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Santos and Timochenko commit to new future for Colombia

“Welcome to democracy.” With these words Colombia’s President Juan Manuel Santos shook hands with the maximum leader of the Fuerzas Armadas Revolucionarias de Colombia (Farc), ‘Timochenko’ (Rodrigo Londoño Echeverri), after both men signed the final peace accord with a ‘balígrafo’ (a pen crafted from a bullet) during a ceremony in Cartagena de Indias on 26 September attended by the great and the good. Santos made frequent references to the final hurdle, a referendum on 2 October, appealing to the Colombian people to vote for peace. Timochenko’s speech might just have a greater impact. It contained an explicit apology and an avowed commitment to peace, conciliatory rhetoric that pervaded the Farc’s 10th conference, from 17 to 23 September, when delegates representing the numerous guerrilla blocs, fronts and units, ratified the peace accord.

“It’s more than just an accord between a government and a guerrilla group to end an armed conflict...it is a declaration from the Colombian people to the world that we’re tired of war, that we don’t accept violence as a means to defend ideas,” an emotional President Santos said during the four-hour ceremony in Cartagena. Santos thanked the security forces for driving the Farc to the negotiating table, and the Farc for taking “the bravest and most intelligent decision that any subversive group can take”. Addressing the Farc directly he promised to “defend with determination your right to express your ideas within the democratic system”.

“In the name of the Farc, I sincerely apologise to all the victims of the conflict, to those who we have caused sorrow in this war,” Timochenko said during a 20-minute address that eschewed all of the bellicose and uncompromising rhetoric that has defined the group in the myriad statements released from “the mountains of Colombia” throughout the armed conflict. Timochenko even managed to make light of a moment when he visibly jumped after a Kfir warplane roared overhead, smoothly declaring that “this time they came to salute peace not to drop bombs”.

In attendance at the signing ceremony were 17 heads of state, mostly from the region, 25 foreign ministers, including the US Secretary of State John Kerry, and 10 representatives of multilateral organisations, including the United Nations Secretary-General Ban Ki-moon, dressed in white to symbolise peace. In addition to the foreign luminaries, national dignitaries from the political, military and business world, and more than 200 relatives of victims from across the country were among the 2,500 people in attendance at the ceremony.

The ceremony was designed to build an unstoppable momentum ahead of the 2 October referendum to secure a ‘yes’ vote. Santos said voters had “the power to save lives”. To loud applause, Timochenko stressed that “Military confrontation is forever finished...Our only weapons will be words”. In an

Paramilitary chiefs back peace

Some 20 former commanders in the paramilitary Autodefensas Unidas de Colombia (AUC), which demobilised in 2006, have come out in support of voting 'yes' in the referendum on 2 October. They signed a letter calling for the need "to seek peace and reconciliation, and rise above sectarianism to contribute to clarifying the truth and being part of transitional justice". Among the former AUC leaders who signed the letter, including some extradited to the US and serving sentences for drug-trafficking, are 'Macaco' (Carlos Mario Jiménez Naranjo), 'Don Berna' (Diego Fernando Murillo Bejarano) and 'Pablo Sevillano' (Guillermo Pérez Alzate).

indirect message to the Colombian people to endorse the peace accord, he added, "let nobody be in any doubt we're committed to politics without weapons". Ban, for his part, celebrated the fact that "countless Colombians who never lost hope in peace [are] bidding farewell to decades of flames and sending up a flare of hope that illuminates the world".

With the pomp and ceremony over, it is now down to ordinary Colombians to decide whether this is the peace that they want. These are anxious moments for both the government and the Farc after four years of tortuous negotiations. A member of the Farc secretariat and negotiating table in Cuba, 'Pastor Alape' (Félix Antonio Muñoz), conceded this week that the guerrilla group had "no Plan B" in the event of the public rejecting the final peace accord. Santos admitted the same days earlier. Referendums are unpredictable. While the ceremony should have helped to persuade some undecided voters to back the peace accord, a victory for 'yes' cannot be taken for granted. Former president Álvaro Uribe (2002-2010), a formidable champion of the 'no' campaign, led a demonstration of some 2,000 people in Cartagena on the same day as the signing ceremony, protesting that the peace accord awarded the Farc too many concessions.

Farc conference ratifies accord

With this uncertainty hanging over the peace accord, it is perhaps unsurprising that the Farc's 10th national conference in rural Llanos del Yarí in San Vicente del Caguán, Caquetá department from 17 to 23 September should have fallen short of expectations. Many expected that more details would have emerged about the Farc's transition from a guerrilla group to a political movement, such as its future name or even its candidates for reserved congressional seats. But the conference was largely given over to discussing the peace accords rather than defining the programme, statutes and political direction of the organisation.

At least 600 journalists attended the Farc conference, a marked contrast from the previous nine conferences held since 1965, which were clandestine affairs. For the most part journalists were not invited to sit in on the discussions, but Farc leaders were keen to participate in press conferences and present a positive image of the group.

The prevailing mood was one of optimism. Timochenko set the tone in his opening address on 17 September. Gone was the customary aggressive and recalcitrant rhetoric replaced by a reasonable and cooperative approach. Timochenko said that victims of the conflict "will have the recognition that history demands". He stressed the need for the Farc to reinvent itself, not just in the form of a physical and political makeover, but also lexical. He said it would need to come up with "a new message, fresh and hopeful for change", while adhering to principles such as "combating corruption and maintaining respect for the ideas of others".

Timochenko argued that "if anything has characterised us since our formation it is our rigorous political nature...continuous democratic practise which has allowed us to cohere and remain united against the enormous military and political challenges over the last five decades". He pointed to the fact that 207 guerrilla delegates took part in the conference, with each block, front and unit holding assemblies to elect representatives. In addition the 32 members of the Farc's high command attended and the nine members of the secretariat, all wearing white shirts emblazoned with the message 'peace with social justice, democracy advanced'.

It will of course be an enormous challenge for the Farc to transform its image; the guerrilla group has been portrayed by the government and the mainstream national press as an enemy of Colombia for over 50 years and has often warranted the negative coverage it has received. This goes some way to explain its opening political salvos. 'Iván Márquez' (Luciano Marín Arango), the Farc's chief negotiator in Cuba, said the Farc would seek to forge "a great

Dissident Farc front

“The war is over, tell Mauricio Babilonia that he can let loose the yellow butterflies,” ‘Iván Márquez’ said in reference to ‘Cien años de soledad’, the masterpiece of Colombia’s Nobel literature laureate Gabriel García Márquez, leading to prolonged applause from assembled journalists at a press conference during the Farc’s 10th conference. Márquez also sent a message to the Farc’s sole dissident front, ‘Armando Ríos’ Frente Primero, in the south-eastern jungle region of Guaviare, that the “doors are open to welcome them again as members of the same family”. In early July, the 200-strong Frente Primero announced that it would not disarm or demobilise after an accord was struck. The Frente Primero, which is strongly linked to the drug trade, did send a delegate to the 10th conference.

alliance of progressive democratic and revolutionary sectors to work for a new government to construct peace and national reconciliation”. Its main objective is to push for a constituent assembly to change the current balance of power. A Farc commander, ‘Carlos Antonio Lozada’ (Luis Antonio Losada), the leader of the Farc negotiating team in Cuba on the sub-commission on disarmament and demobilisation, stressed the need for “a political proposal that goes beyond the Left and reaches centre and progressive sectors”, while prioritising “working alongside communities in the country and the towns”.

Former senator Piedad Córdoba, a prominent leftist; Aida Avella, president of the Unión Patriótica (UP), the party formed by demobilised Farc guerrillas some 30 years ago during a failed peace process; and Alirio Uribe, a deputy in the lower chamber of congress for the moderate left-wing Polo Democrático Alternativo (PDA), were invited to the conference as special guests. The UP is an obvious partner for the Farc and the PDA a natural ally. The PDA distanced itself from the Farc in the past less for ideological convictions than for public credibility and because of a fundamental difference over the use of arms.

Márquez said the unanimous support for the peace accord, ratified on 23 September by Farc delegates, underpinned the guerrilla group’s “internal cohesion” (see sidebar). He said the Farc would hold a meeting within “a few months” to discuss political matters, with a founding congress for a new party by May 2017 at the latest. The Farc cannot register before the national electoral council (CNE) until the disarmament process is complete, which is scheduled to take 180 days from the signing ceremony. This would be 24 March next year.

Better the devil you know?

“The peace could create another kind of problem and we’re preparing to confront that scenario,” Ecuador’s President Rafael Correa said before leaving Quito to attend the signing ceremony. Putumayo and Nariño, the two Colombian departments bordering Ecuador, have the largest quantity of illegal coca crops, which will attract other armed groups to fill the void left by the Farc. While expressing Ecuador’s unconditional support for the peace accord, which he described as “the best news in recent decades for Latin America”, Correa predicted that “some 30% of those carrying arms will not disarm” but rather join other criminal groups. Farc guerrillas told journalists from Ecuador’s daily *El Comercio* on the margins of the group’s 10th conference that this could happen quickly.

Given Correa’s comments it was strange that, notwithstanding his government’s economic difficulties, he should also have announced that spending on border security with Colombia would be cut by 80%. Spending currently stands at US\$120m, with 10,000-11,000 troops deployed along the 700km shared border, Correa said. General Carlos Égüez, head of the joint command of Ecuador’s armed forces, said he expected the military to continue monitoring the border but these swingeing cuts are likely to reduce its presence and effectiveness.

Wagner Bravo, a former Ecuadorean military chief on the northern border, told *El Comercio* this week that now was the time to “increase vigilance on our border”, adding that “In Mexico you eliminate one cartel and 20 more appear”.

Organised armed groups (GAO) in Colombia, as the Bacrim was renamed by the Colombian government in May, see the Pacific coastal department of Nariño bordering Ecuador’s Esmeraldas province as a key drug corridor. Colombia’s attorney general, Néstor Humberto Martínez, claimed last week that “there is sufficient evidence” that Colombia’s second-largest guerrilla group, Ejército de Liberación Nacional (ELN), is intent on moving into these areas of traditional Farc influence, with pamphlets left in Tumaco, Nariño, for instance, claiming that the ELN would be taking control of the area.

Bravo expressed concern that reinsertion could prove to be a weak point of the peace accord. “If they [demobilised guerrillas] do not get education, health, productivity...things could become complicated...without a good reinsertion process, economic as well as social, people involved in violence for a long time have no option but to continue violent ways,” he said.

Sendero and Farc: not the same

Central to the peace agreement between the Colombian government and the Fuerzas Armadas Revolucionarias de Colombia (Farc) is the idea that left-wing guerrillas will hand over their weapons and take up non-violent political activity. Because of that commitment the Farc will be permitted to register as a political movement as soon as the demobilisation and disarmament process is complete in 180 days from now. But neighbouring Peru is taking a different tack. The country's national electoral council (JNE) refused a registration request this week filed by a putative political wing of the country's once powerful but significantly diminished Maoist guerrilla movement, Sendero Luminoso (SL).

The request for registration was filed by an organisation named Frente de Unidad de Defensa del Pueblo Peruano (Fudepp). This was set up by Manuel Fajardo Cavero and Alfredo Crespo, two lawyers who had in the past campaigned for the release of SL's imprisoned historic leader Abimael Guzmán. Fajardo and Crespo previously established Movimiento por la Amnistía y los Derechos Fundamentales (Movadef), widely considered to be the political wing of SL (*see sidebar*).

Fudepp wanted to register to take part in the 2018 municipal and regional elections. But the JNE ruled that Fudepp had failed to gather the necessary number of signatures supporting its registration, or to show the requisite number of party offices around the country. The JNE insisted its decision was taken independently and based purely on these technical grounds. However, Milko Ruiz, the public prosecutor for terrorism-related cases, said Fudepp's request should also be rejected because of its links to SL.

The net result is that Peru and Colombia seem to have diverged on the treatment of political movements linked to armed rebel movements. One big difference of course is that SL, which was a major force in Peru in the 1980s and 1990s, never signed a peace agreement. It suffered de facto military defeat in the years after the capture of Guzmán in 1992. Some small Sendero units are still active in the remote valley of the Apurímac, Ene and Mantaro rivers (Vraem).

In contrast the Farc in Colombia was weakened but not defeated prior to negotiating a peace settlement. Asked about these differences President Pedro Pablo Kuczynski, who attended the signing of the Farc peace accord in Cartagena de Indias on 26 September, said "When we look at what Colombia has done, we need to assess this carefully. They were two different groups. I wouldn't say what we had here was better or worse, but it was different, and each country has its rules".

Separately, Kuczynski commented on news that former SL members had built a mausoleum to their dead comrades in Comas, a district in Lima, and were using it to deliver revolutionary speeches. "The dead have a right to be buried with dignity but monuments to violence must not be built," Kuczynski responded, adding that his aim was not to re-open old wounds: "it is better to forgive and forget," he said.

Movadef released a statement accusing Kuczynski of seeking to destroy the mausoleum in order to "erase from public memory the genocide at El Frontón in 1986 [when more than 300 SL inmates were killed during a prison riot] and thus hide the black role of the state in the whole incident".

Movadef

The previous government led by president Ollanta Humala (2011-2016) made several attempts to have Movadef outlawed as a terrorist organisation – indeed, that it was no more than a 'front' for Sendero Luminoso – soon after taking office. After more than two years of trying, it claimed to have enough evidence to charge the leaders of Movadef with membership of SL and financing terrorism with revenues from drug trafficking; 34 arrests were made in April 2014, including the secretary general, Manuel Fajardo Cavero, and the assistant secretary general, Alfredo Crespo. They were released four months later for lack of evidence.

Ecuador's external public debt

In 2014 Ecuador placed US\$2bn in 10-year bonds at a yield of 7.95%. In 2015, two operations were carried out: one in May for US\$750m, to five years and offering an interest rate of 10.5%; and one two months later when the same amount was placed at the same maturity, but with a lower yield of 8.5%. Ecuador's latest bond issuance follows a similar one carried out on 25 July. According to the finance ministry, the issuing of new debt is in line with the national government's policy to diversify its funding sources and to allow it to continue making investments in support of national development.

ECUADOR | Bond issue. On 27 September Ecuador's finance ministry announced that it had successfully placed US\$1bn in sovereign bonds in the international capital markets. A ministerial statement said that the bonds had been issued to raise funds to finance the annual investment plan of this year's national budget. The bonds, which offered a return of 10.75% and mature in March 2022, were traded in the US and attracted 119 investors from North America, Europe, Asia, the Middle East and South America.

The bond issue is the second this year and the fifth since Ecuador returned to international capital markets in June 2014 (*see sidebar*). It is also the one that has offered the highest interest rate since Ecuador underwent dollarisation in 2000, indicative of the growing level of risk aversion among international investors.

With this new issuance, the aggregate amount of Ecuador's national debt now amounts to US\$37.81bn, which represents 39.2% of the country's GDP and is close to the 40% legal limit. The government led by President Rafael Correa justifies this increase in the public debt on the difficulties faced by the Ecuadorean economy mainly due to the recent sharp fall in international prices of oil – the country's main export – and the appreciation of the US dollar, which negatively affects Ecuador's other exports. In addition the Correa government has said that it needs the extra funds to finance reconstruction efforts following the strong earthquake that hit the country's northern coast on 16 April and caused over US\$3bn in damages.

PERU-BOLIVIA | Looking to double foreign tourist numbers. President Pedro Pablo Kuczynski marked World Tourism Day on 27 September by announcing that one of his new government's goals is to double the number of foreign visitors to Peru by the end of its five-year term in 2021, taking the figure from 3.5m to 7m. Kuczynski said that his government sees the upcoming summit of the Asia-Pacific Economic Cooperation (Apec) forum, to be held in Lima in November, as an opportunity for Peru to present itself as a major tourist and cultural destination. Kuczynski also emphasised that in order for Peru to achieve this objective, it is necessary to create more tourist circuits, improve the country's airports, and bolster its land transport infrastructure to improve links between tourist sites and the integration of regional tourism markets. Kuczynski proposed that 2017 be declared the 'Year of Tourism in Peru'.

According to data published on the same day by Peru's foreign trade & tourism ministry (Mincetur), arrivals of foreign visitors to the country increased by 6.8% between January and July, compared to the same period last year. The countries of origin of the majority of these visitors during this period were the US (9.7%), Chile (5.1%), Ecuador (12%), Colombia (8%) and Mexico (16.6%).

Also on 27 September, Bolivia's tourism & culture minister, Marko Machicao, revealed that between 2005 and 2015 tourism in the country rose by an annual average of 8.5%. Machicao also highlighted that domestic tourism has doubled in the last 10 years. However, Machicao said that Bolivia expects to boost foreign visitor numbers from 1.13m in 2015 to 3m by 2025. The minister said that the government plans to invest US\$400m over the next four years in tourism infrastructure and national and international promotion of the country in order to reach this objective. According to Machicao all of this is part of the government's tourism development plan, which aims to "position the country as one of the most important destinations in the region".

VENEZUELA | Demanding a fair price for crude. Venezuela's energy minister and president of the state-owned oil firm Pdvsa, Eulogio Del Pino, said this week that oil producing countries need to obtain a "fair and stable price" for crude oil in order to continue supplying it to the world. Speaking after taking part in the 15th International Energy Forum (IEF) meeting in Algiers, Algeria, between 26 and 28 September, Del Pino said that oil producing countries such as Venezuela need international oil prices to increase to US\$50-US\$60 per barrel in order to resume investments in oil production, higher than the current average price of US\$44-US\$45 per barrel. However, Del Pino noted that the past two years have been characterised by high volatility and instability in international oil markets because the price of oil is "in the hands of speculators". Del Pino said the Organization of the Petroleum Exporting Countries (Opec) urgently needed to reach an accord over production in order to take control of this situation. The IEF groups together 72 major oil producing and consumer countries that account for 90% of global oil and gas supply and demand.

White male political dominance

Figures from the electoral court (TSE), which gathered data on the race of candidates for the first time, reveal that in 45% of Brazilian cities there are only white candidates for mayor. The proportion of black candidates is 8.64% compared to 51.46% who declared themselves to be white and 39.12% who are mixed-race. In São Paulo, 10 of the 11 mayoral candidates are white and one mixed-race. Meanwhile, the proportion of female candidates fell slightly to 31.6% from a record 32.79% in 2012, when new regulations were put in place demanding that at least 30% of candidates in one party should be women.

New campaign rules come under fire

Brazilians will vote in municipal elections on 2 October, with surveys suggesting that new campaign regulations are encouraging fraud while still benefiting traditional parties and established groups, not least white male and wealthier candidates. With the same parties and candidates dominating the elections, it is expected that many Brazilians, who under law are required to vote, will protest by spoiling their ballots.

The municipal campaigns started on 16 August and a further three weeks of campaigning will continue after this Sunday's vote, until 30 October, in municipalities where a second-round vote will be held if no mayoral candidate reaches an outright majority. This year's campaign is being fought under new regulations on campaign donations approved in September last year, in light of the billion-dollar corruption scandals uncovered in state-run companies, notably the oil firm Petrobras, which saw a large amount of embezzled funds go towards financing Brazilian parties irregularly.

One crucial change has been the decision to bar private companies from making campaign donations. This, in effect, cut the budget of campaigns since personal donations to politicians – which are the only type still allowed – are extremely rare in Brazil, not least because they have to be declared in tax returns. The rule was advanced by the supreme court (STF) following ongoing police investigations revealing that a lot of the money donated by private companies to politicians was channelled through public companies – whose directorships are political appointments – via the payment of over-priced contracts.

While the rule was set in place to stop public money being irregularly redistributed to political parties, analysts suggested it would lead to undeclared financing. Indeed, the president of Brazil's electoral court (TSE), Gilmar Mendes, who as a member of the STF fought against the rule barring private companies from making campaign donations but was outvoted by his peers, declared in May that he expected an increase in financing irregularities and outright fraud in the municipal elections, claiming the new rules were "a jump in the dark".

By 21 September, the federal audit office (TCU) had found 92,276 irregularities in the 330,574 personal donations to candidates registered with the TSE, or 27.9% of the total. The figure, of course, does not take into account the money that was given to candidates irregularly without any sort of record.

Amongst the most blatant fraudulent activity uncovered so far are donations made under the name of people who are currently registered as recipients of cash handout benefits from the government under the Bolsa Família welfare programme. According to figures released by the accounting tribunal, 16,000 registered beneficiaries donated a total of R\$15.9m (US\$4.9m) to candidates, an average of almost R\$1,000 per person. To put things into perspective, the programme distributes a maximum of R\$195 per month to families whose monthly income is up to R\$170. Mendes said there were only two explanations: "either these people should not have been receiving funds from Bolsa Família or their identity cards are being used illegally".

But with politicians now forced under new regulations to declare their campaign finances and details of supposed donors every 72 hours – previously this was done only after the elections – the TSE has been able to monitor

Spoilt ballots

The political scientist Ricardo Ismael told local daily *O Globo* that Brazilian voters are finding it harder to “distinguish wheat and tares” amongst candidates in the municipal elections. According to pollster Ibope, the number of Brazilians intent on spoiling their votes has increased in comparison to previous municipal elections. In the city of Rio de Janeiro, the rate increased from 10% of respondents in September 2012 to 19% in September 2016. In the city of São Paulo, the rate increased by three percentage points to 13% and in Belo Horizonte by six points to 14%.

alleged irregularities much more efficiently. According to its latest figures the TSE found suspected irregularities amounting to R\$114m from donors whose personal donations do not match their declared income to the tax authorities.

Whether the TSE matches this speed when it comes to judging cases is a moot point. The TSE has yet to judge alleged finance irregularities during the 2014 campaign of recently impeached president Dilma Rousseff, of the Partido dos Trabalhadores (PT), and incumbent president, Michel Temer, of the Partido do Movimento Democrático Brasileiro (PMDB). The TSE is due to reach a verdict in the coming months. If found guilty, Temer would in theory have to cede the presidency to the second-placed candidate in 2014, Aécio Neves, of the Partido da Social Democracia Brasileira (PSDB), although the financing of his campaign is also suspected of similar irregularities.

Such alleged cases of irregularities and other shenanigans involving the Brazilian political elite has led to a general feeling of public disenchantment, and political commentators are expecting an increase in the number of voters choosing to spoil their ballots in protest. And with campaigns mostly being financed by federal funds, allocated to parties according to their congressional representation, candidates are forming alliances that cut across ideological lines, making it even harder for Brazilian voters to distinguish proposals and adding to the sense of disenfranchisement.

Significantly, official figures show that resources from party funds are being directed to the local constituencies of federal party chiefs in order to guarantee support for their political associates and boost their own power. This means that more party fund money is being spent on campaigns in smaller towns than in state capitals, where most of the population lives.

And with new campaign rules halving the length of campaigning to 45 days, established candidates seem to have gained an unfair advantage over new candidates with less money (according to TSE figures, 28% of candidates for mayor and municipal councillor have failed to receive any money from personal donors this year) and little time to put forward their proposals. Yet, due to the economic crisis and the resultant cut in municipal budgets, the number of candidates re-elected is expected to fall considerably, from a re-election rate of 70% in 2012.

The new campaign financing rules have also given an advantage to the richest candidates, who are not only likely to receive personal donations from friends, but can also finance their campaign themselves. According to official data, so far this year candidates have put up as much as R\$171m (US\$52m) of their own money into their campaigns, accounting for 51% of the total money – officially at least – being used this year. This compares to 24% of the total in 2012. Personal donations make up 29% of the total, while party fund money makes up almost 19% of the campaign funds declared to the TSE.

The mayoral election in São Paulo serves as an example of the consequences of the new regulations and the current state of national politicians and the economy. Candidates disputing control of Brazil’s largest city are established politicians and their coalitions are so intricate that it is very difficult to discern proposals. The leading candidate, João Doria Júnior (PSDB), is a well-known television personality from a wealthy background. He has been able to finance his campaign himself and by donations from friends. According to the latest opinion survey released by pollster DataFolha on 27 September, Doria is leading the race with 30% of voter intentions. Meanwhile, Marta Suplicy (PMDB) has seen her support fall by five percentage points to 15%. She has been vocally complaining that her campaign has been starved of money, with the party fund going to feed candidates linked to national party chiefs in small towns instead.

Peronist unity still a long way off

What happens to Argentina's Peronist movement – currently in opposition and deeply divided – matters a lot to the country's future. The immediate forecast is that the Peronist Partido Justicialista (PJ) will fail to reunite ahead of mid-term legislative elections in October 2017, and that this will give the centre-right government of President Mauricio Macri some valuable extra room for manoeuvre. Yet Peronism remains a powerful electoral force and many in it are playing the long game, focused on the next presidential race in 2019.

Signs of the times in the Argentine federal senate last week: the upper chamber was discussing a new public-private partnerships (PPP) bill, drafted by the Macri administration as part of its pro-business plans to attract a foreign investment boom. Senator Carlos Espínola of the Frente para la Victoria (FPV) faction of the PJ voted in favour, noting how it would help fund large public works, such as bridges, highways, and ports, in his home province of Corrientes.

Senator María Ester Labado, of the FPV in Santa Cruz, took a different tack. Labado said she was worried that the bill weakened the role of the state in auditing and controlling public works: although she had been planning to vote in favour, she changed her mind and voted against. Yet another FPV member, Marcelo Fuentes, from Neuquén province, was decidedly opposed. He said the bill was “a trap” giving preferential treatment to multinationals. He voted against.

In the end the bill was passed comfortably with 40 to 13 votes. But it showed how much things have changed. A year ago, the FPV was disciplined, *dirigiste*, resolutely suspicious of almost all types of foreign investment, and in power: that its members might vote different ways in the federal congress would have been hard to imagine.

Even nine months ago, after Macri's victory in the presidential elections, the FPV, as the largest block in congress, was expected to make it very difficult for him to achieve a working majority. Now, however, the government is more often than not getting the legislation it needs through both chambers of congress with relative ease.

What has happened is that the Peronist movement has fragmented in opposition more sharply than expected. The FPV continues to exist as a party somewhat separate from the official PJ structure but it has now become a much looser association. Hardline *Kirchneristas* – also known as *Cristinistas* – loyal to former president Cristina Fernández de Kirchner (2007-2015) remain within the FPV but can no longer claim the undisputed ascendancy. A case in point is the moderate FPV president of the federal senate, Miguel Ángel Pichetto, who has shown himself amenable to cooperating with the Macri administration.

Many PJ leaders have taken distance from the FPV and are seeking to develop their own alliances and policies. Separately, Sergio Massa, who broke away from the FPV in 2013 to form a dissident movement, the Frente Renovador (FR), has his own party structure.

The situation was graphically summarised this week by former (Peronist) president Eduardo Duhalde (2002-2003), who is currently not aligned with any of the disparate factions. Duhalde believes Fernández is a politically spent force because she faces multiple corruption investigations and, in opinion surveys, is rejected by up to 70% of respondents.

Macri's chance

“With Peronism disunited, governability is no longer a big issue for Argentina, and this gives extra power and advantage to President Macri,” Pablo Knopoff of consultancy Isonomía said this week. “That can change, however, if the Peronists are able to come together again”.

PJ electoral convergence

Oscar Parrilli, considered to be one of former president Cristina Fernández's closest advisers, has suggested the Frente para la Victoria (FPV, *Kirchneristas*) may look for a limited unity agreement in next year's mid term elections, perhaps only in the elections in the province of Buenos Aires.

"Peronism is now like an ant-hill that has just been kicked over," Duhalde told the local daily *La Nación*. "Everything is divided. There are no solid leaderships. It will be very difficult for it to recover in one or two years. A lot of Peronists are going to end up supporting Macri," he warned.

While this is a bleak assessment from inside the movement, Peronism has died many times before and shown an ability to rise from the ashes and rebuild itself around new leaders. But resurgence will take time. One senior Peronist figure who spoke to *Reuters* news agency on condition of anonymity said "it will be very difficult to build unity for next year. Cristina's faction will not join in." This source said, however, that next year's mid-term elections (in which one-third of the federal senate and half of the federal lower chamber of congress are up for renewal) will not be crucial: the objective is to rebuild for the 2019 presidential race.

Massa feels strong enough to say any coming together must be on his own terms. He recently said, "The Frente Renovador is going to maintain its identity, it is not going to fuse with any other force. Those who want to join us can do so. Peronist leaders can come over to our side." This confidence may stem from a recent poll by Ricardo Rouvier y Asociados, which shows that Massa is currently Argentina's highest-rated politician.

Massa was given a 52.8% approval rating in the opinion poll, followed by Macri, who scored 47%, and Fernández on 43.1%. Daniel Scioli, who stood in last year's presidential elections for the FPV, came in fourth place with 41.1%, followed in fifth by Juan Manuel Urtubey, the Peronist governor of Salta and a dissident member of the FPV, on 39.2%. Urtubey is one of the leading advocates of forging closer ties with the Macri administration in order to benefit Peronist governors in the provinces.

If the consensus is correct and the Peronist movement will fight next year's mid-terms in a continuing state of fragmentation and disunity, this will create an important window of opportunity for Macri and his centre-right Cambiemos coalition.

Unions threaten action

While the political opposition to President Macri's government has been fragmenting and losing force, the trade union opposition may be moving in the opposite direction.

The Confederación General del Trabajo (CGT), whose three main factions re-united in August, has threatened a 24-hour general strike in October – although it has not yet fixed a date. The other main union confederation, the Central de Trabajadores de la Argentina (CTA), which has two separate internal factions, led a protest march on the federal congress on 27 September, supporting wage demands by public sector workers in the Asociación de Trabajadores del Estado (ATE).

For the moment, however, there is still some negotiating to be done. The three leaders on the CGT's ruling triumvirate (Juan Carlos Schmid, Héctor Daer and Carlos Acuña) appear not to have set a date for their proposed stoppage in order to give themselves some room for manoeuvre in negotiations. Their main demand is for wage negotiations to be re-opened because of high inflation, but the government is pointing to the lower inflation number in August as a sign that the trend has changed. There may yet be some room for compromise.

Likewise CTA leaders Pablo Micheli and Hugo Yasky may not be quite ready to move from demonstrations to full strike action. A majority of CTA members are in public-sector unions, and these seem to have been less hard hit by job losses than members of unions representing private sector workers. Union leaders do not want to commit themselves fully to a strike without confirming that they can carry the rank-and-file with them.

Members of Mercosur willing to relax rules

On 22 September Uruguay's President Tabaré Vázquez maintained that there is consensus among the four founding Southern Common Market (Mercosur) countries (Argentina, Brazil, Uruguay, and Paraguay) to relax some of the bloc's internal rules in order to make it more dynamic. Specifically, Astori said that the founding members aim to change a rule requiring members to negotiate free trade agreements (FTAs) with third parties jointly. Vázquez's remarks came during his attendance of the United Nations General Assembly, where he also revealed that Uruguay would start negotiating an individual FTA with China, a process he said has been supported by the Presidents of Brazil and Paraguay.

CHILE | Poverty reduction. Chile's poverty rate, as measured by household income level, fell from 14.4% to 11.7% between 2013 and 2015, while the incidence of extreme poverty fell from 4.5% to 3.5%, according to the latest instalment of the Encuesta de Caracterización Socioeconómica Nacional (Casen) released on 22 September.

The new positive poverty reduction data was presented by the social development minister, Marcos Barraza, who said that multidimensional poverty – which considers access to things such as education, public health, labour, education, and housing – also fell from 20.4% to 19.1% during the period. Barraza argued that this showed that Chile's economic and social policies were succeeding in reducing poverty and inequality despite the current domestic economic slowdown.

Barraza's comments were echoed by President Michelle Bachelet, who is in need of a political boost having recently seen her approval rating sink to the lowest level of any head of state in Chile since the return to democracy in 1990 [WR-16-33]. Bachelet said that she was satisfied with the Casen results and stressed that "400,000 people have been lifted out of poverty", even as Chile faces a challenging international economic scenario marked by low copper prices.

However, this positive poverty reduction trend could be threatened. Due to the collapse in the price fetched by copper, of which Chile is the world's largest producer, the Bachelet administration has announced that it will present one of the country's most austere draft national budgets since 1990 to congress this year. It is expected that this tight budget will affect the government's policy of investing in education, health, and social security.

URUGUAY-PARAGUAY | Economic optimism. The finance ministers of Uruguay and Paraguay, Danilo Astori and Santiago Peña respectively, stated during a meeting in Montevideo on 27 September that they are optimistic about the current economic outlook for their respective countries. Both Astori and Peña expressed confidence that the signs of economic recovery observed in the larger economies in the Southern Common Market (Mercosur) – Argentina and Brazil – would be sustained and lead to increased growth for the whole regional trade bloc.

However, Astori said that the signs of economic recovery must be "treated with caution". Likewise, Astori insisted that both Paraguay and Uruguay maintain their "firm and convinced support for the strengthening of Mercosur". This remark could have been motivated by comments by former Uruguayan president Jorge Batlle (2000-2005) in an interview with the national daily *El Observador* on 22 September, in which he called for Uruguay to leave Mercosur so that it could negotiate bilateral trade accords to help diversify its economy to boost growth (see sidebar).

Astori's optimism echoes the comments of President Tabaré Vázquez, who maintained during an interview conducted with Uruguay's weekly *Búsqueda* on the margins of the United Nations General Assembly on 22 September that Uruguay would not sink into recession in 2016 and that were "real signs of an economic improvement". The Vázquez administration is forecasting GDP growth of 1.4% in 2016, following growth of just 1% in 2015, but Vázquez expressed confidence that it would growth would pick-up in 2017.

This optimism contrasts with the poor economic performance that the US bank JP Morgan forecasts for Uruguay, as well as for Brazil and Argentina. In a 13 September report, JP Morgan said that it now considers that Uruguay is experiencing stagflation (stagnation plus inflation) and would not register positive economic growth this year, while in 2017 it would grow by a mere 0.6%.

In addition, JP Morgan predicted that Brazil's GDP would fall by 3% this year, while Argentina would contract by 1.4%, and that both countries would grow by 1.4% and 3.4%, respectively, in 2017. Paraguay, on the other hand, is expected to post one of the highest growth rates in the region, according to JP Morgan, of between 3.5% and 4% in both years.

Future scenarios in bilateral ties with US

At this stage in the US presidential campaign it is possible that the country's bilateral relations with Mexico could face more significant changes in 2017 than at any point in the preceding 10 years. The first televised US presidential debate of the campaign, held on 26 September, highlighted this fact. The government led by President Enrique Peña Nieto is weighing up all of these possible scenarios.

One short-term impact of the debate between the US Republican presidential candidate Donald Trump and the Democratic presidential candidate Hillary Clinton this week was that the Japanese yen weakened, and the Mexican peso strengthened (by 1.5% against the US dollar) on international currency markets (*see sidebar*). In short, currency traders appear to have concluded that Clinton outperformed Trump in the debate, and to have counted that as good news for Mexico.

It is not hard to see why a Trump victory is feared south of the border, given his continuing promises to build a border wall, slap a 35% tariff on imports of Mexican automobiles, and deport millions of Mexicans from the US back to Mexico. It is, however, quite hard to predict precisely how bilateral relations are likely to evolve between the two countries, in both the eventualities of a Trump or a Clinton presidency.

Mexico is in the awkward position that it has become symbolic of the US electorate's fears and concerns over free trade and globalisation – concerns that are felt by both Republican and Democratic voters. Both US candidates now oppose the Trans-Pacific Partnership (TPP), a free trade agreement involving 12 Pacific Rim countries that includes Mexico.

Mexican officials have seen TPP as a widening and deepening of the North American Free Trade Agreement (Nafta) and a positive for the economy. They fear that Trump, probably, and Clinton, possibly, might even turn against Nafta, which they see as having been the motor for Mexican economic growth and closer integration with the US and Canada over the last two decades.

Because of this, officials and politicians are beginning to envisage scenarios in which Mexico will have to react to different kinds of protectionist moves by its northern neighbour. There is at least one precedent when Mexico took successful retaliatory measures. When Nafta came into force in 1994 US negotiators wrote in a clause delaying free trade in road haulage (allowing Mexican truckers to haul goods in the US) until 2000. In 2000, however, Washington, under pressure from its own trucking industry and the Teamsters union, refused to honour the agreement. Mexico obtained a favourable arbitration decision in 2001, but to no avail.

In 2007 the US persuaded Mexico to accept a pilot programme, allowing a limited number of Mexican truckers to drive north of the border, and to assess the impact on road safety standards. In 2009 that stopped because the US Congress withdrew funding for the programme. At that point the Mexican government lost patience and applied countervailing tariffs, consisting of duties ranging from 5% to 25% on US\$2bn worth of US exports to Mexico.

The products were chosen in a politically astute way. They included apples from Washington and Christmas trees from Oregon, the home states of two US senators who had been most critical of the cross-border

Currency strengthens

The yen is seen as a safe haven in times of turbulence, while the peso is both a proxy for emerging markets in general, and an indicator of future Mexican economic prospects in particular. “The stronger Hillary is, and the stronger the chance of her victory, the better for the peso,” said Eduardo Suarez, a trader at Bank of Nova Scotia.

Violence in Iguuala
Reports from Iguuala say that violence related to drug-trafficking and criminality has actually increased since the kidnap and presumed murder of 43 student teachers in September 2014. Homicides in Iguuala in the first seven months of this year rose to 86 (compared to 105 in 2015 as a whole).

trucking deal. Eventually, in July 2011, no fewer than 17 years after Nafta was signed, the US accepted that Mexican trucks could operate in the country as had been originally agreed.

The trucking example suggests Mexico has at least some cards to play in a future face-off. But in 2017 it could be confronting a much more serious set of hostile trade and migration measures. One of the key problems is that, as part of election campaign dynamics, the complex bilateral relationship between the two countries has been reduced to simplified and sometimes factually incorrect sound bites. The impact of Nafta on the US economy is repeatedly presented in black and white terms as a zero-sum game where the US loses and Mexico gains jobs. But many economists argue precisely the contrary – that Nafta has actually created employment in the US.

A recent article by financial analyst Conor Sen holds that since the economic crisis in 2009 Mexican migrants or US-based Hispanic workers have played a critical role in supporting US economic growth. As Sen puts it, “More Hispanics are entering their prime working years, or are too young to retire, in contrast to the shrinking labour force of white non-Hispanic Americans. Excluding Hispanics, the labour force is virtually unchanged since 2008”. The implication is that forced repatriation of up to 11m illegal immigrants could have a disastrous effect on the US economy.

Part of any Mexican response to the winds of protectionism blowing from the north would have to involve a public relations and education campaign. In some small ways, this has already begun. Mexico’s economy minister Ildefonso Guajardo Villareal has been taking a presentation to meetings with US business leaders. It shows that the US retail sale price of a 2017 Ford Fusion made in Hermosillo in the Mexican state of Sonora would rise by US\$8,000 to US\$30,253 if Trump’s 35% import tariff were imposed. Another slide says 6m US jobs depend directly on exports to Mexico.

The problem is that with both economies so closely interrelated, any trade war hurts both parties. Guajardo told the *New York Times* “If you throw obstacles at the relationship with Mexico, you would be shooting yourself in the foot”. The newspaper also quotes former foreign minister Jorge Castañeda who suggests Mexico should take a tougher line, challenging US trade moves internationally and using the US legal system to question, for example, the environmental impact assessments of Trump’s proposed frontier wall. “We should throw as many monkey wrenches into the works as possible,” Castañeda suggested. While that sentiment is understandable, it would require very advanced game theory and practice to fend off a mutually damaging trade war that could develop next year.

Second anniversary of Iguuala massacre

There were various demonstrations on 26 and 27 September to mark the second anniversary of the kidnap and presumed murder of 43 student teachers in Iguuala, Guerrero – possibly the single incident that has done most damage to the credibility of the government led by President Enrique Peña Nieto.

Opposition parties in the federal lower chamber of congress called on the government to conclude investigations into the massacre, rejecting the official version of events, described by officials as ‘la verdad histórica’ (the ‘historical truth’) as incorrect and incomplete. The government version is that municipal police and a criminal group, acting in collusion, kidnapped and killed the students, burning their bodies. But international experts reject this account on the grounds that it is not supported by the forensic evidence. Mexican activists, in turn, suspect a cover up and that there may have been further involvement by federal police and army units.

Rising up the rankings

The vote of confidence in Mexico's economy and its competitiveness by Cisco comes as the latest World Economic Forum (WEF)'s Global Competitiveness Report, released on 28 September, ranked Mexico 51st out of 138 observed countries, with an overall rating of 4.41 out of seven. Mexico's latest ranking is six places higher than in the previous WEF report and its best ranking and (rating) since the current methodology was employed in 2006. The WEF report notes that this improvement was achieved thanks to increased labour market flexibility, access to financing, and market competition deriving from the structural economic reforms.

The changing face of the PRI?

There are tentative signs that the federally ruling Partido Revolucionario Institucional (PRI) is adapting to the times. The PRI suffered several painful reverses in the gubernatorial, state legislative and municipal elections in June, none more so than the loss of governorship of Veracruz, Mexico's third largest state, for the first time since Gonzalo Vázquez Vela took office way back in 1932. This appears to have woken the PRI up to the need to root out high-level corruption in the party's ranks, or at least to be seen to be taking action. The PRI had turned a blind eye to myriad allegations of corruption by the governor of Veracruz, Javier Duarte, before the elections but, just over three months after the party's defeat in the state, it suspended Duarte, the first serving PRI governor to suffer this fate.

Duarte was suspended from the PRI on 26 September by the party's disciplinary body along with six political associates. It could well be argued that the PRI's hand was forced. Just five days earlier the federal attorney general's office (PGR) confirmed that it was investigating Duarte for illicit enrichment, embezzlement and dereliction of duty. But the PRI maintains that similar internal processes are underway into corruption allegedly committed by the outgoing governor of Chihuahua, César Duarte, and the former governor of Quintana Roo, Roberto Borge, who left office on 25 September. Both these states fell to the centre-right opposition Partido Acción Nacional (PAN), the latter in an alliance with the left-wing Partido de la Revolución Democrática (PRD), in June.

The PAN has pounced on the timing of Javier Duarte's suspension as evidence of PRI opportunism. The PAN president, Ricardo Anaya, accused the PRI of using Duarte as "a scapegoat", and having no intention of sweeping corruption out of the party. But his opposite number at the PRI, Enrique Ochoa Reza, insists that the party will cooperate fully with the PGR to enhance transparency and accountability, and take further action in the spirit of the new national anti-corruption system (SNA) created by the federal government.

TRACKING TRENDS

MEXICO | Cisco announces major investment. On 27 September Charles Robbins, the CEO of US networking hardware manufacturing firm Cisco Systems, the world's largest producer of internet connectivity equipment, announced plans to invest US\$4bn to expand the firm's operations in Mexico in the next two years. The planned investment is among the largest announced since President Enrique Peña Nieto first assumed office in 2012 and should help to stimulate domestic economic growth. The announcement was made after Robbins held a private meeting with Peña Nieto at the Los Pinos presidential residence in Mexico City.

A statement issued by Peña Nieto's office said that the decision to expand Cisco's operations in Mexico answered to the fact that the firm considers that the structural economic reforms promoted by the Mexican government have created an environment conducive to investing and conducting business in the country. Robbins said that the likes of the financial, labour, and education reforms have made Mexico more competitive and would help to develop a better-trained labour force, adding that "Mexico is rapidly becoming one of Latin America's economic success stories".

According to the statement, the expansion of Cisco's operations in Mexico will allow for the production of routers, servers, screens, and wireless access points, among other networking hardware products, in Mexico. The statement adds that this will result in the creation of 270 direct jobs and 77 indirect jobs on top of the 4,830 direct and 1,015 indirect jobs that Cisco's existing operations in Mexico's Jalisco state have already generated.

Security concerns overshadow final stretch

The attempted assassination of a senate candidate, the recent discovery of a massive arms cache, and incidents of electoral violence are fuelling security concerns ahead of the 9 October restaged presidential election (held along with partial legislative elections). It has led the interim government, led by President Jocelerme Privert, and the national police (PNd'H) to intensify security measures ahead of voting day.

On 23 September Gracia Delva, a national deputy and senate candidate for the opposition Ayiti An Aksyon (AAA) party, an ally of Parti Haïtien Tèt Kalé (PHTK), the party of former president Michel Martelly (2011-2016), survived an assassination attempt. On local media reports, the incident took place when Delva, who was running for Artibonite department, was on the way back from a meeting in Saint-Marc town and two men on a motorcycle opened fire on him. He has since told reporters that he could not identify his assailants and had not received death threats prior to the incident.

Even before the attack on Delva, the government and PNd'H had announced on 20 September that security measures would be stepped up, with the PNd'H to deploy specialised units to support administrative police officials. The announcement came after incidents of electoral violence took place over the 17-18 September weekend in the communes of Gonaïves and Cap-Haïtien, mainly targeting Maryse Narcisse, the candidate of Fanmi Lavalas (FL), the party of populist former president Jean-Bertrand Aristide (1991; 1994-1996; 2001-2004). This violence was condemned by the provisional electoral council (CEP) and Prime Minister Enex Jean-Charles in separate statements released on 18 and 19 September respectively. Since then, over the following (24-25 September) weekend, Jean Charles Moïse of Petit Dessalines (PD) party denounced attacks against his party's members which took place in Miragoane and Cerca la Source communes, which left seven people injured.

Further fanning these security concerns, on 8 September the local authorities seized some 200 long firearms, including assault rifles and shotguns reportedly coming from the US. Human-rights groups like the Réseau National de Défense des Droits Humains (Rnndh) described the situation as "extremely serious and worrying". Also raising alarm bells were politicians such as Senator Dieupie Chérubin of the Konvansyon Inite Demokratik (KID) and AAA senator Youri Latortue who both called for an investigation, describing the cache as "anomalous", while the presidential candidate for the opposition Renmen Haïti party, Jean Henry Céant, said the objective behind it was clearly to prevent the elections from taking place.

Manifestos

On 22 September a local civil-society group l'Observatoire Citoyen pour l'Institutionnalisation de la Démocratie (OCID) released a report on the manifestos of the leading presidential candidates, many of whom identify poverty and unemployment as the country's most serious problems. The most recent (September 2016) World Bank report notes that Haiti remains the poorest country in the Americas and one of the poorest in the world (with a GDP per capita of US\$846 in 2014). It cites figures from the latest (2012) household survey, which show that more than 6m out of 10.4m Haitians (59%) live under the national poverty line of US\$2.42 per day and over 2.5m (24%) live under the national extreme poverty line of US\$1.23 per day. With few recent unemployment figures, the French embassy in Haiti puts the unemployment rate at 27% although it notes that over two-thirds of the population are affected by unemployment or underemployment.

Arms embargo

In 1991 the US imposed an arms embargo on Haiti after former president Jean-Bertrand Aristide (1991; 1994-1996; 2001-2004) was ejected in a military coup d'état. Since then, in 2006, the embargo has been relaxed to allow shipments of arms and related materials to Haitian security units as designated by the Haitian government in coordination with the US government.

Criticism of US move

In a 22 September statement the US-based Institute for Justice & Democracy in Haiti (IJDH) expressed its “outrage” regarding the US government’s decision to resume deportations of Haitian nationals. It dismissed the claim by US Secretary of Homeland Security Jeh Johnson that the situation in Haiti had improved as “completely inaccurate, unsupported by any economic or political facts, and [flying] in the face of Haiti’s cholera epidemic”. The IJDH statement goes on to note that “on the contrary, Haiti is unable to receive, house, feed, or employ additional numbers. Resuming removals now will add to Haiti’s troubles and threatens to further destabilise the nation, which is in the midst of a political crisis”.

As regards the current frontrunner Jovenel Moïse (PHTK), who won the October 2015 first-round (subsequently annulled amid widespread allegations of fraud), OCID notes his manifesto comprises four planks: agriculture, tourism, construction & infrastructure, and entrepreneurship. In terms of agriculture, Moïse is proposing the construction of irrigation dams; 10 areas of agriculture production exclusively for export; 570 greenhouses in local areas; and to boost employment in the sector. His tourism-related proposals include plans to promote ecotourism and hotel construction, thereby stimulating employment in the sector. As regards construction & infrastructure, his proposals include the creation of a national construction authority, grouping state institutions like the Interministerial Committee for Regional Development (CIAT), the National Cadastre Office (ONACA), and the Unit for Housing and Public Building Construction (UCLBP); and a ministerial conference to take place every three months on juridical security of property. In terms of entrepreneurship, he urges the need to improve the investment climate through strengthening the rule of law and other measures. (In the most recent [October 2015] World Bank’s ‘Doing Business’ index Haiti ranks 182 out of 189 economies worldwide, down from 179 the previous year).

While commending the relevance of Moïse’s declared priorities, the OCID report highlights as a weakness his omission of how to tackle urban insecurity, noting that the homicide rate has doubled from 5.1 per 100,000 inhabitants in 2007 to 10.2 in 2012.

Moïse’s main rival, Jude Célestin, of the Ligue Alternative Pour le Progrès et l’Emancipation Haïtienne (Lapeh) party, (who in the annulled October 2015 vote came second with 25.29% to 32.76% for Moïse) is proposing similar priorities – the need to tackle poverty along with strengthening institutions and addressing public corruption. He is proposing a five-plank programme. 1) institutional overhaul and promotion of decentralisation; 2) strengthening the economy through measures like creating a national development bank; revisiting the investment code; improving access to business insurance and improving energy coverage; 3) a more inclusive society and poverty eradication (through improving education; health coverage and coverage of potable water among other things); 4) eradicating corruption; and 5) implementing a new foreign policy based on respect for sovereignty, peace, and non-interference in other countries – to focus on economic development. Like Moïse, OCID also commends Célestin for addressing relevant priorities. In terms of his weaknesses, the civil-society group criticises the vagueness of some of his proposals and flags up his weak presence in the incoming legislature: Lapeh is likely to have little more than a handful of seats in the 30-member upper house and newly expanded 118-member lower chamber, suggesting Célestin could struggle to implement his legislative agenda.

Setback from the US

On 22 September the US government ordered (with immediate effect) the lifting of a six-year moratorium on deportations of Haitian nationals, imposed following the devastating January 2010 earthquake. In 2011 the US Immigration and Customs Enforcement (ICE) announced the resumption of removals on a limited basis of Haitians convicted of serious crimes, or who posed a threat to US national security. In a 22 September statement, US Secretary of Homeland Security Jeh Johnson said that “since that time, the situation in Haiti has improved sufficiently to permit the US government to remove Haitian nationals on a more regular basis, consistent with the practice for nationals from other nations”. Haitian nationals currently covered by Temporary Protected Status (TPS), a US immigration benefit granted to tens of thousands a day after the earthquake, are not affected by the policy change. Local and foreign human-rights groups, such as the US-based Institute for Justice & Democracy in Haiti (IJDH), slammed the move by the US administration, which rejected the CEP’s decision to cancel and restage last year’s presidential election (*see sidebar*).

POSTSCRIPT

Quotes of the week

“The horrible night of violence that has covered us with its shadow for more than half a century is over.”

Colombia's President Juan Manuel Santos.

“Thirty years ago peace escaped us because hope was killed. Today a new more advanced process emerges, we hope the government complies with it and above all respects the lives of the people who lay down their arms.”

Aida Avella, president of the Unión Patriótica (UP), the party formed by demobilised Farc guerrillas some 30 years ago during a failed peace process many of whose members were massacred by paramilitaries.

“Let's not hear them say there is no time for a recall referendum. Here those running out of time are the Venezuelan people.”

Venezuela's opposition figurehead Henrique Capriles Radonski.

Gearing up for life after Correa

Ecuador's ruling Alianza País (AP) will select its next presidential candidate during a party convention in Quito on 1 October. With just five months to go until presidential and legislative elections next February, this will be the moment when the political opposition finally accepts that President Rafael Correa is not going to find a way to stand for re-election after all. The field has been narrowed down to four, with two clear favourites: current vice-president Jorge Glas and former vice-president Lenín Moreno (2007-2013). Correa himself has refrained from expressing a preference.

Moreno, who is currently serving as the United Nations Special Envoy on Disability and Accessibility, is the most popular AP candidate, according to opinion surveys followed by Glas. The other aspirants are Gabriela Rivadeneira, the youthful president of the national assembly, and the defence minister, Ricardo Patiño, a party stalwart who has served in every senior cabinet position under President Correa. Speaking at a party rally alongside Glas this week, Moreno extolled the achievements of the Correa administration in the social arena, reducing poverty, improving public health and education, and in advancing technological innovation.

Some 90 mayors and district councillors from 10 provinces last week expressed their support for Moreno as the AP presidential candidate on a joint ticket with Glas. The AP secretary for political action, Óscar Bonilla, said this week that Moreno and Glas would be the two candidates on the AP presidential slate as this is what 1,457 AP “ideological conferences” had supported.

Bonilla also said that AP candidates for the legislative elections would be chosen within the next two weeks. Among these could be two ministers who resigned from the cabinet for “personal reasons” last week: Walter Solís, the transport and public works minister; and Rafael Poveda, the coordinating minister of strategic sectors. Correa replaced Solís, who had assumed the position in June 2015, with his deputy, Boris Córdova, who has previously served as urban development and housing minister. Augusto Espín Tobar, the information and communications minister, picked up Poveda's portfolio. Espín was replaced by Ligia Álava, his deputy.

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