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## CONTENTS

<b>LEADER</b>	<b>1</b>
Maduro readies constituent assembly, ignoring fraud allegations	
<b>COLOMBIA</b>	<b>5</b>
Judiciary delivers landmark conviction	
<b>PERU</b>	<b>6</b>
Kuczynski conducts mini cabinet reshuffle	
TRACKING TRENDS	
<b>BRAZIL &amp; SOUTHERN CONE</b>	
<b>BRAZIL</b>	<b>7</b>
Army sent in to Rio (again)	
<b>BRAZIL</b>	<b>8</b>
Temer dodges the bullet	
<b>ARGENTINA</b>	<b>9</b>
Macri faces threat of Kirchnerista comeback	
<b>CHILE</b>	<b>10</b>
Crisis in Christian Democrats	
TRACKING TRENDS	
<b>MEXICO &amp; NAFTA</b>	
<b>MEXICO</b>	<b>12</b>
Still at cross-purposes?	
<b>MEXICO</b>	<b>12</b>
López Obrador accuses PRIAN of skulduggery	
TRACKING TRENDS	
<b>CENTRAL AMERICA &amp; CARIBBEAN</b>	
<b>HONDURAS</b>	<b>14</b>
Doubts surround electoral process	
TRACKING TRENDS	
<b>POSTSCRIPT</b>	<b>16</b>
Eduardo Crawley	
Quotes of the week	

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## Maduro readies constituent assembly, ignoring fraud allegations

**“It’s not the people who vote that count; it’s the people who count the votes,”** is a quote long attributed to Joseph Stalin, to whom Venezuela’s President Nicolás Maduro once compared himself favourably. “Look at the moustache and all,” he quipped at a book fair in March 2015. More recently, Maduro has been compared to Stalin for much more sinister reasons, with his military-backed government appearing to be on the brink of all out conflict with its own citizens. And Stalin’s purported quote never appeared more apt after the company in charge of the electronic vote for Maduro’s new constituent assembly, for which heavily gerrymandered and opposition-boycotted elections were held on 30 July, said the count had been tampered with, to the tune of at least 1m votes. Luis Almagro, secretary general of the Organization of American States (OAS), tweeted that “the biggest electoral fraud in the history of Latin America, in percentage terms and millions of voters, has been confirmed”. Then the US warned of a menu of progressively harsher sanctions, and said it would not accept a ‘parallel government’ in the form of an irregular and illegal constituent assembly.

In Latin America, only a handful of Venezuela’s regional left-wing allies, including the likes of Nicaragua and Bolivia, have recognised the elections for the new constituent assembly, which will usurp the powers of the democratically elected, and opposition-controlled, national assembly. Almagro has called for a special session of the OAS permanent committee to discuss the alleged electoral fraud in Venezuela, citing violation of Article 3 of the Inter American Democratic Charter.

The US, Canada and the European Union (EU) have all stated that they will not recognise the constituent assembly. The position of China and Russia, Venezuela’s principal strategic allies, is a little more nuanced. Russia in particular may be hoping to benefit from the constituent assembly’s broad powers, in the form of an increased presence in the Venezuelan oil and gas sector (*see below*).

While delaying the start of the constituent assembly by a day to 4 August, President Maduro appeared determined to go ahead with it despite international condemnation. The government rejected as groundless the allegations of fraud in the vote count and threatened legal action against the company in question, Smartmatic, the Venezuelan-founded voting firm in charge of the electronic count.

The national electoral council (CNE), led by Tibisay Lucena, reported a record turnout of almost 8.1m voters for the election. Indeed, it was, according to Lucena, the second largest pro-government vote ever; the late

## Rubio moots international sanctions

The US Republican Senator Marco Rubio (Florida) said on 2 August that the White House was readying a full menu of sanctions for Venezuela. “You can expect that every time Maduro does something outrageous, the White House will respond with additional sanctions,” Rubio said. “For every action, there will be a strong reaction, and the great news is other countries are going to join us,” he added. The EU, however, has not yet signalled an appetite for sanctions.

president Hugo Chávez was re-elected on a record turnout of 8.1m in December 2012 (succumbing to cancer three months later). Critically, that was also above the reported 7.3m turnout for the opposition’s informal national plebiscite held on 16 July, in which the vast majority rejected the constituent assembly and demanded an early general election.

The opposition, by contrast, put the day’s turnout at between 3.5m and 4m at most, citing independent exit polls. Based on an analysis of CNE internal documents to which it reported having secured access, *Reuters* on 1 August reported that 3.7m votes had been cast by 5:30 pm on Sunday, 90 minutes before the polling stations officially closed at 7pm (although some stations were left open for longer on CNE orders). Based on that analysis, it appeared very unlikely that over 4m votes were cast in the final 90 minutes.

But the *Reuters* report – which the government ignored – paled in comparison to a subsequent statement on 2 August by Smartmatic. From London, the company’s CEO and director, Antonio Múgica, gave a press conference in which he said the company had serious concerns about count tampering.

In a statement on its website, the company said that “we know, without any doubt, that the turn out of the recent election for a National Constituent Assembly was manipulated. The automated election system used in Venezuela is tamper evident and self-reports any attempt to interfere with it. This means that the system is designed to protect the votes from any manipulation and to immediately identify and alert of such an attempt. This security feature is achieved by combining a series of auditing mechanisms, intrinsic to the system, that are impossible to circumvent,” the statement noted. However, it continued, while this automated election system is designed to make it evident when results are manipulated, “there must be people auditing the system and watching for that evidence”. During the assembly elections, however, “there were no auditors from the opposition parties as they did not want to participate”, it noted.

“Furthermore, the total sum of all election returns must coincide with the final results published by the National Elections Council. This auditing mechanism allows all parties involved to prevent any type of manipulation in the transmission, tallying and publication of election night reports. This protocol has been followed in all Venezuelan elections since 2004, except for the election last Sunday,” the statement continued. As such, Smartmatic said that it could not endorse the result. It said that it estimated a difference between the actual participation and the one announced by authorities of at least 1m votes. “It is important to point out that this would not have occurred if the auditors of all political parties had been present at the different stages of the election,” the company statement noted.

The Venezuelan opposition chose to ignore Smartmatic’s somewhat pointed remarks about its failure to participate in the process, instead focusing on the alleged discrepancy in turnout, pointing out that the CNE had waived many of its usual procedures and safeguards, to the point that voters might potentially have been able to vote up to three times. Smartmatic itself in its statement failed to make clear whether it believed that people had voted multiple times, or whether officials had interfered with and rigged the final count.

Lucena immediately rejected Smartmatic’s claims as “irresponsible” and threatened legal action. Smartmatic had only provided “certain services and technical support, which did not determine the result”, she noted in an official statement. Lucena added that the allegations should be viewed within a “context of permanent aggression” against the constituent assembly process. She alleged “an unprecedented state of siege” against her institution.

## **Arreaza promoted**

President Maduro has appointed his higher education minister Jorge

Arreaza to replace Samuel Moncada as foreign minister.

Arreaza, formerly vice president, is married to Rosa Virginia Chávez, the eldest daughter of the late president Hugo Chávez.

## **Next steps**

Maduro's delay in convening the constituent assembly may have less to do with the international rejection of it than internal wrangling as to who will control it. In the running to head the assembly are Delcy Rodríguez, who until recently served as foreign minister; Cilia Flores, Maduro's wife and First Lady; and Diosdado Cabello, the number two in the ruling Partido Socialista Unido de Venezuela (PSUV).

Cabello, who has held various senior cabinet (and other) positions in government since 1999 (and was temporarily president during the 2002 coup against Chávez), was head of the national assembly between 2012 and 2016. Flores, a lawyer, is a powerful figure in the PSUV in her own right, and also led the national assembly between 2006 and 2011. She did a stint as the country's attorney general (2012-2013). Rodríguez is sister of the powerful PSUV mayor of the Caracas municipality of Libertador, Jorge Rodríguez, who is also the party's chief electoral strategist. They were both involved in the recent release to house arrest of opposition leader Leopoldo López.

The release of López was rescinded on supreme court orders in the wake of the constituent assembly election. López and his fellow opposition colleague Antonio Ledezma (former mayor of Caracas) were seized late at night by Venezuelan intelligence officers and are back in the Ramo Verde military prison outside Caracas. That move by the Venezuelan authorities provoked particular ire, with US President Donald Trump warning Maduro that the US would hold him directly responsible for their safety.

Cabello is thought to be less beholden to Cuba than Maduro. Despite long rumours that he leads a military-run drug trafficking network – El Cartel de los Soles – Cabello has never been sanctioned by the US government. Even Maduro himself has now been sanctioned by the US – for proceeding with “illegitimate elections” for the constituent assembly.

While there are huge fears over what Cabello might have in store for Venezuela if he secures control of the constituent assembly (the chief one being consolidation of a military-run narco state), another line of thought has it that an assembly steered by Cabello might be well placed to negotiate a political transition in the country.

As part of this, there is some speculation that Cabello might be able to push the deeply unpopular Maduro out of the presidency, making a gesture to the opposition and the international community, while leaving the PSUV in office until the scheduled general election in December 2018, and allowing for a period of transition talks until then. Certainly, Cabello might then be in a position to negotiate down the ‘exit costs’ for his faction (and its allegedly criminal actors). For now, and until Maduro convenes the assembly this is just one of the various theories doing the rounds.

## **Plans for the constituent assembly**

The new assembly will have almost unlimited powers. Venezuela's ambassador to Cuba, Alí Rodríguez Araque, said at a Havana press conference on 1 August that the constituent assembly would initially concentrate on taking “urgent decisions” in an attempt to resolve Venezuela's profound economic crisis. While the Venezuelan public endures increasingly desperate economic conditions on the ground, foremost on the Maduro administration's list of priorities is to avoid a debt default, prompting detractors to argue that for all the revolutionary rhetoric emanating from Caracas the Washington Consensus has ultimately prevailed.

Maduro has hinted that the government intends to use the constituent assembly to look for fresh financing for the crippled oil sector in particular.

## Argentine reaction

Argentina's foreign minister Jorge Faurie said that the staging of the constituent assembly elections pointed towards "the perpetuation of the current Venezuelan government in power and not to the holding of [presidential] elections as scheduled in 2018". But Faurie rejected withdrawing Argentina's ambassador from Caracas on the grounds that it was necessary to have an interlocutor in situ to keep abreast of developments and remain in contact with the political opposition. He also ruled out "tougher sanctions [which] always affect the general public".

The assembly will be empowered to rewrite or amend the constitution in order to alter rules on joint oil ventures (so as to allow for more foreign participation, for example), change tax and royalty regimes, and refinance and/or issue additional public debt.

Alternatively, the assembly could go the other way and seek to nationalise even more of the energy sector, potentially including the gas sector (in which foreign majors like Italy's ENI and Spain's Repsol have a strong presence), as well as intervening further in the local private sector in support of the plans for a Cuban-style centrally planned economy (even as Cuba itself has moved away from that model).

The consensus opinion, however, is that most foreign governments are unlikely to recognise the laws eventually approved by an un-recognised constituent assembly. Financial investors, including even China, look set to remain very wary, as Venezuela becomes a pariah state on international capital markets.

Russia, on the other hand, appears more interested. According to a widely cited recent *Reuters* report, Russia's Rosneft has been seeking to swap its recently acquired stake in Citgo, the US-based refiner that it now owns in conjunction with Venezuela's state-owned oil company Pdvsa (having taken 49% of Citgo in late 2016 as collateral for a loan to the cash-strapped Venezuelan oil operator), for additional stakes instead in Pdvsa oil and gas fields on the ground in Venezuela.

This possibility has given risen to warnings by some conservative US commentators that US sanctions risk pushing Maduro even further into Russia's orbit, allowing Moscow once again to build up a strategic presence in the Caribbean (Cuba, also under pressure from the US, is likewise turning anew to Russia).

## The military question

There is one critical question remaining: the stance assumed by the Venezuelan military. For now, the military leadership, deeply entrenched in government, appears fully committed to Maduro. Immediately after the constituent assembly elections, the defence minister and head of the armed forces, General Vladimir Padrino López, reiterated the unswerving loyalty of the armed forces to Maduro and expressed full support for the constituent assembly as the way forward for Venezuela.

## Regional reaction

The overwhelming reaction of Latin American governments to the constituent assembly elections was rejection and censure of the rupture of constitutional order in Venezuela. The Peruvian government was one of the first to react. "This election violates the Venezuelan constitution and contravenes the sovereign will of the people, represented in the national assembly," Peru's foreign ministry said in a statement. It called for a meeting of Latin American foreign ministers in Lima on 8 August to analyse the latest blow against democracy and drift towards dictatorship in Venezuela. The statement concluded by demanding that the Venezuelan government promptly begin a "genuine national dialogue process that allows the restoration of democratic order".

The Argentine foreign ministry urged the Maduro administration to "respect the popular will which was mostly contrary to this election which only seeks to ensure the survival of the current regime". In the wake of the elections, Argentina's foreign minister Jorge Faurie said that the Southern Common Market (Mercosur) was "not far away from applying the [bloc's] democracy clause" against Venezuela. But while Argentina's Mercosur partners Brazil and Paraguay share this objective Uruguay is still vacillating. Uruguay's foreign minister Rodolfo Nin Novoa released a statement saying that his government had "permanently sought a peaceful solution through dialogue [in Venezuela]", and urged the Maduro administration to "establish a channel of understanding and dialogue with Venezuelan society".



**Peace****commissioner to  
abandon post**

On 3 July President Juan Manuel Santos announced that the high commissioner for peace, Sergio Jaramillo, will leave his post to become the new ambassador to Belgium and the European Union. Santos explained that Jaramillo, who he appointed as peace commissioner in 2012, had asked him for time off from the demanding post. “He told me that he wanted to stop for a bit and leave the peace commissioner post. I told him that he can’t stop, that he can leave the post but must continue fighting for peace in Brussels,” Santos said. Santos then announced that Colombia’s current ambassador to Brussels, Rodrigo Rivera, would replace Jaramillo, after the latter returns from “a much-deserved holiday”.

**Judiciary delivers landmark conviction**

Businessman Enrique Ghisays Manzur became the first person to be convicted to prison in relation to the major government corruption case centred around Brazilian engineering firm Odebrecht this week. Ghisays’s conviction is significant as it confirms that crimes were committed in Colombia as part of the Odebrecht international corruption scheme, which paves the way for the sentencing of other individuals implicated in the case. Given the complexity of the corruption scheme revolving around Odebrecht, the case will have far-reaching political implications.

Ghisays was convicted by the seventh specialised court of Bogotá on 31 July for the charges of money laundering and illicit enrichment presented against him by Colombia’s attorney general’s office. Prosecutors investigating the Odebrecht corruption scheme – which involved the payment of bribes by the firm to government officials in various countries in exchange for government contracts, as well as the irregular financing of electoral campaigns of prominent politicians – found evidence that Ghisays and his brother, Eduardo, had provided bank accounts registered to them to process the payment of a US\$6.5m bribe that Odebrecht paid to the former head of Colombia’s now defunct national concessions institute (Inco) and deputy transport minister Gabriel García Morales (2009-2010), for securing the concession for the Ruta del Sol II highway project.

According to the indictment presented by prosecutors, the Ghisays brothers pocketed US\$750,000 for helping to launder the bribe by claiming that it was part of a financial operation carried out by their firm, Lurion Trading. The evidence presented by prosecutors was sufficient to convince the court that Enrique, who was arrested in May along with his brother, had conspired to hide the true provenance of the money while fully aware of its “illicit nature”, for which he was handed down a seven-year prison sentence. Following the conviction, the attorney general’s office said that this would help expedite the prosecution of other individuals involved in the case already in custody. This would include not only Eduardo Ghisays but also the likes of former senator Otto Nicolás Bula Bula (2000-2002); Juan Sebastián Correa, the former adviser to the national infrastructure agency (ANI), which replaced Inco in 2011; and García.

The attorney general’s office also said that based on the conviction it will be able to present new charges against other individuals suspected of involvement in the case, including Senators Bernardo ‘El Ñoño’ Elías, Musa Besaile, Antonio Guerra de la Espriella, Plinio Olano Becerra, and Deputy Ciro Rodríguez. However, the immediate focus of attention now is García, who has already admitted to receiving bribes from Odebrecht. This after the Colombian press reported on 2 August that he had struck a plea-bargaining deal with prosecutors, under which he agreed to provide information about the involvement of former government officials and legislators in the Odebrecht corruption scheme and sit as a witness in any trials deriving from it.

This has sparked intense speculation in Colombia over other former or even incumbent government officials who might be implicated in the Odebrecht corruption scheme. Providing a strong indication that the Odebrecht probe could still affect prominent public officials, on 28 July the attorney general’s office announced that it had gathered sufficient evidence to present formal charges of improper conduct against the incumbent head of the ANI, Luis Fernando Andrade, in relation to the awarding of the Ruta del Sol II contract to Odebrecht, which was actually signed off under Andrade’s watch in 2014. Andrade, who must now attend court to hear the charges against him, is the highest-ranking current government official to be prosecuted as part of the Odebrecht case so far.

## Kuczynski conducts mini cabinet reshuffle

President Pedro Pablo Kuczynski announced a small cabinet reshuffle on 27 July, appointing Cayetana Aljovín Gazzani as the new energy and mines minister to replace Gonzalo Tamayo Flores. Aljovín was moved across from her previous position as minister for development and social inclusion. A former journalist and businesswoman, Aljovín is charged with reviving private sector mining investment which on current trends appears set to fall again in 2017, for the fourth straight year.

Aljovín also takes over responsibility for the oil and gas sector and, in particular, for the state oil company Petroperú which faces restructuring as it works to complete a major US\$5bn upgrade at the Talara refinery in northern Peru. Petroperú has also just completed repair work on the north Peruvian oil pipeline, which was closed for around a year.

Luis Marchese, president of the private sector industry lobby Sociedad Nacional de Minería, Petróleo y Energía (SNMPE), welcomed the appointment, describing the new minister as “a very prestigious professional” with strong leadership skills.

Fiorella Molinelli, a former deputy transport minister, takes over from Aljovín at the ministry for development and social inclusion. In a separate appointment congresswoman Ana María Choquehuanca, from the ruling Peruanos Por el Kambio (PPK) party, becomes the new minister for women, replacing Ana María Romero-Lozada.

### TRACKING TRENDS

**PERU | Doe Run.** The third attempt to auction off the assets of the metallurgic mining complex at La Oroya in Junín region has fallen through due to a lack of interested parties, Peru’s energy and mines ministry announced last week. Activities at the complex were shut down in 2009 after its previous owners, the local subsidiary of US firm The Doe Run Resources Corporation, filed for bankruptcy in response to a US\$163m fine issued by the Peruvian government against it for breaching environmental regulations at the La Oroya complex. The mining operation was the primary source of income and employment in the town of La Oroya, and since its closure locals have been pressuring the authorities to reopen it.

President Pedro Pablo Kuczynski laid out plans last year to reopen La Oroya by announcing an auction of the complex and its operating concession to potential investors. However, this plan appears to have failed as all three auctions failed to receive bids (*see sidebar*).

**COLOMBIA | Interest rate cut.** Colombia’s central bank (Banrep) has reduced its benchmark interest rate by 25 basis points to 5.5%. In a statement, Banrep explained that the interest rate cut had been implemented due to the “growing weakness of economic activity” and the risk of a future slowdown of the domestic economy. Official figures show that Colombia’s inflation rate is still above Banrep’s target of 3%, notwithstanding that it appears to be decreasing. In June, annual inflation stood at 3.99%, while the average measurement of core inflation was 5.09%.

The fall in the oil price was also cited as a primary motivation for the interest rate cut by Banrep. The bank confirmed that the projected price of oil for the rest of 2017 has been reduced (though it remains higher than the 2016 average), and external demand remains low.

Meanwhile, the latest figures published by the national statistics department (Dane) on 27 July pointed to a reduction in unemployment in June to 8.7%, which translates into a record high figure of 22.8m people employed after 552,000 people found employment in the month.

### La Oroya auction

The failed auction is a setback for the Kuczynski government and the La Oroya community. The energy and mines ministry said that the authorities would now have to evaluate the factors which failed to raise interest in the La Oroya complex with the mine’s creditors, during a meeting due to take place this month, to discuss the next steps to take to achieve their shared objective of selling the mine to investors. The national daily *El Comercio*, however, reported that the current administrator of the La Oroya complex, Pablo Peschiera, has said that the next step would be the “liquidation” of the mine, but that the government had been presented with a request to extend the period in which to try and sell it by another year.

**Army sent in to Rio (again)****Baby shot in womb**

Local and international media have focused on the case of Arthur Cosme, a baby who was shot inside his mother's womb, as emblematic of the spread of violence in Rio de Janeiro. A stray bullet in a Rio favela hit the baby's mother, Claudineia dos Santos Melo, on 30 June, when she was nine months pregnant. Doctors then conducted an emergency caesarean section delivery, only to find that the baby had died, as the bullet had caused severe injuries to his lungs and spine. He was buried at the end of July. Perhaps also emblematic was the fact that according to the Rio police a suspected thief and drug trafficker, captured on 1 August and known as André Cotó, is considered to be responsible, among other robberies, for breaking into Governor Pezão's apartment last May and taking computers and other items of value.

**On 28 July the federal government announced it was sending in just over 10,000 extra security personnel to combat crime and violence in the city of Rio de Janeiro. Defence Minister Raul Jungmann said the reinforcements consist of 8,500 members of the armed forces, 620 members of the elite national security force, and 1,120 officers of the federal highway police.**

Ever since hosting the Summer Olympic Games last year, Rio has been struggling with a combined economic and crime crisis. To try and control the security situation the federal and state government set up an operation known as 'O Rio Quer Segurança e Paz' ('Rio wants Peace and Security'). The latest deployments form part of a second phase – a total of 1,500 law enforcement staff had already been sent in during the first phase. After signing a decree authorising the new deployment, President Michel Temer said it was made necessary by the public security crisis. "The purpose of the mission is to defend the integrity of the population, preserve public order, and ensure the functioning of institutions," he said. Luiz Fernando Pezão, the governor of Rio state, welcomed the mission as an example of "integration" between the state and federal authorities.

The operation is in fact the second big crackdown in Rio in recent years. The first came in 2014/2015 and was envisaged as a way of making the city more secure ahead of the Olympics. The focus back then was on moving security forces right in to the favelas (shanty towns) where drug-trafficking organisations had established no-go areas. This time, however, Jungmann says there will be less emphasis on occupation. He suggested that occupying territory had proved to be a mistaken strategy, bogging the security forces down in a pattern of long stays and patrols. Instead, the focus will be on intelligence. "This operation aims to use intelligence to reach organised crime – its command chains and methods – to reduce its operational capacity and strike at it," he said.

The reality is that Rio seems to have experienced a succession of hard-line policing initiatives that have failed to deliver the desired results. A big part of the problem lies with the police itself. Earlier initiatives had relied on what are called UPPs (Unidade de Polícia Pacificadora, or police pacification units). The UPPs date back to 2008, when the strategy was to enter the favelas with an initial show of force, but then to leave behind a UPP presence which would develop good community relations and support social programmes. It had some successes, and was credited with a 65% reduction in the homicide rate between 2009 and 2014. But by 2015 the homicide rate had pushed up again to pre-UPP levels.

Some analysts say the problem was that because of poor training the quality and professionalism of UPP officers deteriorated. Rio's police have often been accused of brutality and of disregarding human rights. In March this year two UPP officers were recorded on video executing two suspects. There have been reports implicating the Rio police in a wide number of suspected extra-judicial executions. Robert Muggah of the Instituto Igarapé, a Brazilian think tank, says "police can secure territory and develop better relations with communities, but that's only the first essential step. What must also happen is a sustained investment in social and economic services".

The economic crisis is clearly not helping. Rio came to the edge of bankruptcy last year, declaring a state of calamity and imposing an austerity programme that has cut back funding for a wide range of services and reduced the purchasing power of public sector employees, including the

## Pension reform

The national daily *O Estado de São Paulo* pointed out that the 227 deputies who voted against President Temer on the corruption issue represent 44% of the federal lower chamber, which is numerically big enough to block pension reform. This suggests that Temer is likely to have to negotiate a watered down version of the reform.

police. Previously agreed police salary increases have been frozen, and overtime pay has been curtailed. A total of 90 police officers have been shot dead in the state of Rio de Janeiro since the beginning of this year; other violent clashes have also been increasing. Local media now report the city is witnessing an average of 15 shooting incidents every day, while cargo theft from trucks is up by 21% on year-earlier levels.

## BRAZIL | POLITICS

### Temer dodges the bullet

President Michel Temer is not going to be dismissed from office on corruption charges – at least not this time. In another high-profile, all-day session on 2 August the federal lower chamber of deputies voted 263 to 227 to block a motion to lift Temer’s immunity from prosecution on charges of “passive corruption” brought by prosecutor general Rodrigo Janot. To succeed, those seeking to oust the President needed 342 votes – a two-thirds majority of the lower chamber. They fell short. But while Temer survives to fight another day it would seem his problems are far from over.

President Temer hailed the congressional vote as a “clear and incontestable” decision, and as a victory for the rule of law. He denies the charges brought by Janot that he is guilty of passive corruption, which include condoning bribery payments made by meat-packing company JBS. After the vote Temer said that he would press on with his government’s programme of economic reforms, designed to engineer an end to the longest economic recession experienced in recent Brazilian history.

Yet there are strong reasons to conclude that Temer will remain under pressure for some time to come. Janot’s strategy has been based on attrition: he is expected to bring not one but a variety of charges against the President. More charges (possibly including obstruction of justice and illicit association) may yet be filed, requiring new congressional votes on whether or not to lift Temer’s immunity. The idea is that successive votes will gradually erode Temer’s base of support. With many of the players in Brazil’s long-running corruption saga signing plea-bargaining deals, it is also possible that new allegations may emerge.

The financial markets appeared to welcome the outcome with the Real and São Paulo stock exchange (Bovespa) both strengthening. But it is also possible to read the vote as a somewhat ominous sign over the government’s ability to tackle its next big challenge – pension reform. While Temer needs only one-third of the lower chamber to protect him from prosecution, he must be able to rally two-thirds of both chambers of congress in order to get a constitutional amendment reforming the pension system approved.

### New charges against Lula

Former President Lula da Silva (2003-2011), a fierce opponent of the current government, faces his own war of attrition. On 1 August, Federal Judge Sérgio Moro accepted the sixth set of corruption charges filed by prosecutors against Lula.

In one of the first cases Moro had three weeks earlier found Lula guilty of accepting improper refurbishment work at a flat he used, which was carried out by a construction company that benefited from government contracts. He was sentenced to nine-and-a-half years in prison, although he remains free pending appeal.

The new charge is similar: Lula is accused of improperly accepting the gift and use of a country house in Atibaia on the outskirts of the city of São Paulo. Lula’s defence team rejects the charges and argues that they are unfair and politically motivated. The relevance of these cases is that if any of the charges are upheld on appeal, Lula could be banned from running as a candidate in the 2018 presidential elections.



**Macri faces threat of Kirchnerista comeback****Corruption**

Julio de Vido claimed to be the victim of political persecution after the vote to expel him fell short of the required majority. The prime minister Marcos Peña responded defiantly by saying that the public and not politicians would ultimately decide: “Now the power is in the hands of voters.” Elisa Carrió, the anti-corruption crusader topping the list of deputies for the ruling Cambiemos coalition in the city of Buenos Aires, controversially called for the publication of the list of all deputies who had voted to “protect” De Vido so that the electorate could decide whether their representatives defended truth or impunity when casting their ballot.

The government led by President Mauricio Macri trained its artillery on Deputy Julio de Vido but the former federal planning minister, who served throughout 12 years of Kirchnerista governments (2003-2015), emerged unscathed. The Macri administration had sought to coerce and cajole the governors representing the main opposition Partido Justicialista (PJ, Peronists) to exert pressure on the federal deputies representing their provinces to vote on 25 July in favour of a motion to expel De Vido from the lower chamber of congress for moral incapacity because of myriad corruption-related charges hanging over him. De Vido survived. And in a further blow for Macri, no sooner had De Vido’s boss, former president Cristina Fernández (2007-2015), entered the contest for a seat in the federal senate in the province of Buenos Aires in mid-term legislative elections on 22 October than she topped three separate opinion polls. Her victory would complicate Macri’s planned post-election reform agenda.

The big fear for President Macri ever since he came to power in December 2015 has been that public patience with his government would expire before it could revive the economy and purchasing power by putting more pesos into people’s pockets. The target to achieve these goals was always the mid-term legislative elections in October 2017. This would ensure that Macri’s ruling centre-right Cambiemos coalition would expand its congressional presence at the expense of the PJ, especially its Kirchnerista wing, allowing Macri to push further reforms through a more receptive congress, and paving the way for his re-election in 2019.

But not all has gone to plan. Economic recovery has taken significantly longer than anticipated and is still not being felt by the large majority of Argentines. Far from being vanquished, Kirchneristas have gained a new lease on life and become emboldened.

De Vido’s survival is symptomatic of the Macri administration’s problems. There is no love lost for De Vido in the traditional PJ, but the non-Kirchnerista wing of the party, which was prepared to work with Macri to set the economy on a different course when he took office, does not feel that the president enjoys sufficient public support now to risk antagonising the public that remains loyal to Fernández. Despite the corruption charges stacked up against Fernández, she is far from a spent political force. Three opinion surveys in the space of a few days bear testimony to that.

Aresco and Opolit & Communis gave Fernández a lead of two percentage points over Esteban Bullrich, the former education minister who heads the Cambiemos senate list in the province of Buenos Aires. Analogías followed suit with an opinion poll putting Fernández on 35.6%, as much as 11 percentage points ahead of Bullrich, with Deputy Felipe Massa, the leader of the dissident PJ faction Frente Renovador (FR), a further six points back.

This all suggests that the country remains polarised and the moderate opposition provided by Massa is not thriving. “Our challenge is to construct a majority that puts a limit on the [fiscal] adjustment but also confines corruption and obstruction to the past,” Massa said. “Argentina needs a serious opposition like ours, not an opposition like that of Cristina who puts the country at risk,” he added.

Just as he is struggling to get his message across to the public, Massa failed to persuade enough deputies to support the expulsion of De Vido advocated by Cambiemos and his FR to strike a blow against corruption and

## Buenos Aires Herald

After 140 years in circulation, the English-language publication *The Buenos Aires Herald* will cease to exist. It was only last year that *The Buenos Aires Herald* switched from a daily to a weekly format to try and weather the twin challenges of an adverse economic scenario and a shift from print to digital media. Despite being founded back in 1876 during the presidency of Nicolás Remigio Aurelio Avellaneda Silva, who at 37 was the youngest president ever to be elected in the country, it was not until the 1976-1983 military dictatorship when *The Buenos Aires Herald* obtained a significant readership by virtue of its reporting of the 'disappeared', establishing its reputation at a time when the Argentine media remained silent.

impunity in Argentina. After a heated nine-hour session, the motion to expel De Vido fell 20 votes short of the the two-thirds majority of 158 required to pass in the lower chamber.

Voices in the Macri administration questioned the point of the federal government dramatically increasing the supply of funds for the provinces when this was the payback. While there was no expectation that certain PJ governors, such as Alicia Kirchner (Santa Cruz), Fernández's sister-in-law, would back the motion and instruct federal deputies to vote accordingly, the Macri administration had counted on support from other PJ governors with which it has established cordial relations, such as Sergio Casas (La Rioja), Lucía Corpacci (Catamarca), Sergio Uñac (San Juan), and Gustavo Bordet (Entre Ríos). Instead, it concluded that they had all benefited from the massive infrastructure projects approved by De Vido, some of which it is alleged were awarded upon receipt of bribes.

Given these setbacks Macri has opted against divulging details of his planned post-electoral fiscal, labour and pension reforms which will remain under lock and key between now and October. Speaking at the annual rural show in the city of Buenos Aires barrio of Palermo at the weekend, Macri rejected claims by Fernández that he is plotting a painful fiscal adjustment.

Macri expressed a need for public spending to be restructured to bring down inflation, and for a labour reform to reduce the number of informal workers (4.5m) and unemployed (1.5m). But he insisted that any reforms would be "the fruit of consensus with the whole of society".

The trouble Macri faces is that many voters are growing tired of his message that Fernández represents the corrupt and dishonest past responsible for Argentina's present economic difficulties and feel that his promise to rectify this situation is forever in the future.

## CHILE | POLITICS

### Crisis in Christian Democrats

**A crisis has developed in Chile's Christian Democrat party Democracia Cristiana (DC) with its presidential candidate, Carolina Goic, threatening to step down. Goic's announcement followed a fierce disagreement with the party's national executive committee. The upshot could be beneficial for the governing left-wing Nueva Mayoría coalition.**

This year, although remaining members of the Nueva Mayoría, the DC, the most centrist party in the ruling coalition, decided not to take part in primary elections along with other constituent parties, choosing instead to field its own presidential candidate. The DC nominated Senator Goic. But it now looks as if the experiment might backfire. On 29 July, after disagreeing with a majority vote taken within the 800-strong DC national executive committee, Goic said she would take a few days to reflect and decide whether or not she would continue in the presidential race, or resign.

The issue threatening to provoke Goic's departure is that 58% of the delegates voted to endorse a list of congressional candidates that includes Ricardo Rincón as a DC candidate for the senate. Rincón, currently a member of the lower chamber of deputies, has in the past been charged with domestic violence. Goic argues that endorsing him as a candidate is unacceptable, since the party needs to uphold high ethical standards. She also notes that a previous resolution passed by the national executive committee two months earlier stated that no-one accused of domestic violence could stand as a candidate for the party.

## Piñera well-positioned

All of the percentages in the Adimark opinion survey refer to respondents' personal voting intentions, but the polling firm also asked a separate set of questions about who they thought the electorate as a whole would choose. A much larger group – 67% of respondents – said they expected Sebastián Piñera to be victorious (up by eight percentage points on June), while 14% said Alejandro Guillier would win (down three points) and 6% opted for Beatriz Sánchez (up by two points). President Bachelet's approval rating, according to the same poll, rose by two points on June to reach 32% in July.

Rincón and his supporters counter that he had been charged but never actually convicted. Goic, in turn, insists that the resolution excludes anyone either charged or convicted of the crime. She recognises that the vote endorsing Rincón was legitimately won, but says she finds it “a hard blow to the party, and a hard blow to me personally. I say that as someone who has spent much of her professional life defending women who have been victims of violence inside the family”.

President Michelle Bachelet has called for politicians and the media to allow the DC to resolve its internal issues. “They are in a period of reflection, we need to respect that,” she said. Bachelet also insisted that the Nueva Mayoría coalition continued to include the DC, even though it is fielding its own presidential candidate (the remaining parties in Nueva Mayoría are supporting television news presenter Alejandro Guillier as their presidential candidate).

How long it may take for the crisis to be resolved was not immediately clear. On 1 August Sergio Espejo, one of the DC's vice-presidents who is aligned with the Goic camp, announced that he was resigning in protest. In an emotional statement he said “A party which betrays itself will also betray Chile”, and went on to accuse members of the DC of lowering standards and ultimately betraying their own presidential candidate.

## Piñera still ahead

A new opinion poll published by Adimark on 2 August shows that former president Sebastián Piñera (2010-2014) of the right-wing Chile Vamos coalition continues to lead the race for November's presidential elections, with 32% support in July, up by one percentage point on June.

Adimark also shows Beatriz Sánchez of the left-wing Frente Amplio (FA) coalition retaining second place, ahead of Nueva Mayoría's Guillier. Support for Sánchez increased by four percentage points to 17%, overtaking Guillier who was backed by 16% of the respondents. Goic had just 1% support in the poll, offering a further possible motivation for the DC candidate to withdraw from the race.

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## TRACKING TRENDS

**URUGUAY | Fiscal deficit creeps up.** Uruguay's economy & finance ministry (MEF) reported on 31 July that the country's fiscal deficit reached 3.6% of GDP (equivalent to US\$1.97bn) in the rolling 12-month period to June. The result is two percentage points higher than the deficit reported back in May and should be a concern for the government led by President Tabaré Vázquez as it goes against its declared efforts to reduce the fiscal deficit to 3.3% of GDP this year (and to 2.5% of GDP by 2018).

The fact that the increase in the deficit comes just as Uruguay's national congress is debating the government's draft 2018 budget should focus the minds of the government and legislators from the ruling left-wing Frente Amplio (FA) coalition. The government has been advocating an austere budget based on public spending constraints, but radical FA factions are complaining that it fails to allocate sufficient funds for social spending. Nevertheless, the need to contain government spending is highlighted by the MEF report, which notes that the increase in the deficit to June came on the back of a 0.1% of GDP fall in central government revenue, a 0.3% of GDP fall in non-financial public-sector revenue, and a 0.2% fall of GDP in revenues from state-owned firms. Meanwhile, central government expenditure increased by 0.1% of GDP, which was only offset by an identical 0.1% of GDP reduction in public sector investment.

**Still at cross-purposes?**

Despite progress made in recent months to steer bilateral Mexico-US relations back onto a more normal footing, it seems that Presidents Enrique Peña Nieto and Donald Trump cannot quite get onto the same wavelength. This week Trump said he had received a call from Peña Nieto to compliment him on US border security. Peña Nieto said no such call had been made.

President Trump was speaking on 31 July, presenting his new chief of staff, retired General John Kelly (who had previously been serving as Secretary for Homeland Security and before that as commander of the US Southern Command [Southcom]). Praising Kelly for his work at Homeland Security, Trump said the border, previously a big problem, had now been tightened, and there was now what he called “close to 80% stoppage”. Trump added “And even the President of Mexico called me – they said their southern border, very few people are coming because they know they are not going to get through our border, which is the ultimate compliment”.

However, the Mexican government quickly denied that President Peña Nieto had made any such call or delivered any such compliment. An official statement said there had been no telephone communication between the two men since they met at the G20 summit in Hamburg, Germany, on 7 July. It acknowledged that migration issues had been discussed at that meeting. Peña Nieto had shared Mexican statistics showing a 31% decline in Mexicans deported from the US in the first half of this year, and a 47% fall in Central American immigrants coming to Mexico. A Mexican official said “The information was shared but in my understanding this was merely a case of passing on statistical information, not a compliment.”

While there are signs of progress on the renegotiation of the North American Free Trade Agreement (Nafta) between Canada, Mexico, and the US, which will begin in earnest on 16 August in Washington DC, Trump’s proposal to build an extended wall on the Mexico-US border continues to cause irritation in Mexico City as well as in parts of the US itself.

The Department of Homeland Security announced this week that it will waive over three dozen US laws and regulations – most relating to environmental issues – so as to commence construction of an initial 14-mile stretch of the wall in San Diego, stretching from the Pacific Ocean through to a point inland known as Border Monument 251.

A local NGO, the Centre for Biological Diversity, has initiated legal action to force an enhanced review under the terms of the National Environmental Policy Act (NEPA), which would require delaying building work scheduled for this December by at least six months. Brian Segee, a lawyer acting for the Centre, said, “Trump’s wall is a divisive symbol of fear and hatred, and it does real harm to the landscape and communities”. Other groups may also decide to challenge the waiver.

The Department of Homeland Security says that last year it arrested more than 31,000 “illegal aliens” trying to cross the border and seized 4,000kg of marijuana and 597kg of cocaine in the San Diego area.

**Slowdown**

Delia María Paredes, the executive director of analysis and strategy at the Banorte financial group, predicts that Mexican growth rates will slow down in the final two quarters of 2017, due to the persistence of external and internal economic risks. These are notably the upcoming renegotiation of the terms of the North American Free Trade Agreement (Nafta), and also the approaching 2018 general elections in Mexico.



**López Obrador accuses PRIAN of skulduggery**

Andrés Manuel López Obrador, the frontrunner ahead of Mexico's presidential elections in 2018, claimed this week that the federally ruling Partido Revolucionario Institucional (PRI) and the main opposition Partido Acción Nacional (PAN) were hatching a deal over the disputed 4 June gubernatorial elections in the Estado de México (Edomex) and Coahuila to the detriment of the country's state institutions in order to isolate his radical left-wing opposition party Movimiento Regeneración Nacional (Morena).

López Obrador, who habitually dismisses the PRI and PAN as one and the same "mafia of power", conflating their party acronyms to form the word PRIAN, argued that the two parties were manipulating state institutions to resolve the legal challenges over the elections in Edomex and Coahuila to their mutual benefit.

There is no evidence for López Obrador's claim although an opinion piece published on 31 July in the national daily *El Universal* by Salvador García Soto claimed that the PRI president Enrique Ochoa had received a proposal from the PAN president Ricardo Anaya that if the PRI accepted defeat in Coahuila, the PAN would accept the result in Edomex and leave López Obrador and Morena isolated. However, there is no sign of the PRI accepting defeat in Coahuila, where the PAN is challenging the electoral result after suffering a narrow defeat to the PRI.

Meanwhile, the Edomex electoral tribunal (TEEM) threw out Morena's legal challenge to the gubernatorial result in the state. The TEEM announced on 30 July that it would only annul the votes from 79 ballot boxes on the grounds of irregularities; Morena had called for the votes from 6,196 boxes to be annulled. The TEEM's resolution would have no impact on the result as it affects just 24,243 votes, less than the difference between the PRI's victorious candidate Alfredo del Mazo Maza and Morena's Delfina Gómez.

**TRACKING TRENDS**

**MEXICO | Growth propped up by internal consumption.** Mexico's national statistics institute (Inegi) released preliminary GDP estimates for the second quarter on 31 July. Inegi's preliminary data shows that GDP in the second quarter increased by 1.8% compared with the same period last year. This is considerably lower than the 2.8% year-on-year growth reported by Inegi for the first quarter.

In seasonally adjusted terms, Mexico's GDP grew by 0.6% in the second quarter, compared with 0.7% growth in the first quarter. However, the seasonally adjusted year-on-year GDP increase in the second quarter was 3%.

Mexico's economic growth is always heavily reliant on the services sector and this is particularly true this year. The services sector is projected to have increased by 3.2% in the second quarter (and by 4.1% year-on-year in seasonally adjusted terms) in spite of the threat posed to internal demand by the fall in real wages resulting from high inflation.

The solid results by the services sector have offset the 1% fall in activity in the manufacturing sector (which grew by 0.6% year-on-year in seasonally adjusted terms). Meanwhile the primary sector grew by a marginal 0.7% (1% in seasonally adjusted terms).

The preliminary second quarter GDP growth results were hailed by Finance Minister José Antonio Meade Kuribreña, who highlighted that they mean that Mexico's economy is on course to post 14 consecutive quarters of positive growth, underlining the robustness of the country's domestic economy and the government's adequate management of it.

**Morena legal challenge**

Morena will challenge the TEEM's resolution on the Edomex gubernatorial elections before the federal electoral tribunal (TEPJF). Morena leader Andrés Manuel López Obrador claimed that the PRI had spent between M\$15bn and M\$20bn (US\$840,000- US\$1.2bn) buying votes. He said that his party would present evidence of this vote buying in the municipalities of Atlacomulco, Jilotepec, Ixtlahuaca, Valle de Bravo and Tejupilco before the TEPJF.

**Doubts surround electoral process**

The cardinal archbishop of Tegucigalpa, Óscar Andrés Rodríguez Maradiaga, this week called for general elections in Honduras on 26 November to be conducted “with respect and without violence”. Rodríguez Maradiaga is one of the region’s pre-eminent ecclesiastical figures, who frequently infuses his Masses with political commentary. Despite his claims that “very important steps” had been taken by the supreme electoral tribunal (TSE) to ensure the transparency of the electoral process, however, grave concerns persist.

Speaking during a radio interview on 28 July, Rodríguez Maradiaga, a fierce anti-corruption crusader, and one of the most respected voices in the country, called for clean and transparent elections and for the candidates running for president as well as for the 128 congressional seats and 298 mayors to present “concrete proposals and projects”. A laudable, if optimistic, sentiment but what really attracted attention was Rodríguez Maradiaga’s statement in support of what he perceived to be the TSE’s sterling efforts to undertake crucial improvements ahead of the elections.

Three days after Rodríguez Maradiaga’s comments, former president Manuel Zelaya (2006-2009) called upon the TSE to “purify” the electoral roll. Zelaya said this was necessary in order to prevent electoral fraud. He claimed that the electoral roll contained more than 1.8m false registrations. This figure might be slightly inflated but Zelaya has a valid point.

The TSE announced in May that there were 6.2m registered voters on the electoral roll. But this figure does not stand up to basic mathematical calculations. If accurate, it would equate to over 70% of the Honduran population. But more than 40% of the country’s population is under 18 and thus ineligible to vote, not to mention members of the military who are also barred from casting ballots.

This is a significant discrepancy. It probably does not amount to as much as 1.8m but it is almost certainly more than 1m voters. The majority of these people are most likely the deceased who the TSE has failed to remove from the electoral roll. The concern is that evidence has emerged in past elections that some of the deceased have voted. Hence Zelaya’s concern about electoral fraud.

The TSE registered Zelaya’s opposition alliance in early July to compete in the general elections. The emotively named Alianza de Oposición Contra la Dictadura comprises Zelaya’s Libertad y Refundación (Libre) and the Partido Innovación y Unidad (Pinu). It is fielding Salvador Nasralla, the television personality and former leader of the Partido Anticorrupción (PAC), as its presidential candidate. Nasralla obtained 13.4% of the vote in the 2013 presidential elections, finishing a distant fourth behind Juan Orlando Hernández.

Zelaya criticised the “uncertainty” respecting the alliance’s registration, blaming now-President Hernández, who is standing for re-election for the ruling Partido Nacional (PN). The TSE had initially mooted barring the Alianza de Oposición Contra la Dictadura from registering because of supposed procedural irregularities.

Retired General Romeo Vásquez Velásquez also presented a challenge to the TSE over the name of the alliance. Vásquez Velásquez, who was commander of the armed forces when the military burst into the presidential palace in 2009 and bundled then-president Zelaya in his pyjamas onto a one-way

**Barralaga arrested**

Jorge Barralaga Hernández, a former Tegucigalpa police commander, was arrested this week accused of money laundering. His home was confiscated. Barralaga was fired from his position in 2012 after he allowed the four police officers accused of killing four university students, including the son of the rector of the Universidad Nacional Autónoma de Honduras (UNAH) Julieta Castellanos, to be freed from prison in 2011 shortly after the murders.

## Unions back down

Acojud's president, Adriana Orocú, had said on 24 July that the strike would only end once legislators accepted the demands of the judicial workers' unions which include the establishment of a broad dialogue table to discuss pension reform for the sector. However, after a negotiation process with the supreme court, the judicial sector unions announced that services would operate as usual.

flight to Costa Rica, argued that "the devil's alliance" of Zelaya and Nasralla had usurped the name of his party which stood for "love and patriotism". Vásquez Velásquez argued that the party for which he is seeking the presidency, Alianza Patriótica Hondureña (APH), had a claim to the abbreviated name 'Alianza' in accordance with the legal principle 'prior in tempore, potior in iure' (first in time, greater in right). "I am promoting democracy, they [are promoting] the dictatorship of the Left," Vásquez Velásquez said.

The traditional Partido Liberal (PL) also questioned the legal validity of the name Alianza de Oposición Contra la Dictadura, arguing that it too represented the opposition but did not form part of the alliance. The PL has selected an outsider as its presidential candidate: Luis Zelaya, who resigned his position as rector of the Universidad Tecnológica Centroamericana (Unitec), based on three campuses in Honduras, after winning March's party primary election.

The standout favourite, however, is Hernández despite the controversy that still surrounds his candidacy. Hernández was permitted to seek re-election after a resolution by the supreme court (CSJ) in May 2015 to declare unconstitutional one of the *artículos pétreos* ('untouchable articles') from the 1982 constitution outlawing presidential re-election. This despite the fact that the article in question makes it explicitly clear that anyone [including supreme court magistrates] attempting to amend it should be declared "traitors to the country" and "summarily dismissed". It was this article that the CSJ invoked as an *ex post facto* justification for the removal of Manuel Zelaya from power in 2009 for his calling of a non-binding consultation to ask voters if they would like a referendum to approve a constituent assembly to carry out constitutional reform.

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## TRACKING TRENDS

**CUBA | Shaking up the private sector.** According to a press release by the Cuban state mouthpiece *Granma* on 1 August, the Cuban government has temporarily suspended the concession of licenses to private business including holiday home rentals, transport services, and small restaurants – locally known as 'paladares' – three of the largest income-generating private activities permitted by the government. *Granma* said that the decision aims to improve the regulation of the self-employment sector (*cuentalpropismo*) to correct inefficiencies and stop illegalities and deviations in private work. According to *Granma*, more than half a million people are currently self-employed in Cuba, some 12% of the labour force.

On 14 July, during the ninth ordinary session of the national assembly the ministerial council approved the introduction of new measures aimed at improving the regulation of the self-employment sector. These included placing limits on permitted self-employment activities, and limiting the issuing of certain licenses to carry out self-employment work in areas where the government considers too many have been awarded. For her part, Labour and Social Security Minister Marta Elena Feito said the objective of the new regulations is to ensure that all economic activity in Cuba is carried out within a legal framework.

**COSTA RICA | Judicial sector strike ends.** Costa Rica's supreme court announced on 31 July that judicial sector workers had returned to work after a strike that paralysed the sector for 13 days. Judicial sector workers' unions like the Sindicato de Trabajadores y Trabajadoras Judiciales (Sitrajud) and the Asociación Costarricense de la Judicatura (Acojud) launched the strike on 19 July demanding better retirement conditions after Costa Rica's legislative assembly approved a bill recommended by the Universidad de Costa Rica (UCR) that aimed to change the sector's pension system by increasing the age of retirement from 60 to 65 years and workers' pension contributions from 11% to 15%.

## POSTSCRIPT

### Eduardo Crawley

It is with great sadness that we must report the passing of Eduardo Crawley, a journalistic titan for this company for more than three decades. When Eduardo began editing the Latin American Weekly Report in 1983, several countries across the region were still in the thrall of dictatorship, although his beloved Argentina was on the verge of returning to democracy. It is a sad irony that in the same week that Eduardo lost his brave struggle against cancer, this publication should be leading with the news that one country in Latin America, which has been a comparative beacon for global democracy in recent years, should have taken a decisive step towards dictatorship.

“Argentines shift easily from self-deprecation to fierce and often abrasive pride,” Eduardo wrote in his factually rich book ‘A House Divided: Argentina 1880-1980’, published in 1984. This would be an apt description of Eduardo himself, although the pride was well-founded. Eduardo was steeped in his subject. His output was prodigious, but this did not diminish his unerring ability to penetrate to the heart of abstruse subject matters and, through his erudite and perspicacious analysis, elucidate the confusion of his reader. He could express in five words what many would take a paragraph to spell out.

Eduardo’s spare but powerful prose was borne of his conviction that facts should speak for themselves free from florid speculation, and he was insistent that journalists worth their salt should never omit an uncomfortable fact that clashed with their interpretation of events. He eschewed sensationalist headlines. He was emphatic that this publication should not be in the business of forecasting but rather providing detailed, impartial analysis. He was also a firm believer that writers should start from the premise that their readers are better informed than them.

A voracious reader with penetrating insight, Eduardo was also a rich source of mirthful anecdote. He once explained his introduction to sub-editing on Argentina’s *La Opinión* newspaper. He wrote a story that had been requested, and took it to the editor. The editor said: “Eduardo, I am not going to read this story. I am going to give it back to you and ask you to remove all the unnecessary words in it. When you have done that, come back to me.” Rather irritated, Eduardo did what he was told. On the second submission of a now shorter story, the editor said “You know what, Eduardo, I am still not going to read it. I am sure some unnecessary words remain that are surplus to requirements. Go back and see if you can weed them out”. Eduardo, this time muttering under his breath and a little redder in the face, again did what he was told, and handed back an even shorter article. The editor began to comment in a now familiar way: “Eduardo I am not going to read your story...” (Eduardo confessed he was at that point about to explode with rage). But after a pregnant pause, the editor went on “...I am just going to publish it because I am sure that by now it is perfectly written, clear, and concise”. Eduardo never lost that rare ability and journalism is very much the poorer for his passing.

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### Quotes of the week

“Come rain or shine the constituent assembly will go ahead. In the coming hours it will begin to exercise its absolute, plenipotentiary powers.”

*Venezuela’s President Nicolás Maduro.*

“All political rights are in danger. This presidential constituent assembly has no legitimacy. It is an abuse of the sovereign will of the people. We are looking at absolute power in the hands of a minority. This is not the project embodied by [the late president Hugo Chávez].”

*Venezuela’s attorney general Luisa Ortega.*

“I challenge the mafia of power to provide evidence of its vile slander that I am Hugo Chávez or Nicolás Maduro. This is a desperate attempt to spread fear...Morena has nothing to do with the Venezuelan government, let’s make that absolutely clear.”

*Mexico’s Andrés Manuel López Obrador, presidential candidate for the left-wing Morena.*