018 and 2022 elections to become established as a political party should it fail to reach the requisite electoral threshold.

## **Ambitious rural land-titling plan launched**

The government and the Farc negotiating teams agreed to create a body to verify fulfilment of the six separate accords, in which peace guarantors will take part. Arguably the most important accord for the Farc involves land reform so it was significant that the government announced this week that with the help of the United Nations (UN) it is embarking on the largest rural land-titling formalisation process in Colombia's history. The newly created national land agency (ANT) said that the programme aims to improve access to land for small-scale farmers and to help combat drug trafficking nationwide in line with the land reform accord between the government and the Farc.

The announcement was made by ANT director Miguel Samper during a 22 August press conference in Bogotá. Samper, who was designated to head the ANT following its creation last May to assume some of the functions previously carried out by the discredited rural development institute (Incoder), said that with the help of UN funding, ANT officials would travel all over Colombia accompanied by representatives of the 'Agustín Codazzi' national geographic institute (Igc) to determine the legal owners of rural land "plot by plot".

The concentration of rural land ownership is a historic problem in Colombia that has long been identified as one of the factors that led to the start of the internal armed conflict in the 1960s. Many guerrillas were peasant farmers pushed out of their communities by wealthy landowners; and these guerrillas have been fighting for the adoption of an alternative economic model based on a more inclusive development of rural communities ever since. It is no coincidence that the first point on which the Farc and the Colombian government reached a preliminary agreement in the current peace negotiations was over the need to conduct a major land reform and promote the development of the country's neglected rural areas. And Samper explained the ANT's titling programme is directly linked to these efforts.

Samper said that the process would help "thousands of families gain access to land". He noted that currently 1% of Colombia's population owns 50% of all the land in the country, and 60% of the country's small-scale farmers are forced to work informally on land they do not legally own. Samper explained that this programme would go on to form the basis of the work carried out by the ANT, which falls under the agriculture ministry, and is tasked with promoting a more efficient use of the country's rural land. Samper added that this would also involve the restitution of land ownership to the hundreds of thousands of people who were internally displaced due to the internal armed conflict. Indeed, Samper said that the ANT would work closely with the land restitution unit (URT), which was set up by the government for precisely this purpose.

Samper said that the ANT would help to ensure access to land to those that have been displaced by "either guaranteeing them access to new lands if it is impossible to return them land from which they were displaced, or guarantee the titling of idle lands from which they were displaced". Meanwhile, Bo Mathiasen, the representative of the UN Office on Drugs and Crime (UNODC) in Colombia, who also attended the press conference, said the programme would help to strengthen the official illegal crop eradication efforts in Colombia. Mathiasen explained that the formalisation of land titling, "creates a virtuous cycle where there are more guarantees of credit, improvement of municipal finances and creates a sense of belonging and responsibility". He added that when farmers "have clear claims to their lands, they don't cultivate illicit crops". Samper concluded by revealing that the titling programme was set to begin this week in the Ovejas municipality of the northern department of Sucre.

## Unions react with dismay

The Unidad de Acción Sindical (UAS) and the Frente Autónomo para la Defensa del Empleo (Fades) said they would lodge a complaint with the International Labour Organisation (ILO) for violation by the Caracas government of 'Convention 111', which prohibits labour discrimination. The UAS said it had initial evidence of 50 layoffs in the tax agency Seniat; 20 in the electricity company Corpoelec; and 10 in the basic industries ministry. Serbando Carbone, of the Federación Nacional de Trabajadores del Sector Público, warned that of the 3.4m public-sector employees, at least 1%, or 34,000, could be affected. Carbone complained the government has already been stuffing the civil service with untrained young political militants. Froilán Barrios, president of Fades, accused Jorge Rodríguez and Diosdado Cabello of creating "terror and anxiety" and President Maduro of "a Moscow-style purge".

## ANDEAN COUNTRIES

### VENEZUELA | POLITICS

#### Maduro reaches back to 2004 for scare tactics

Government-appointed public servants at managerial level in five ministries face removal for signing the opposition-initiated recall referendum petition against President Nicolás Maduro. Jorge Rodríguez, of the ruling Partido Socialista Unido de Venezuela (PSUV), the prominent mayor of the central Caracas municipality of Libertador and Maduro's 'presidential designate' for the recall referendum – whose duties notably included overseeing the signature validation process by the national electoral council (CNE) – announced a 48-hour deadline on 23 August for the 're-assignment' of all managerial-level civil servants in the food, finance, labour and basic industries ministries, as well as the office of the presidency.

Those who had signed the petition had "publicly expressed their proximity to the Venezuelan Right" and thus had no place in the Socialist government, Rodríguez declared in a press conference. "People who are against President Nicolás Maduro's Revolution cannot be in management positions...in ministries, public institutions, or state or local government," Rodríguez said. He emphasised that Maduro himself had given the order.

Local human-rights groups had already said in recent weeks that hundreds of public-sector workers have lost their jobs for putting their names to the referendum petition, which was submitted to the CNE by the main opposition coalition, Mesa de la Unidad Democrática (MUD), on 2 May. The PSUV's second-in-command, Diosdado Cabello, was among the first to raise the prospect of sanctions against public-sector workers for their 'betrayal' weeks back. The information minister, José Luis Marcano, said that senior public-sector workers simply could not be allowed to "attack the Revolution"; however he clarified that non-appointed public employees (i.e. career civil servants) would not be subject to the measure.

The MUD's secretary general, Jesús Torrealba, declared in reply that he gave "48 hours to the public prosecutor and the human-rights ombudsman to investigate the violations of the organic labour law" by Rodríguez. Torrealba noted that many public servants worked in government not out of ideological fealty to the Revolution but out of economic necessity.

That workers might be fired for signing a petition flouts basic principles of any standard labour law (see sidebar). However, the ombudsman, Tarek William Saab, issued a rather equivocal statement, noting that "the ombudsman's office considers that the right to employment must always be evaluated on the basis of the efficiency of employees, on the basis of their commitment to the institution, to the country, to peace, to stability", adding that, "if a worker is inefficient and has a political party membership card, whether opposition or government, he or she can be submitted to an evaluation, but that evaluation must have proper support". Saab went on to note that his office would always guarantee the right to peaceful public protest, and called on the MUD to ensure that its scheduled 1 September march on Caracas in support of the recall referendum ('1-S') be peaceful.

#### Saab under external scrutiny

Coincidentally, it has been reported in the past week that the sub-committee for accreditation of the United Nations Human Rights Committee has recommended the downgrading of the Venezuelan ombudsman's office to 'Grade B', whilst calling on it to "fully and efficiently show its independence

## Public ministry looking into referendum process

On 24 August CNE rector Tania D'Amelio tweeted that the public ministry had asked the electoral authority for information about the first signature round of the recall referendum. The ruling PSUV, which has alleged "massive fraud" by the opposition MUD, has asked both the public ministry and the supreme court to investigate. The CNE's own validation process did not turn up major fraud, a fact that the PSUV leadership appears intent on ignoring. The supreme court has yet to respond, but some in the MUD remain nervous that one or other of the institutions might eventually find against the first round, potentially invalidating the process.

in the protection and promotion of human rights". This reported downgrade comes after the Geneva-based Committee issued final observations and recommendations on Venezuela in late July, following its latest periodic examination of Venezuela on 29 and 30 June.

### The 'Rodríguez list'

With all polls indicating that a recall referendum would succeed, potentially by a landslide, the latest move by the government blatantly aims to deter voters from turning out. Maduro will be all too aware of its connotations. In February 2004, during an opposition-initiated campaign for a recall referendum against the late president Hugo Chávez (1999-2013), a PSUV deputy, Luis Tascón, published a list containing the names and ID documents of over 2.4m people who had signed the petition for that referendum. Thousands of public-sector signatories subsequently lost their jobs or were discriminated against at work – the recall ballot against Chávez was defeated in August of that year. The 'Tascón List' was deeply scarring, with a widespread fear ever since that voting secrecy does not exist in Venezuela.

### The recall – a coup by any other name

Very deliberately in public statements, Maduro now routinely conflates the recall referendum, an instrument of the 1999 Chavista constitution, with a coup d'état, thereby seeking to delegitimise and undermine it. Senior government officials, led by Rodríguez and Cabello, do likewise, insisting over and over that the referendum lacks all legal validity and, as such, simply "will not happen".

The CNE, meanwhile, rather quietly announced that its commission on political participation & financing (Copafi) had signed off on the report into the first (petition) stage of the referendum and had 'recommended' that the second stage proceed. The CNE rectors now have 15 working days to decide on a timetable for the second stage, which requires the submission and validation of signatures of 20% of the electorate (roughly 3.9m people). As such, the MUD expects to receive a schedule around 12-13 September. The CNE president, Tibisay Lucena, suggested on 9 August that the next signature round "might" take place in late October, on condition that "all the regulatory requirements are fulfilled". She gave no timeframe for the CNE's validation process, which took three months in the first phase.

### 'Rumoured' GDP figures sound grim

In the absence of any new official macroeconomic data, economists are reduced to 'guesstimating' the extent of the Venezuelan crisis. The daily *El Nacional* puts out fairly regular articles citing "anonymous figures" from the central bank (BCV) who do not want to be identified, for obvious reasons; the BCV has embargoed key macroeconomic data citing reasons of national security, namely the 'economic war' against the Bolivarian Revolution. (It's the same non-disclosure argument that the Cuban central bank has used for decades.)

Citing its usual "anonymous" BCV sources, *El Nacional* suggests that GDP fell by 11.8% year-on-year in the second quarter, to give an overall economic contraction of 11.5% in real annual terms in the first half of the year. Reportedly, private consumption fell by 8% in the second quarter, potentially the biggest consumption contraction in 30 years. Elsewhere, the construction sector is said to have shrunk by a massive 16% year-on-year, just in the April-June period.

Also, notably, the oil sector may have fallen by 2% year-on-year in the second quarter, which would tally with recent international reports suggesting a sharp drop in Venezuelan oil output. For example, on 11 August the International Energy Agency reported average Venezuelan crude production of 2.15m barrels per day (b/d) in July, compared to an average of 2.4m b/d last year. Oil prices are going nowhere either. Venezuelan crude prices have averaged just US\$32.4/barrel to date in 2016 (to 19 August), according to the energy ministry.

## Zavala wins backing after grilling by congress

Peruvian legislators gave a vote of confidence to the prime minister, Fernando Zavala, and his 18 cabinet ministers after a marathon session in congress on 17 August. Zavala and assorted ministers were put through their paces by the main opposition Fuerza Popular (FP) which, with a congressional majority, was determined to make its presence felt.

Zavala said the government led by President Pedro Pablo Kuczynski would focus on four main areas: opportunities, social inclusion, water and infrastructure; security and combating corruption; job creation, formalisation and reactivation of the economy; and bringing the state closer to the people. In each area he set goals and yardsticks to measure progress.

Zavala struck a conciliatory pose. While discussing the challenge of overcoming inequality in Peru he recognised the achievements of every government over the last 26 years from Alberto Fujimori (1990-2000), through economic reforms, to Ollanta Humala (2011-2016), through his policies of social inclusion. “The constitution, democracy and the electorate have decided that we work together,” Zavala said. However, in response to FP criticism that the government is too close to Humala, Zavala stressed that “We cannot continue on automatic pilot”, saying that ministers had found things in “a state of paralysis” upon taking office, with a decelerating economy and a high fiscal deficit of 3.3% of GDP. He criticised the increase in staff at the health ministry from 2,400 to 3,500 during Humala’s term “leading to debt and excessive expenditure”, while the condition of state hospitals is “woeful”.

### Building a modern Peru

Zavala also underlined a series of systemic reforms needed to make Peru “a modern country”. “We must end corruption and our job starts now. If we don’t forge a common front against corruption it will be very difficult to defeat it,” Zavala said. He announced that the attorney general’s office would be transformed into an independent entity, and a pro-transparency body, Autoridad Autónoma de Transparencia, would be established to ensure access to public information. Zavala stressed that reform of the justice system was essential. “To be a modern country, profound institutional reforms are necessary,” he said. He also argued that “in a modern country there is no place for violence against women”. Zavala said that three of every 10 women were victims of physical violence in Peru; seven of every 10, psychological violence. “Their fight is all of our fight,” he said (*see sidebar*).

The head of the ministry for women and vulnerable populations (Mimp), Ana María Romero-Lozada, outlined the government’s strategy going forward. She said police stations in areas with the greatest level of familial and sexual violence would be staffed with specialists in psychology, lawyers and social workers, and that her ministry would work closely with the interior ministry to provide training for police officials with a gender focus. Romero-Lozada also said that she would support the health ministry in its efforts to demonstrate that the morning after pill is not abortive as declared by the constitutional tribunal (TC).

### Public security

On the issue of public security, Zavala promised 30 mega operations in different cities to capture criminals involved in theft, drug peddling and organised crime; a reward system to help capture criminals; joint patrols between Peru’s national police (PNP) and the serenazgo, the municipal security service, in seven cities in Peru; the training of 500 new detectives in criminal investigation; a declaration of emergency in the prison system to overhaul deficient infrastructure and reduce overcrowding; and an enhanced

### Gender violence

Some 50,000 people took part in a march, ‘Ni una menos, Perú’, in Lima and eight other cities on 13 August against gender violence and femicides. President Kuczynski and First Lady Nancy Lange participated in the Lima march. “What we don’t want in Peru is violence against anyone, but especially against women and children,” Kuczynski said.

### Votes against

The spokeswoman for the left-wing Frente Amplio (FA), Marisa Glave, said she could fully understand why three deputies had refused to grant a vote of confidence to the prime minister, Fernando Zavala, and his cabinet. Glave said that as soon as Fuerza Popular (FP) had obtained the responses it wanted from Zavala et al it had curtailed the debate, preventing FA deputies from posing their own questions.

strategy against the Sendero Luminoso (SL) guerrillas in the Apurímac, Ene and Mantaro rivers valley (Vraem). "The Vraem cannot continue to be one of the main producers of cocaine in the world," Zavala said, without providing any concrete details on how the government would change this.

"Crime is Peru's biggest problem and we think we have the strategy to reduce insecurity," Zavala said. Zavala accepted criticism from the FP deputy Marco Miyashiro, who described the national citizen security council (Conasec) as being as ineffective as "a vicar's tea party", but days later he argued that the first Conasec meeting since the government took office last month had produced an agreement to improve coordination between the PNP and the serenazgo.

### Fujimoristas make presence felt

The FP accused Zavala of a lack of specificity after his congressional appearance. "It is still along the lines of President Kuczynski's dreams [during his inaugural address to congress]," FP Deputy Rolando Reátegui said during a recess. The FP said it had managed to extract important information from Zavala by giving him a rough ride, such as the fact that the fiscal deficit is not 2.5% but 3.3% of GDP. But the FP eventually granted its unanimous support for Zavala and his cabinet, even if Luis Galarreta, the party spokesman, stressed that it would be holding the government to account in a few months' time.

A total of 121 congressional deputies gave Zavala and his cabinet a vote of confidence. Just three deputies failed to grant them their vote: two deputies from the left-wing Frente Amplio (FA) voted against, Edgar Ochoa and Edilberto Curro, and one abstained, Hernando Cevallos.

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## TRACKING TRENDS

**PERU | IDB water and sanitation proposals.** On 22 August the Inter-American Development Bank (IDB) organised an event entitled 'HidroPerú 2030' in Lima, in which it presented some of the challenges and opportunities of extending the country's drinking water and sanitation systems over the next 15 years. During the event, which was attended by 400 businessmen, academics, students and government officials including President Pedro Pablo Kuczynski, speakers provided information on water purification, evaluation, treatment, and access and reutilisation methods designed to help improve public access to water and sanitation.

The event was of particular relevance given that providing drinking water and sewerage services for all Peruvians was one of the main long-term objectives that Kuczynski said his government would seek to achieve during his inaugural address on 28 July, along with providing quality public education, adequate public healthcare, formalising the economy; and eradicating corruption, insecurity and crime. At the event, Kuczynski participated in a discussion with IDB president Luis Alberto Moreno, during which he said that he considered it to be "absolutely essential" that all Peruvians have access to quality potable water.

Kuczynski added that given the scarcity of fresh water he would advocate the introduction of a "good payer" system, under which consumers that meet their obligations could receive monthly discounts of 15%-20% in their water utility bills, as a way to reduce losses. He also announced the launch of a new initiative dubbed 'blue forest', by which the government would seek to establish afforestation strips in areas between 3,800 and 4,000 metres above sea level to attract rain as glaciers atop Peru's mountains retreat as a result of climate change.

Other more technological solutions presented by delegates from organisations included plasma discharge water treatment and a biological waste water treatment system, all aimed at improving drinking water and sanitation in Peru. According to official figures, the proportion of Peruvian households directly connected to sewerage systems is 86%, while 88% of households have access to drinking water for 17 hours a day. However, in rural areas four out of five people lack access to adequate sanitation, while one in three (or an estimated 8m) lack access to quality potable water.

## President in the dock

Brazil's federal senate begins the formal impeachment trial of the suspended president, Dilma Rousseff, on 25 August. Formally, Rousseff stands accused of breaching the country's fiscal responsibility law (dating to 2000), which is set down in the constitution and for which the president is ultimately responsible. Specifically, she is charged with flouting the rules by borrowing from state banks to cover budget gaps without informing the federal congress, thereby allowing for additional government spending ahead of the October 2014 general elections, in which she won re-election.

Rousseff maintains that the charges are trumped up in a bid to justify her removal and the leftist Partido dos Trabalhadores (PT) from office after over a decade in power (since 2003). While she admits to "errors" in her administration (which, by general consensus, was fiscally profligate), she stoutly denies any criminal offence and dubs the impeachment "a farce". Indeed, her legal team argue that the 'creative accounting' practice of which the PT government is accused has been standard practice for decades in Brazil and is a regular tool of other treasuries around the world.

Nevertheless, a senate impeachment committee concluded in a 440-page report released in late July that there was sufficient evidence that Rousseff not only broke the fiscal responsibility law, but did so "knowingly". The author of the report, Senator Antônio Anastasia, of the Partido da Social Democracia Brasileira (PSDB), concluded that the charges were "undeniable". The 21-member impeachment committee subsequently voted 14-5 to accept the report and Anastasia's conclusion that it recommend impeachment.

While that recommendation was advisory only, the senate plenary followed suit, voting by 59-21 on 9 August to indict Rousseff and proceed to a formal trial. Notably, that was a stronger vote against Rousseff than in May, when the upper house voted 55-22 in favour of advancing with the impeachment process, which was initiated by the federal chamber of deputies in December 2015, just weeks after Rousseff's re-election. A vote by a two-thirds majority of the senate (54) is required to definitely sack Rousseff. Given the strong vote to indict her, her removal looks a given.

Rousseff, who already made history as Brazil's first female president, appears set to become the second leader to face an impeachment trial since the return to democracy in 1985. Fernando Collor de Melo, elected in 1990, stepped down from the presidency in 1992, in a failed attempt to avoid impeachment proceedings. After serving a 10-year political ban, he later became governor of his home state of Alagoas. He now sits in the federal senate. Formerly a member of the Partido Trabalhista Brasileiro (PTB), in March Collor stepped down from the party, ostensibly to set up his own new political group.

Collor is among the plethora of Brazilian politicians and senior business figures implicated in the massive corruption scandal at the state-controlled oil company Petrobras, which has unmasked a long running practice of bribery and kickbacks between all the main political parties and the country's largest firms. Collor potentially faces charges of passive corruption and money laundering related to receipt of an alleged R\$26m (US\$8m) kickback for favouring certain companies contracted to the Petrobras distribution arm, BR Distribuidora, accusations he denies. In May, he voted in favour of impeachment proceedings against Rousseff.

Rousseff supporters have argued that the manoeuvres against her were also an effort by Brazil's traditional elite to try to shutter the Petrobras investiga-

## Temer

Upon Rousseff's impeachment, the interim government led by Michel Temer will be confirmed as permanent until the next scheduled general election in October 2018. A snap election before that would require a constitutional amendment, with the approval of congress. Temer has denied that he will seek another term in 2018.

## Impeachment vote

Michel Temer's presidential chief of staff, Eliseu Padilha, hinted on 11 August that Temer wanted to see a three-quarters senate vote in favour of Rousseff's impeachment, above the required two-thirds majority, which would more strongly legitimise the process, both at home and externally.

tion. Indeed, soon after taking office in May, the interim president, Michel Temer, lost ministers to the scandal, and he too has been implicated; recently accused of receiving corporate donations above and beyond the legal limit for his own election campaign in 2014 – a charge he denies.

But Rousseff and her predecessor and mentor, Lula da Silva (2003-2010), have also been caught up in the scandal. They both face obstruction of justice charges for trying to cover up the extent of the wrongdoings at Petrobras. Separately, Rousseff also faces similar charges on the grounds that she sought to bring Lula into the cabinet early this year so as to afford him immunity from prosecution in lower courts (cabinet ministers can only be tried by the supreme court).

While the impeachment trial is widely expected to go against Rousseff, she remains defiant and is expected to use her final senate appearance to cast herself as the victim of a political witch hunt. In an interview with foreign journalists on 18 August, Rousseff told her audience that her biggest political mistake was appointing Temer, a veteran of the country's biggest political party, the Partido do Movimento Democrático do Brasileiro (PMDB), as her vice-president, accusing him of effectively masterminding the impeachment trial.

In an additional swipe at the country's powerful business sector, Rousseff added that her biggest policy mistake was in failing to ensure that her government's sizeable tax cuts for business (which sharply eroded the fiscal position), created tangible results for the wider economy. "The reduction of taxes for businesses didn't result in gains for the whole economy... We were not able to transform those tax cuts into increased investment and demand," she complained, insinuating that business pocketed the tax breaks rather than putting them to productive use.

Rousseff has some external support in the US and Europe for the argument that her impeachment will amount to a coup d'état. The PT recently asked the Inter-American Court of Human Rights, an arm of the Organization of American States (OAS), for precautionary measures in favour of Rousseff to suspend the trial. In a written reply to an OAS request for information, the president of Brazil's chamber of deputies, Rodrigo Maia, asserted that the impeachment process had complied with the letter of Brazilian law and said that Rousseff had received full due process. He denied that Rousseff's human rights had been breached in any way and rejected the PT's request as "unfounded, inappropriate and without any constitutional, legal or jurisprudential precedent".

In a bid to boost his reputation, and that of Brazil, Temer will embark on his first international tour in early September as Brazil's official new president, attending the G-20 summit in China, followed by the annual United Nations General Assembly meetings in New York, which begin on 13 September, before going on to the 8<sup>th</sup> BRICS summit in Goa, India, in mid-October, where he will take his place alongside the powerful leaders of Russia, India, China and South Africa.

### Details

The impeachment trial will be overseen by the president of the federal supreme court, Ricardo Lewandowski. Six witnesses will testify on behalf of Rousseff, including her former finance minister, Nelson Barbosa. Two others will recommend impeachment. All 81 federal senators will be allotted time to question the eight witnesses, followed by closing arguments. The process is expected to last four days. Rousseff will address the senate ahead of the expected final vote on 29 August. The trial will be relayed live on the senate's television channel. While likely to tune in, most Brazilians, having endured nine months of the deepest political and economic chaos in the country for decades, just want to move on and return to some semblance of normality.

## Bachelet hits record low

President Michelle Bachelet was the victim of a bitter irony this week. Bachelet, who has done more to try and expunge the last vestiges of Chile's military dictatorship (1973-1990) than any of her predecessors, has now become the least popular head of state since the country's return to democracy 26 years ago.

Chile's most prestigious pollster, Centro de Estudios Públicos (CEP), published a study on 19 August which found that Bachelet had an approval rating of just 15% and a disapproval rating of 66%. This is worse than any of the six heads of state elected in Chile since the end of the dictatorship of General Augusto Pinochet in 1990. It is also one of the lowest approval ratings of any incumbent head of state in Latin America.

Senior figures in the ruling left-wing coalition Nueva Mayoría responded to the poor results in the CEP by calling not only for a change of cabinet but also a change of direction from the presidential palace La Moneda. "There are 18 months of government left...a bad evaluation should translate into a substantive change in team, form and emphasis," said Carolina Goic, the president of the most centrist member of the coalition, Democracia Cristiana (DC). But Goic was not alone. The spokesman for the Partido por la Democracia (PPD), Gonzalo Navarrete, insisted that a change of cabinet would no longer suffice (Bachelet has tried that before without the desired effect) and a change of course was essential. Even the secretary general of Bachelet's own Partido Socialista (PS), Pablo Velozo, was downbeat: "It is a bit fantastical to think that a change of cabinet can help".

Bachelet was outwardly unmoved. She attended the commemorations of the birth of Chile's founding father Bernardo O'Higgins in Chillán in the southern Bío Bío region on 20 August before returning for a two-hour crisis meeting with her interior minister and cabinet chief, Mario Fernández. She emerged declaring that "We're going to keep working to fulfil the commitments we undertook on being elected, that's the right thing". This was an eye-catching response to a survey which could hardly have been any more explicit about the lack of public support for these electoral commitments.

The CEP survey showed that over 50% of respondents felt that the Bachelet administration's labour and education reform were 'very negative' while higher education and constitutional reform, two of the government's main policy priorities to try and recover political momentum, did not feature on the list of public priorities, which was topped by crime (52%, albeit down six percentage points on the last CEP survey in November 2015). This was followed by healthcare (36%, down eight points); corruption (36%, up 12 points); employment; and inequality. "To the disillusionment of the president, who prepared a government programme as if she were trying to take the winter palace by storm, the survey showed a much more moderate country than she thought," the national daily *La Tercera* argued in an editorial. Bachelet's former interior minister, Jorge Burgos, put it more charitably but no less pointedly: "people want fewer re-foundational proposals".

Fernández said Bachelet had made clear that the only way to improve the approval rating was "to work better". She stressed that her government had promulgated a law improving the system of free competition and toughening up penalties for corruption, with prison sentences and beefed up fines for price-fixing, of which there have been several scandals over the last year.

### Piñera in pole position

One of the most frustrating aspects of the CEP survey from the government's perspective was the suggestion that the favourite to win the next presidential elections is none other than President Bachelet's predecessor, Sebastián Piñera (2010-2014). Piñera was not well-loved but he kept the economy on an even keel and he did not get side-tracked by massive reform initiatives that lacked popular support.

## Pension proposals

The Chilean government has proposed lifting the pension contribution rate by five percentage points to 10%, with employers bearing the bulk of the estimated US\$3.8bn burden, over the course of the next 10 years. It has also proposed that those investing in the private pension funds (AFPs) should have a greater say in investment decisions they take. But this has not mollified the 'No+AFP' movement which wants the entire pension system dismantled.

Despite the setback for Bachelet, no politician with presidential aspirations will have taken any encouragement from the CEP survey, which suggested a total disconnect between the public and the political class. The approval rating of the Nueva Mayoría might have been a parlous 8%, but the right-wing opposition coalition Chile Vamos only enjoyed 10% support. One question in the survey sought to gauge the public opinion on how many politicians were involved in corruption now: 50% of respondents said 'nearly all of them' (and 30% 'a lot of them') compared with just 14% a decade earlier.

## Pension protest

It was noteworthy that pension reform came sixth in the list of public priorities highlighted in the CEP survey. On 21 August several hundred thousand people took to the streets to protest against the current private pension system (AFP), and the government's modest reform proposals (see sidebar). The 'No+AFP' movement put the turnout at 350,000 in Santiago and 1.3m nationwide as marches took place in 250 communes. The police put the turnout at closer to 80,000 and 150,000 respectively. This was the third protest against the pension system in Chile in just one month and the organisers are threatening a national strike on 4 November unless the government addresses their core demands.

## ARGENTINA | POLITICS & ECONOMY

### Macri dealt legal blow as trade unions mass

President Mauricio Macri has suffered a significant setback after the supreme court (CSJN) struck down his government's energy price increases for residential users. The Macri administration had defended the sharp increases on the grounds that the previous government's subsidies were unsustainable and, along with a lack of investment in the energy sector, had conspired to transform Argentina from a country with abundant cheap domestic energy to one with scarce and expensive imported energy. Now it will have to hold public consultations on the matter. This week also provided an ominous development for the government with the reunification of the powerful trade union movement, Confederación General del Trabajo (CGT), the scourge of non-Peronist governments.

The CSJN ruled on 18 August that the government's gas tariffs increases for residential users were unconstitutional as it had omitted to hold "obligatory" public hearings to discuss them. It annulled the increase in gas tariffs of up to 400% introduced by the government for residential users who will now pay the old tariffs in place until last March. By contrast, large companies and small and medium-sized enterprises (SMEs) will have to pay the increases retroactively to April. At certain times of the year the latter group make up three-quarters of Argentina's energy use.

The cabinet chief, Marcos Peña, sought to downplay the significance of the CSJN ruling, in a press conference alongside the energy minister, Juan José Aranguren, and the justice minister, Germán Garavano, saying it "removed uncertainty". President Macri promptly accepted the ruling and ordered hearings to be held on 12 September (these have since been put back by four days due to the "wealth of interest" in participating). But he expressed some concern that companies and SMEs might make a fresh appeal, prolonging the debate.

The government will now set about trying to explain to the public during the consultations why the increases are necessary, and that the alternative would be other fiscal adjustments to make up what Peña predicted could be a US\$1.2bn shortfall. This promises to be a very hard sell and it was little wonder that the political opposition, sensing the government's difficulties, welcomed the CSJN ruling. The Frente para la Victoria (FPV, Kirchneristas)

## Reconnecting with the public

President Mauricio Macri and senior government officials carried out a national 'door-knocking day' this week to speak to the public directly, following the supreme court setback. Macri made unannounced calls in the Buenos Aires municipality of San Miguel accompanied by the provincial governor, María Eugenia Vidal, armed with Danish pastries bought from a local bakery. The cabinet chief, Marcos Peña, and the education minister, Esteban Bullrich, visited the Buenos Aires municipality of Almirante Brown; the interior minister, Rogelio Frigerio and the defence minister, Julio César Martínez, did the same in the eastern province of Entre Ríos and the central province of Córdoba respectively. Martínez posted a video on social media of him sharing mate with a family. Some 25,000 volunteers from the ruling Cambiemos coalition knocked on doors elsewhere in Argentina to listen to the concerns of the public.

faction of the main opposition Partido Justicialista (PJ) was particularly happy with the ruling which it will hope to exploit to recover some political momentum after defections amid corruption allegations. The FPV was not alone, however, in arguing that the tariff increases were too onerous and had fuelled painful inflation, especially for the more vulnerable sectors of society. The more moderate PJ faction, Frente Renovador (FR), led by federal deputy Sergio Massa, also accused the government of moving too fast too soon.

## Rival CGT factions fuse

Four days after the CSJN's ruling the three strands of the CGT participated in a reunification ceremony after eight years of division. The CGT has been critical of the government's economic policies, especially gas tariff increases. Although the three factions united behind a triumvirate of candidates selected by their respective leaders, Luis Barrionuevo, Hugo Moyano and Antonio Caló, the government will have taken some solace from the fact that no general strike was announced and representatives of only 124 of the CGT's 213 trade unions took part. This could owe to the government's proposed healthcare reforms, which will see AR\$2.7bn (US\$182m) of reimbursements to the trade unions [WR-16-32]. Several influential union leaders stayed away, including Gerónimo Venegas, head of the rural workers' union, who has challenged the legitimacy of the new CGT authorities before the labour ministry, and Omar Viviani, head of the taxi drivers' union in the Movimiento de Acción Sindical Argentino (Masa).

The CGT has positioned itself as a guarantor of governability, although one of the three factional leaders, Luis Barrionuevo, said it would be "difficult to sustain this government through democratic means". This ominous prediction is because, in the CGT's view, expressed by Juan Carlos Schmid, one of the new triumvirate, "there is a clear lurch to the Right [by the government] and the crisis is deepening".

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## TRACKING TRENDS

**ARGENTINA | Indec releases new unemployment figures.** Argentina's national statistics institute (Indec) reported on 23 August that the national unemployment rate in the second quarter of the year was 9.3%. These are the first official labour market data released by Indec since President Mauricio Macri assumed office in December 2015 and ordered the complete overhaul of the Indec, which had become widely discredited under the previous administration led by former president Cristina Fernández (2007-2015) amid allegations that it regularly adjusted economic figures to paint a rosier picture. Indeed, the latest unemployment figure represents a sharp 3.4-percentage-point increase from the last official unemployment rate of 5.9% quoted for the third quarter of 2015 and 2.7 percentage points more than the 6.6% unemployment rate quoted for the second quarter of 2015.

"No data from previous quarters are included because in line with the statistical emergency, Indec has established that unemployment reports published after the first quarter of 2007 through the final quarter of 2015 should be considered with reservation," Indec said in a statement. In June Indec began reporting inflation data again and now it has resumed with labour market figures. The official figures show an underemployment rate of 11.2% in the second quarter and differences between the unemployment rate for men (8.5%) and women (10.5%).

Indec Director Jorge Todesca said in a press conference that the situation in the labour market is serious and that "Argentina is a country with very strong structural employment problems" because the activity rate in some areas such as Santiago del Estero, Formosa, Concordia, and Viedma (Río Negro) is lower than 40%. Cynthia Pok, who was in charge of the reconstruction of the permanent household economic survey (EPH), said that Indec's immediate objective is to expand the survey to more urban areas and in the medium term extend it to rural areas to get a better representation of the employment situation in Argentina.

**Violence reverting to Calderón levels****Violence**

Beyond Veracruz and Michoacán, July was the most violent month of the year in states accustomed to high levels of violence, such as the northern state of Tamaulipas, and states that had been growing more peaceful, such as the north-westernmost state of Baja California (BC), bordering the US. There were 106 homicides in Tamaulipas in July, up from 75 in June. In BC there were 110 homicides in July, the highest figure since 2008. Homicides in BC are up by 34% so far this year.

The figures make for grim reading for the government led by President Enrique Peña Nieto. There were more homicides in Mexico in July than in any month since mid-2011, at which point there were still 18 months of the violence-riven mandate of former president Felipe Calderón (2006-2012) left to run. It was the first month since Peña Nieto took office in December 2012 with more than 2,000 homicides. And the number of homicides increased in 22 of Mexico's 32 federal entities. The biggest problem for the Peña Nieto administration, however, is that it cannot dismiss July as an anomaly because there has been a sustained increase in the number of homicides for several months now.

There were a total of 2,073 homicides in July, up by 26% on a year earlier, according to figures released by the national public security system (SESNSP). In the first seven months of the year there have been 12,376 homicides, up almost 16% on the same period last year. The violence began to increase last May when there were 1,895 homicides, the highest monthly figure since September 2012. The figure for June was also high, at 1,829.

At the present rate eight federal entities will record more than 1,000 homicides in 2016 compared with just three last year. Perhaps the most worrying figures of all are those coming out of Veracruz, Mexico's third most populous state. There were 168 homicides in Veracruz in July, up by 68 on the previous month and by 162% on the same month a year earlier. Indeed, the 643 homicides recorded in Veracruz in the first seven months of this year have already surpassed the annual totals for the state in 2014 (569) and 2015 (615). There have been executions in several of the state's principal municipalities, including Coatzacoalcos, Córdoba, Poza Rica, Puerto de Veracruz and Xalapa.

The spiralling violence in Veracruz coincides with elections last June when a coalition between the right-of-centre Partido Acción Nacional (PAN) and the left-wing Partido de la Revolución Democrática (PRD) unseated the Partido Revolucionario Institucional (PRI) for the first time in nearly 90 years. The violence looks likely to increase in the three months until the governor-elect, Miguel Ángel Yunes, takes office on 30 November, providing his government with a huge challenge.

It has long been suspected that the PRI's outgoing governor, Javier Duarte, struck a pact with the *Cártel de Jalisco Nueva Generación* (CJNG) against Los Zetas in Veracruz early in his mandate in 2011 that helped preserve the peace. But Duarte is now a spent force and the two DTOs seem intent on taking advantage of the power vacuum to compete for influence.

Unless the Peña Nieto administration takes action in Veracruz the levels of violence could become a fully-fledged crisis. But federal intervention is no guarantee of long-term stability. Another disturbing development to be revealed in the SESNSP figures is the surge in violence in the western state of Michoacán, where there were 187 murders in July, the highest level for almost a decade. By contrast, in July 2015 there were 'just' 87 homicides in Michoacán. This is a particularly grave setback for the Peña Nieto administration given the federal intervention it ordered in Michoacán to restore law and order and pacify the state in 2014 after the adverse publicity of so-called 'self-defence' groups of vigilantes taking on the local drug-trafficking organisation (DTO), Los Caballeros Templarios (LCT).

## Human rights report

In its report Mexico's human-rights commission (CNDH) called for the federal attorney general's office (PGR) to carry out a separate investigation into the 42 people killed by the federal police in Tanhuato. The CNDH also urged the government to pay compensation to the families of the victims, and to provide better training in human-rights issues to the police.

## Extrajudicial killings

Amid the rising levels of violence in Mexico, the last thing the Peña Nieto administration needed is for the security forces to become embroiled in another scandal. But that is precisely what happened on 18 August when the national human-rights commission (CNDH) released a report holding the federal police (PF) responsible for at least 22 extrajudicial killings in the municipality of Tanhuato, Michoacán, in May last year.

A total of 42 people were killed in the incident in question when PF officers followed a truck to a ranch and, according to their subsequent report, ended up in a three-hour gunfight with members of the CJNG. Given the intensity of the fight it was eye-catching that only one PF officer was killed. The CNDH alleged that the PF used excessive force; that five people were gunned down from a helicopter that came in to support the operation; two people were tortured; and the PF not only gave false testimony but also tampered with the crime scene, for instance, placing weapons on dead victims.

The head of the CNDH, Luis Raúl González Pérez, denounced "serious human-rights violations" and said the case was "one of the most sensitive" he had ever seen. The government appears disinclined to accept the CNDH report and shake up the PF. Indeed, the head of the national security commission (CNS), Renato Sales, defended the PF to the hilt, saying that the use of force had been entirely justified and proportional. Sales said that officers had urged the gunmen on the Tanhuato ranch to drop their weapons, and had resorted to arms "against real and imminent aggression". But the CNDH report points to something more than untoward and the government's habit of defending those involved in these incidents, just as with the army in a similar case in the municipality of Tlatlaya, Estado de México, in June 2014, damages institutional credibility.

## Teacher talks break down

President Peña Nieto has suspended talks with the Coordinadora Nacional de Trabajadores de la Educación (CNTE), Mexico's second largest teachers' union, after it ordered members not to go back to the classroom for the start of the new school year on 22 August and launched an indefinite strike. Many schools in the southern states of Oaxaca, Guerrero and Chiapas remained closed.

Enrique Enríquez, the leader of the CNTE in the Ciudad de México, accused the interior ministry (Segob), with which the teachers' union has been holding talks, and the federal education ministry (SEP) of "lacking political vision". Peña Nieto, meanwhile, accused the CNTE of holding children's right to education "to ransom" and declared the government's education reform to be "non-negotiable". The CNTE only agreed to the dialogue process on the proviso that it would lead to a revision of this reform. Its unremitting opposition to the reform, and its determination to resort to further roadblocks, means that a repeat of the fatal clashes of June in Oaxaca is a distinct possibility.

Peña Nieto was pushed into taking a tough line by fierce criticism from the political opposition. "The new school year marks an acid test for the federal government," the president of the right-of-centre Partido Acción Nacional (PAN), Ricardo Anaya, said. In a statement Anaya insisted that no schoolchild should be denied "their educational rights because of CNTE threats". The president of the federal lower chamber of congress, Jesús Zambrano, of the left-wing Partido de la Revolución Democrática (PRD), called on the CNTE to show "sensitivity" and not to risk "fatal consequences from which nobody wins".

But the leader of the radical left-wing Movimiento Regeneración Nacional (Morena), Andrés Manuel López Obrador, who has supported the CNTE's protest action, maintained that "the greatest responsibility in times of conflict lies with the government". López Obrador urged the government to instruct the federal congress to revise the education reform.

**Ravaged by Zika****Growth strengthens over first half**

Real GDP growth was 3.8% year-on-year in the first half, compared with 3.5% on the year-earlier period, according to the central bank (BCH). First-half activity was driven by electricity & water (which rose by 9.5% as the country's new solar parks ramp up output); financial services (7.8%); agriculture, livestock & fishing (4.8%); transport & storage (3.4%); posts & telecoms (3.2%); and retail (2.6%). By contrast, the mining sector contracted by 4%. The government now projects overall GDP growth of 4.1% this year, which would be the highest in eight years.

Over 30,000 Hondurans to date have contracted the Zika virus, making it the worst-affected country in Latin America after Brazil. The government has set up a special task force to deal with the rising number of babies born with microcephaly, a birth defect which has been linked to Zika. The task force, which will focus on the provision of health and social welfare to affected families, will comprise the health ministry and the secretariat for development and social inclusion (Sedis), whose head, Ricardo Cardona, and the deputy health minister, Francis Contreras, will be at the helm.

Cardona said the Honduran authorities were "alarmed" at the increase in the number of microcephaly cases in the country, 34 to date this year, of which one has been confirmed as having links to the Zika virus, transmitted by the *Aedes aegypti* mosquito. Of the 30,000 Hondurans recorded with the Zika virus to date, 600 are pregnant women. Aside from 340 projected microcephaly cases, health authorities are also expecting about 250 cases of Guillain-Barré, the rare peripheral nervous system condition that has risen in countries affected by the Zika virus.

This latest data puts Honduras above neighbouring El Salvador, which reported 10,700 Zika cases to July, of which 308 are pregnant women. There have been 48 cases of microcephaly detected this year in babies born in El Salvador, with two so far confirmed as linked to Zika.

Given the extent of the emergency, the government has decided to implement a series of dedicated measures, Cardona announced. These will include a census of the affected areas and families – the most affected departments in the country are Cortés, Francisco Morazán, Yoro and Choluteca.

Among other measures, mothers with microcephaly-affected babies will be given houses and access to benefits under the 'Vida Mejor' and 'Mejores Familias' social welfare programmes. Cardona said the task force also aimed to work closely with local mayors and community groups to help families care for affected babies. The task force began work in the remote and impoverished municipality of Orocuina in Choluteca, which borders Nicaragua.

Contreras, for his part, called on Hondurans to redouble their efforts to keep their homes free of the mosquito, which also transmits the dengue and chikunguña diseases. He noted that in the rainy season official fumigation efforts are much less effective and that the best thing people can do is try to ensure that their homes and yards do not provide breeding conditions for the mosquito, by removing or covering standing water, for example.

According to the latest (11 August) update from the Pan American Health Organisation (PAHO), the virus has peaked in South and Central America plus Mexico, with declining numbers of infections in recent weeks. The long-term effects, however, will take several years to emerge. Latest research from Brazil is disturbing, as doctors suggest that some babies born healthy have gone on to develop microcephaly after six months, while it is also becoming clear that the full extent of potential brain damage linked to the virus now looks to go well beyond microcephaly to include multiple other severe complications. Work is underway on a vaccine, but mosquito-borne diseases are notoriously difficult to target, as they mutate quickly and regularly, with Zika potentially evolving in line with local climatic conditions, some scientists suspect.

## Varela called to account over a pledge

### 'Panama Papers' committee

The special committee set up by President Juan Carlos Varela in the wake of the 'Panama Papers' scandal includes Costa Rica's Roberto Artavia, a former rector of the Incae Business School along with four Panamanians: the minister for the presidency, Alberto Alemán; former president Nicolás Ardito Barleta (1984-1985); former trade minister Gisela Alvarez de Porras (2005-2009); and Domingo Latorraca, a former deputy economy minister (2000-2003) and office managing partner for multinational professional services firm Deloitte.

President Juan Carlos Varela is under pressure to call a constituent assembly in order to draft a new national constitution. A civil-society organisation, 'Constituyente Va', and a special commission set up by the national bar association, known as 'Comisión Pro Constituyente', began collecting signatures last week aimed at forcing Varela to make good a 2014 electoral pledge, which he had said was necessary "to strengthen the separation of state powers, promote decentralisation of public power, and guarantee sustainable development with equity". The need to strengthen institutions comes as Varela received a setback after two high-profile members of a special commission set up in the wake of the so-called 'Panama Papers' scandal [WR-16-13] stepped down citing lack of government cooperation (*see box*).

On 17 August engineer Cristóbal Silva and the well-known lawyer Miguel Antonio Bernal, who head up Constituyente Va and Comisión Pro Constituyente, respectively, told reporters that they now have 180 days to collect the necessary signatures which must exceed half a million (517,502) – or 20% of the registered electorate up to 31 December 2015. As per the 1972 constitution, as well as a petition by local citizens, a constituent assembly can also be called by the executive (if ratified by an absolute majority in the national 71-member unicameral legislature) or the legislature (with a two-thirds vote). Upon receipt of the formal request to convene a constituent assembly, the electoral authorities then have between three and six months to convene a constituent assembly, which comprises 60 delegates who may be independents or members of political parties. The constituent assembly then has between six and nine months to draw up a new constitution which is then voted upon in a national referendum.

Appearing before congress on 1 July to deliver his two-year balance sheet, President Varela said that he would work on a "road map" for constitutional change over the next year. Demands for him to make good this pledge have also come from the main opposition parties, Cambio Democrático (CD) and the Partido Revolucionario Democrático (PRD) – although these have yet to confirm whether they will unite behind the civil-society initiative.

### Stiglitz steps down

President Varela's efforts to reassure over transparency efforts received a setback earlier this month after US Nobel Prize-winning economist Joseph Stiglitz and Mark Pieth, a professor of criminal law at Switzerland's Basel University, announced that they were stepping down from a special committee he set up in the wake of the 'Panama Papers' scandal. This was the biggest leak of secret information in history, exposing the internal operations of one of the world's leading law firms dedicated to the incorporation of offshore entities, the Panama-headquartered Mossack Fonseca.

Made up of seven national and international experts (*see sidebar*), the committee was tasked with evaluating current working practices and putting forward new measures aimed at boosting the transparency of Panama's financial and legal systems. Local and international media cited both Stiglitz and Pieth – who quit on 5 August – as saying that the Varela government had refused to guarantee that the committee's report would be made public. In a statement, also issued on 5 August, the Varela government regretted the resignations but attributed them to unspecified "internal differences".

Since the resignations, on 18 August the international anti-corruption NGO Transparency International (TI) issued a press release stating that TI chair José Ugaz had confirmed with Panama's Vice President Isabel Saint Malo de Alvarado that the final report will be made publicly available later this year.

## POSTSCRIPT

### Quotes of the week

“We would probably all have wanted more...But the accord...is the best possible.”

*The head of the Colombian government's negotiating team in Cuba, Humberto de la Calle.*

“The war with weapons is over and the debate with ideas is beginning.”

*The head of the Farc's negotiating team in Cuba, 'Iván Márquez' (Luciano Marín Arango).*

“As president I will not weaken, this is what motivates me to keep fighting everyday.”

*Chile's President Michelle Bachelet.*

### Costa Rica's Solís slips to nadir

Costa Rica's President Luis Guillermo Solís has sunk to the lowest approval rating of any head of state since records began in the country. On 16 August the pollster CID Gallup released a survey showing that Solís, who is just over halfway through his four-year term, had an approval rating of only 10%. The only official response to the poll came from the minister for the presidency, Sergio Alfaro, who said that the government had yet to review the methodology of the study and found the results difficult to believe since “the administration is doing well”.

President Solís picked up the dubious accolade from former president José María Figueres (1994-1998), of the Partido Liberación Nacional (PLN), whose lowest registered approval rating was 13%. The survey interviewed 1,205 people across Costa Rica and had a 2.38% error margin. Solís always faced an uphill task as his Partido Acción Ciudadana (PAC) has a small minority of just 13 of the 57 seats in the legislative assembly. His government has been unable to push through difficult reforms, above all to reduce the fiscal deficit.

Finance Minister Vice-President Helio Fallas recently claimed progress in reducing the fiscal deficit: he highlighted figures showing that, through cutting government spending, the accumulated fiscal deficit reached 2.6% of GDP in the first six months of 2016 – down from 3.2% registered in the same period the previous year. Fallas was forced to admit, however, that government debt could reach 50% of GDP by 2017 in the absence of new legislation aimed at boosting revenue – a reference to the government's tax reform which remains stalled in the assembly.

Alfaro cast doubt on the reliability of the CID Gallup poll, pointing out that there was sufficient economic growth in Costa Rica alone to warrant a higher rating. On 26 July the United Nations Economic Commission for Latin America & the Caribbean (Eclac) presented its latest economic forecasts for the region which predict 4.3% GDP growth for Costa Rica for 2016, up from 3.7% in 2015. The 2016 forecast for Costa Rica is above the 3.8% average for Central America as a whole and places Costa Rica ahead of El Salvador (2.3%); Guatemala (3.5%); and Honduras (3.4%), but below Panama (5.9%) and Nicaragua (4.5%).

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