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### Castro anoints successor in Cuba

Miguel Díaz-Canel was appointed as the new president of Cuba by the 605seat national assembly on 19 April. It marked an important milestone in the transfer of power from the older generation of Cuba's históricos to the younger generation: Díaz-Canel, 57, was born the year after the Cuban Revolution in 1959. But the real changing of the guard will not take place until Raúl Castro relinquishes control of the title of first secretary of the Partido Comunista de Cuba (PCC). Díaz-Canel is scheduled to inherit this position, described in the constitution as the "leading force of society and the state" and only ever held by a Castro, in 2021. Until then Díaz-Canel will be constrained, although in his inaugural speech he suggested that this would not be a problem, being completely committed to continuity rather than change.

Díaz-Canel graduated as an electronics engineer in 1982, going on to work as a university professor in Nicaragua on one of the Cuban revolutionary government's 'international missions' in 1987, before joining the Unión de Jóvenes Comunistas in 1989. Within two years he was a member of the PCC central committee. In 1994 he was appointed as first secretary (essentially governor) of his native province of Villa Clara, and remained so for nine years. In 2003 he assumed the same position in Holguín, the third most populous of Cuba's 15 provinces, with just over 1m inhabitants (Villa Clara being ranked fifth in this regard).

Having distinguished himself among the loyal cadres of the PCC, Díaz-Canel started his meteoric rise from provincial politics, being awarded a place on the politburo, and then in government. He was appointed higher education minister in 2009 before becoming first vice president of the council of ministers in 2012 and, in the following year, first vice president of the 31member council of state, the country's most powerful institution.

Groomed by Castro for the best part of a decade, Díaz-Canel paid homage to his mentor throughout his speech. It was also punctuated with numerous expressions of his unswerving loyalty to the Revolution. "Here, there is no space for a transition that ignores or destroys so many years of struggle," Díaz-Canel said. "There will be no space in this legislature for those who aspire to the restoration of capitalism; this legislature will defend the Revolution and will continue perfecting socialism," he added. He won thunderous applause for his promise to be "faithful to the exemplary legacy of the Commander in chief Fidel Castro Ruz, historic leader of our Revolution, and...the courage and the teachings of Army General Raúl Castro Ruz, current leader of the revolutionary process".

Strict adherence to the party line is of course essential for enduring let alone thriving in Cuba. Díaz-Canel saw what happened to those whose loyalty was deemed not to be absolute, such as Carlos Lage and Felipe Pérez Roque,

since 1967

#### **US** relations

A cartoon in the Cuban Communist party mouthpiece Granma after Miguel Díaz-Canel inherited the presidency from Raúl Castro depicted a disconsolate US baseball batter complaining about facing "a different pitcher with the same pitch". This was designed to send the message that Díaz-Canel would tenaciously defend the Revolution and that the US should not expect a democratic transition any time soon. The flip side of this is that it also means the US government will not alter its present foreign policy towards Cuba exemplified by Vice **President Mike Pence** at the recent Summit of the Americas in Peru [WR-18-15].

young stars that burned brightly but were snuffed out in 2009. Lage and Pérez Roque, seen as potential heirs to the throne, were ostracised, accused of being "seduced by the honey of power". In praising Díaz-Canel's "ideological soundness, political awareness, commitment, and fidelity to the Revolution", Castro candidly described him as "the last survivor". He confessed to having "failed to consolidate the training of...about a dozen young people...whose shortcomings I do not criticise...to occupy positions of high responsibility within the party and the government". Castro maintained that "unlike in the past with other cases of young leaders...we did not make the mistake of accelerating the process [with Díaz-Canel]".

Castro expressed "absolute certainty" that with Díaz-Canel they had "hit the nail on the head". But for all his praise, Castro has taken precautions against his protégé deviating from the path set for him, history being littered with such examples. There is a strong sense that Díaz-Canel will not 'complete his training' for another three years. Castro will keep a firm hand on the tiller as first secretary of the PCC and commander-in-chief of the revolutionary armed forces (FAR). If he passes this final 'test', Díaz-Canel will become first secretary in 2021. Díaz-Canel himself stressed that Castro will remain "at the head" of Cuba's political direction, making "the most important decisions for the country's present and future".

Díaz-Canel appears to represent the orthodoxy, not advocating the acceleration of economic, let alone political, reforms. Only last August he described Cuba's beleaguered 'cuentapropistas' (self-employed) as "enemies of the Revolution". This could be part of a plan to assuage the concerns of the históricos, staunch reactionaries who are fearful that the sun is setting on their influence with Castro's departure. But if Díaz-Canel favours reform, and is concealing his true intentions, he will not be free to act upon them for another three years, unless Castro, 86, should die beforehand.

Despite his unimpeachable revolutionary credentials, Díaz-Canel will not enjoy the deference extended to Castro from the Cuban elite or the younger generation. Díaz-Canel vowed to "provide continuity to the Cuban Revolution at a crucial historic moment, which will be marked by all that we manage to advance in the updating of the economic and social model". Nothing there to suggest that the glacial pace of the opening of Cuba's economy is likely to pick up.

For his part, alluding to the collapse of the Soviet Union, Castro made it clear in his speech to the national assembly that there would be no political reform: "there are mistakes that we cannot make, like those that put an end to very important processes for humanity and whose consequences have been paid for by many countries". Instead, Castro said, the national assembly would approve a commission of deputies to draft a new constitution to be submitted to a popular referendum. Pointedly, this will "not modify the irrevocable nature of socialism", but will enshrine a limit of two five-year terms on the president, who will remain as first secretary of the PCC to oversee his successor's first three years in power.

Díaz-Canel's economic and diplomatic challenges are axiomatic. The Venezuelan economy is crumbling. Cuba has been receiving cheap oil from Venezuela for the best part of 20 years, but it cannot rely on the survival of the Bolivarian Revolution. The potential loss of Cuba's main ally coincides with a hardening of diplomatic relations with the US as President Donald Trump has reversed the historic rapprochement initiated by his predecessor Barack Obama. The White House, echoing the response of Cuban dissidents to Díaz-Canel's appointment, said it saw no change in Cuba at all and, as such, foreign policy would remain the same. Russian President Vladimir Putin was notably swift to congratulate Díaz-Canel. Cuba's ties with China could also grow in importance but this would be no substitute for the loss of Venezuela.

#### NICARAGUA | POLITICS

#### Nicaragua explodes

President Daniel Ortega is facing the biggest crisis since his Frente Sandinista de Liberación Nacional (FSLN) government took office in 2007. An unprecedented show of unrest in response to a brutal crackdown on protesters, which has so far left over 30 dead (many of them students), has led some to discern, for the first time, cracks in the iron grip exerted by Ortega and his powerful First Lady and Vice President Rosario Murillo, over the country. Initially sparked by opposition to changes to the social security system (INSS), the government's response has ignited long-running frustration with Ortega, whose various hammer blows to the country's democratic institutions since taking office, efforts to create a family dynasty, and repression of dissent, have long left him open to accusations of reproducing the very *caudillismo* that he fought to overthrow in 1979 with the defeat of former dictator Anastasio Somoza (1967-1972; 1974-1979).

The protests began on 18 April, two days after the government announced changes to the INSS which would have seen higher contributions in exchange for lower pensions (*see box next page*). While there has been widespread recognition of the need to reform the INSS, the government's unilateral imposition of the changes prompted anger from private sector lobbies such as Consejo Superior de la Empresa Privada (Cosep) and the US-Nicaraguan Chamber of Commerce (AmCham) which hitherto had had harmonious relations with the FSLN government. This stemmed in part from its business-friendly policies and pragmatic management of the economy, which grew by 4.9% in 2017, second only to Panama in Central America.

Cosep and AmCham consequently backed protests which saw turnout initially in Managua and León, the capital of the eponymous department (and a historic bastion of FSLN support), from pensioners as well as students – in particular, those from Managua's Universidad Politécnica de Nicaragua (Upoli). As in previous cases of unrest (which have been rare given Ortega's tight control of public order) – most notably in 2016 against the 'Gran Canal' project linking the country's Caribbean and Pacific coasts [WR-16-48] – the police (PPN) and military, as well as Sandinista "shock troops" (young thugs), were deployed to quell the protests. However, the brutal show of force and ill-fated remarks by the unpopular Murillo, who likened the protesters to "vampires" who "feed off blood", sparked further protests which spread to other major cities like Estelí, Masaya, and Granada (all capitals of eponymous departments).

Further exacerbating public anger were other acts of government repression and attacks on press freedom, such as the unprecedented decision to pull four independent television channels reporting on the protests (channels *15*, *12*, *23* and *100% Noticias*) from the air while a journalist was shot and killed by police while covering the protests. At the time of writing, the prominent human rights NGO Centro Nicaragüense de Derechos Humanos (Cenidh) reported that at least 34 people have been killed; another, Comisión Permanente de Derechos Humanos (CPDH), put the total at 38.

#### International response

The repression prompted widespread international concern. The governments of Argentina, Brazil, Chile, Colombia, Paraguay, and Peru issued a joint statement condemning the violence while the US, Organization of American States (OAS), European Union (EU), United Nations (UN), and Inter-American Commission on Human Rights (IACHR) all weighed in, condemning the government's response and calling for all allegations of excessive use of force by police and other security forces to be "effectively

#### Corruption

Released on 21 February, the Corruption Perceptions Index (CPI) by the NGO Transparency International (TI) showed Nicaragua ranked beneath its **Central American** neighbours, coming 151st of 180 countries, down from 123rd the previous year. This was below Costa Rica (38), Panama (96), El Salvador (112), Honduras (135), and Guatemala (143).

#### Church

As with the private sector, President Ortega had previously made concerted efforts to win over the Catholic Church through moves such as the FSLN's backing in 2006 of a complete ban on abortion. This alliance has since unravelled due to the government's various efforts to dismantle the country's democratic institutions and perceived authoritarianism. In an interview with the media following the announcement that the Catholic Church would mediate in the latest crisis, Silvio José Báez, the Auxiliary Bishop of Managua, said "Nicaraguans are not accustomed to dialogue. This is a country that lamentably has been marked by the culture of caudillismo, corruption and violence".

investigated". The US-based think tank Washington Office on Latin America (Wola), described the "violent retaliation as "appalling, particularly for a government whose origins lie in protest and social movements". Press freedom NGO Inter-American Press Association (IAPA) said the show of violence and censorship "unmasks the authoritarian nature of a government that in its eleven years has only sought to dismantle the government for its own benefit and that of its family members".

#### **Government response**

In the face of continuing unrest and widespread condemnation, Ortega repealed the changes to the INSS on 22 April. Two days later he announced the start of "national dialogue" to be brokered by the Catholic Church (formerly an ally but now a vocal government critic – *see sidebar*) which agreed to act as mediator after the government offered two concessions: the release of detained students and an end to the media censorship. However, this has yet to quell the unrest which has seen the students announce the formation of a new movement – 'Movimiento 19 de Abril', named after the date of one of the most violent days of government repression – and call for the resignation of Ortega and the PNN leadership, including the general director Aminta Granera and deputy director Francisco Díaz, and for those responsible for the violence to be brought to justice.

The continued unrest points to broader frustration with the government and its successive dismantling of democratic institutions - from its staging of elections widely slammed as fraudulent to its lifting of the constitutional ban on presidential re-election in 2014. Reforms to military and police legislation in 2014, which for the first time since the overthrow of the Somoza dictatorship placed the two institutions under the direct orders of the president, invited comparisons between Ortega and the late dictator, as has his appointment of family members to top government posts. As well as Murillo, these include his son Laureano, a presidential adviser on investment, working for Nicaragua's official export and investment promotion agency, ProNicaragua; another son, Maurice, is married to Blanca Javiera, daughter of PNN deputy director Díaz; and a daughter-in-law, Yardia Leets, who is the director of Distribuidora Nicaragüense de Petróleo which manages the purchase of Venezuelan crude oil at a reduced price through the Petrocaribe programme. Given these existing parallels, some have suggested that the recent events could serve as a turning point in the same way that the unrest sparked by the 1978 murder of Pedro Joaquín Chamorro, a distinguished journalist who was well known for his opposition to the dictatorship, ultimately forced Somoza to step down.

#### **INSS reform**

The amendments to the INSS, whose members become eligible for a pension when they turn 60 (although teachers and miners can retire at 55), would have increased the total contributions (for disability, old age, and death [IVM]; workplace-related disability; war victims; and health insurance) from the current 19% to 22.5% by January 2020. Meanwhile employees' contributions for IVM would have risen by 0.75 percentage points over the same period, to 7%. Yet, at the same time, pensions paid out would have been cut by 5% in order to finance sickness and maternity pay.

In a February 2018 visit to the country, the International Monetary Fund (IMF) reiterated its call for the INSS to be reformed, noting a "deterioration" in its finances and warning that its deficit "will continue to increase until a reform is put in place". Yet, while highlighting the need for reform, the IMF was clear in a previous (July 2017) report that there "does not seem to be much scope to increase contribution rates". It notes that "higher contribution rates for employers were the most salient aspect of the previous (2013) pension reform and it is likely to be difficult to get the private sector to agree to an additional increase". Instead it suggested other measures, such as increasing the retirement age, given that "average life expectancy in Nicaragua is now 13 years higher than in 1990, while there has been no change in the retirement age over the same period".

#### ANDEAN COUNTRIES

#### **COLOMBIA | POLITICS**

#### Iván Márquez

The Colombian government appealed to the former head of the Farc negotiating team in Cuba, 'Iván Márquez' (Luciano Marín Arango), to take up his seat in the senate in July. Márquez has refused to assume his seat due to what he has denounced as "a lack of guarantees". "How can I try and become a senator when they will come and accuse me of being a drug trafficker?" Márquez asked rhetorically. This after the arrest on 9 April of Jesús Santrich' (Seusis Pausivas Hernández), one of the most senior Farc leaders, on suspicion of involvement in drug trafficking. Santrich was also due to take up a seat in congress.

#### Parties rally to Vargas Lleras but not people

Germán Vargas Lleras is yet to make any impression on Colombia's numerous opinion polls (with one exception) with a little over a month to go until presidential elections. And yet week by week he is winning the support of some of the country's most influential political parties. Vargas Lleras expressed his gratitude to the parties electing to back his candidacy as he seeks to claw in the clear frontrunner in the polls, Iván Duque, of the right-wing Centro Democrático (CD). Vargas Lleras will be conscious that polls cannot capture the full impact of the electoral machinery of organised political parties. That said he will be anxiously awaiting lift off for his candidacy or he risks missing out on a likely second round in which, with the political centre aligned behind him, he could well start off as favourite.

Heading into the first national debate between Colombia's presidential contestants on 19 April, Vargas Lleras was buoyed by the decision by the Partido Conservador (PC) to back his candidacy. Just a week earlier the Partido de la U (PU) had thrown its weight behind Vargas Lleras. Between them the two parties won more than 4m votes in the congressional elections on 11 March. His own Cambio Radical (CR) won 2.1m votes. On paper these figures look very positive for the former vice president (2014-2017).

PC members of congress were unable to reach a consensus over whether to back Vargas Lleras or Duque, after a fierce internal debate, so they decided to cast ballots. In the ensuing vote, Vargas Lleras won by 32-23 against Duque. Vargas Lleras wasted no time in tweeting his gratitude for the faith bestowed in him, saying he shared the PC's defence of family values, its commitment to the rural sector, and emphasis on order. He vowed that "the conservative grassroots will find in me an effective mouthpiece for their beliefs and concerns". The PC will now construct a programmatic accord with Vargas Lleras like the PU before it.

But this was not the end of the matter. The PC party leadership announced on 24 April that, as the unofficial vote demonstrated just how divided the party was in practice, it would give supporters the freedom to vote for either Vargas Lleras or Duque. Duque has the firm backing of factions in the PC aligned behind former president Andrés Pastrana (1998-2002) and Duque's running mate Marta Lucía Ramírez.

The announcement by the PC leadership appears to have been influenced to some extent by the polls. There is clearly some concern that the candidacy of Vargas Lleras might not take off and the party does not want to risk alienating Duque. Given his poor standing in the polls, however, Vargas Lleras is unlikely to be too disappointed with the outcome. If he can overhaul Gustavo Petro, of the left-wing coalition Colombia Humana, and secure second place in the first round of elections on 27 May, he would be in a strong position to defeat Duque in the second round as the Left would be forced, reluctantly, to vote for him for fear that the CD presidential candidate, mentored by former president Alvaro Uribe (2002-2010), would set about dismantling the peace accord with the Fuerzas Armadas Revolucionarias de Colombia (Farc).

Vargas Lleras performed reasonably well in the national debate, which largely covered Colombia's diplomatic ties, but there was no clear winner. Further debates, with different organisers, are coming thick and fast. On 25 April, Duque and Vargas Lleras participated in a debate, organised by the national daily *El Tiempo*, to discuss the challenge of diplomatic relations with Venezuela, which is holding its own presidential elections one week before Colombia's (*see overleaf*).

#### Public security challenges

**ELN talks** 

President Moreno said that Ecuador's hosting of talks with the ELN would be suspended until the guerrilla group committed to abandoning its "terrorist activities". The head of the ELN negotiating team in Ecuador, Pablo Beltrán, said the group remained committed to pursuing peace and would not step away from the talks. Neither, however, would he satisfy Moreno's demand. On 20 April the Chilean government offered to host the peace negotiations. Colombia's foreign minister María Ángela Holguín said her government "understood [Moreno's] reasons", coming shortly after Farc dissidents kidnapped and murdered three Ecuadoreans working for the national daily El Comercio.

Public security will remain central to the presidential campaign. On 24 April Vice-President Oscar Naranjo announced that 2,000 army special forces would be deployed in the region of Catatumbo in the north-eastern department of Norte de Santander after 6,633 people were displaced by a violent confrontation raging for 40 days between guerrillas in the Ejército de Liberación Nacional (ELN) and fighters in the illegal armed group Los Pelusos (previously the Ejército Popular de Liberación [EPL] guerrilla group).

Naranjo visited Catatumbo with the interior minister, Guillermo Rivera, in the wake of a large protest march from the municipality of Ocaña by local farmers and officials, refusing to be cowed by an 'armed strike' declared by the EPL a week earlier (essentially an order for people to stay at home or risk being shot). "The 6,000-strong march in mobilisation for peace is a lesson for Colombia," Naranjo said.

The demonstrators marched for 80km to the municipality of El Tarra, where they held a community assembly to demand a negotiated end to the violence in Catatumbo as the ELN and EPL fight over control of 25,000 hectares of coca and drug routes into neighbouring Venezuela. The installation of a unified command post in Ocaña to guarantee humanitarian corridors to allow the transport of essential supplies and agricultural products, and the movement of the infirm, was agreed upon during a meeting between 16 local mayors, community leaders, and the government delegation led by Naranjo to discuss the impact of the armed strike.

The ELN's role in the violent clashes in Catatumbo played a part in the decision by Ecuador's President Lenín Moreno to suspend his country's hosting of peace negotiations between the guerrilla group and the Colombian government (*see sidebar*). "I think enough time has passed for the guerrilla group to give a clear signal of its desire to sign a peace accord, ending violent activities...It has not done so...[and] this is absolutely unacceptable," Moreno said on his weekly radio and television broadcast on Monday (23 April).

#### VENEZUELA | POLITICS

#### Electoral campaign gets underway

Campaigning formally began in Venezuela on 22 April, four weeks before the presidential elections. President Nicolás Maduro promised "a great economic revolution". Maduro's main rival, Henri Falcón, has also made economic reform the fulcrum of his campaign, with a plan to dollarise the economy in an attempt to combat hyperinflation.

In the opening four days of the campaign, President Maduro has travelled extensively, holding rallies in the western state of Barinas, the eastern state of Delta Amacuro, the southern state of Bolívar, and the northern state of Carabobo. He admitted there were "many things left to do". On the campaign trail himself, Falcón argued that, after 18 years in power, the Bolivarian government had been given ample opportunity to do these "things" and the country was falling apart.

In this week alone, there were major protests in the country's most populous state, Zulia, over extensive power cuts (*see page seven sidebar*); medical unions staged a large protest in Caracas over shortages of essential medical supplies; and the director of the World Health Organization (WHO) Global Malaria Programme, Pedro Alonso, revealed that Venezuela saw the largest increase of malaria cases worldwide in 2017, jumping by 69% to 406,000.

Maduro preferred to focus on his promise to deliver "a great change, a great renewal of the Revolution" especially on the economic front. One thing that has not changed from previous electoral contests is abuse of the electoral law, with state television obliged, and private channels pressured, to broadcast Maduro's campaign rallies, containing significant handouts. The communi-

#### Blackout

A power blackout is leading to a breakdown in law and order in the state of Zulia. Schools and shops had to be closed this week, and public transport was affected, amid the power outage. There were reports of lootings and a young protester mounting a barricade during a demonstration in the state capital of Maracaibo was shot dead by the driver of a passing car. The electricity minister, Luis Motta

Domínguez, claimed that 53 people had been arrested on charges of sabotage, and accused the opposition of being behind the power cuts. The opposition party Un Nuevo Tiempo has organised pots-andpans protests outside the headquarters of the state-run Corporación Eléctrica (Corpoelec) in Maracaibo.

cations ministry has also brought pressure to bear on private television stations to do the same.

State institutions, governorships, mayoralties, and cabinet ministries, have all used public funds to issue propaganda urging people to vote for Maduro. Falcón denounced these "irregular" occurrences before the national electoral council (CNE) but if past precedent is anything to go by no action will be taken. Meanwhile, Venezuela's bishops' conference (CEV), a longstanding critic of the Bolivarian government, called for the elections to be postponed, a suggestion dismissed by the CNE as "unfeasible".

Falcón presented his government plan on the first official day of campaigning. He promised to dollarise the country's economy and establish a minimum wage of US\$75 that would rise to US\$300 by the end of his term. Falcón's economic adviser, Francisco Rodríguez, said this would stop hyper-inflation because "the government cannot print dollars". Rodríguez estimated that US\$3bn, around a third of Venezuela's international reserves, would be sufficient to change "all the bolívares in circulation" because the national currency had depreciated so much. Falcón said his government would defer payment of debt to creditors to help Venezuela get back on its feet. He also promised to "re-professionalise" and "de-politicise" the state-run oil company Pdvsa, currently controlled by the military which has been unable to reverse a sharp decline in oil production.

Maduro denounced the proposal to dollarise the economy as "very, very mistaken", "unconstitutional", and evidence that Falcón was "unfit to govern". Falcón called Maduro "crazy" and accused him of failing to present a viable proposal for rescuing Venezuela from its economic mire. The umbrella opposition movement Frente Amplio Venezuela Libre is organising protests on 27 April over the country's socio-economic crisis, and against hunger and repression.

#### Unasur fighting for survival

Speaking during a news conference at the United Nations headquarters in New York on 25 April, Venezuela's Foreign Minister Jorge Arreaza insisted that the opposition of foreign governments to the staging of presidential elections in the country on 20 May "defies logic". Sixteen countries attending the Summit of the Americas in Peru last week signed a statement condemning the breakdown in constitutional order in Venezuela and declaring the upcoming elections to be "void of legitimacy and credibility" [WR-18-15].

The Venezuelan crisis is also threatening to rupture the Union of South American Nations (Unasur). On 19 April six of Unasur's 12 members suspended their membership of the body. Argentina, Brazil, Colombia, Chile, Paraguay, and Peru questioned the relevance of Unasur, which has been unable to agree upon a new secretary general since Colombia's former president Ernesto Samper (1994-1998) stood down in January 2017. But it was noteworthy that they took the decision just two days after Bolivia assumed the pro tempore presidency of Unasur. The unconditional support of Venezuela's President Nicolás Maduro provided by Bolivia's President Evo Morales is at odds with the rest of the region.

Venezuela, under its then-president Hugo Chávez (1999-2013), was the driving force behind the formation in 2008 of Unasur, which espoused deeper integration as the fruit of ideological synchrony. But the leftist band of brothers is no more. Right-leaning governments are in the ascendancy in the region and they have no time for ideological posturing. They also appear to view Unasur as an unnecessary expense given the region's proliferation of integration movements. Morales expressed his confidence that Unasur's internal difficulties could be overcome with "dialogue and negotiation" but it was telling that he did so during a press conference on 23 April in Havana, where he became the second head of state to visit Cuba's new president Miguel Díaz-Canel – after Venezuela's Maduro.

#### ANR-PC captures Central

Preliminary results show that the ANR-PC has succeeded in defeating the PLRA in its traditional stronghold of Central Department. Hugo Javier González, a local TV and radio personality with no previous political experience, looks set to win the gubernatorial seat in Paraguay's most populous department for the ANR-PC for the first time since the post was first up for popular election in 1993. The loss of **Central Department** is a heavy blow for the PLRA, which had consistently managed to hold on to the seat in five consecutive elections. The PLRA appears to have won only three departmental seats (Concepción, Amambay, and Cordillera) outright, and one more (Caaguazú) in alliance with the FG.

#### **BRAZIL & SOUTHERN CONE**

#### **PARAGUAY | POLITICS**

#### Voting for continuity, but unconvincingly

Paraguay's ruling centre-right Asociación Nacional Republicana-Partido Colorado (ANR-PC) secured a second consecutive term in office in presidential elections on 22 April. The ANR-PC candidate Mario 'Marito' Abdo Benítez will succeed President Horacio Cartes after obtaining more votes than his main rival, Efraín Alegre, of the Alianza Ganar opposition electoral alliance. Abdo Benítez did not win by a landslide as had been predicted by voting intention polls but by a modest margin of three percentage points. Meanwhile the outcome of the concurrent national legislative elections points to a more fragmented congress in which the ANR-PC will have a reduced majority. All of this suggests that, while the ANR-PC remains the biggest political party in Paraguay, its level of support is waning.

Virtually all pre-electoral voting intention polls gave Abdo Benítez a commanding lead of some 20 percentage points over Alegre. This led many to believe that after successfully uniting behind Abdo Benítez's candidacy the ANR-PC would obtain an overwhelming victory in the general election over the Alianza Ganar – comprised of the traditional centre-left Partido Liberal Radical Auténtico (PLRA) and the leftist Frente Guasú (FG) coalition. Yet Alegre and the Alianza Ganar, which in essence is a revival of the electoral alliance that succeeded in carrying FG leader and former president Fernando Lugo to the presidency in 2008 (the first and so far only time that the ANR-PC has suffered defeat since the return to democracy in 1990), insisted that the polls were wrong and that they could once again triumph.

In the end, the poll predictions were proved wrong as Alegre came close to pulling off an unexpected victory. The last preliminary rapid vote count (Trep) results released by the electoral authorities (TSJE) late on election day identified the ANR-PC presidential candidate as the virtual winner with 99.67% of the vote counted. TSJE president Jaime Bestard said that Abdo Benítez had obtained 46.44% of the valid vote and that his lead was irreversible even though Alegre was not far behind with 42.7% of the vote. Bestard said that Abdo Benítez would be confirmed as president-elect once the full results are released later this week.

Alegre has yet to concede defeat, saying that he will only comment on the results once these are final. But, despite the close margin, the confirmation of Abdo Benítez's election is a mere formality, as Alegre did not challenge the Trep results and said that he was satisfied with the electoral process, which was endorsed by the electoral observer missions from the European Union (EU) and the Organization of American States (OAS). Indeed, speaking at a press conference following the release of the Trep results, Alegre said that the Alianza Ganar had fought a good campaign, defying pollsters. This was echoed by Alegre's vice-presidential running mate, Leo Rubin, who said that the close result shows that "the country wants change".

Alegre came closer to winning than in the 2013 presidential elections when Cartes beat him by some seven percentage points. In fact, Abdo Benítez's margin of victory is the smallest for any winning presidential candidate since the return to democracy. This suggests that a united opposition can push the ANR-PC close. The PLRA and FG did not go into alliance in 2013.

#### **Cross-voting**

The ANR-PC appears to have won 13 of the 17 gubernatorial seats up for grabs (one more than in 2013), including the populous Central Department

#### **New parties**

Cross-voting appears to have also benefited smaller and new opposition parties. The centrist opposition Partido Patria Querida (PPQ) will for the first time have representation in the senate, where it is projected to take three seats, and has returned to the lower chamber with another three projected seats. The newly formed centreright Partido Hagamos will make its legislative debut with two projected seats in the senate and one seat in the lower chamber. The environmental Partido Verde appears to have won one seat in the lower chamber for the first time: while the outspoken nationalist political campaigner Paraguayo 'Payo' Cubas appears to have secured election to the senate for the first time representing his Cruzada Nacional party.

(*see page eight sidebar*). But preliminary legislative election results showed opposition parties making inroads into the ANR-PC's dominant position.

The legislative votes are still being counted but the projections point to the ANR-PC failing to increase its simple majority in the 80-seat chamber of deputies and potentially losing its position as largest party in the 45-seat senate. The ANR-PC is projected to have won 42 seats in the lower chamber (down from 46) to 38 for the opposition. The senate projections give the ANR-PC 17-18 seats (down from 19) to 26-27 for the opposition, with the Alianza Ganar projected to have secured 19-20 seats.

Much like with the presidential contest, the pre-electoral polls largely predicted majority support for the ANR-PC in the legislative election. However, the ANR-PC's worse-than-expected result has been attributed to cross-voting (voting for different parties in the presidential and legislative contests). Throughout the electoral campaign, local civil-society groups called on the electorate to resort to cross-voting to ensure that some prominent national legislators who have been accused of corruption are not re-elected. Many of these figures were found on the ANR-PC list of candidates and so it is believed that the party was harmed by this form of 'punishment vote'. Notably, this had prompted Abdo Benítez to urge ANR-PC sympathisers to refrain from cross-voting and vote for the entire ANR-PC candidate list in his final electoral campaign rally.

It seems that Abdo Benítez's call was not heeded by all (according to the local press calculations based on the Trep results, 38% of ANR-PC voters resorted to cross-voting). In another sign that the election results are not as positive for the ANR-PC as they first appear, during a victory speech delivered on the night of the election, Abdo Benítez reached out to the political opposition and appealed for national unity behind his prospective government.

"The people voted for the unity of all of Paraguay and not its division. Today all sterile divisions must end...we will be united," Abdo Benítez said, addressing the Alianza Ganar as well as the ANR-PC factions that are not necessarily aligned with him. He also reiterated his commitment to upholding his pledges to stamp out government corruption and continue to combat poverty.

#### Senate showdown

But Abdo Benítez has his work cut out in trying to promote unity and secure widespread cross-party support for his government. In his election night press conference, Alegre said that the Alianza Ganar had agreed to continue working together after the election to present a strong opposition to the ANR-PC in congress. Alianza Ganar could stitch up a simple majority in the senate. This is significant as it would give the opposition grouping the power to stop the swearing-in of some of the controversial ANR-PC senatorial candidates who look set to have won election, such as former presidents Cartes and Nicanor Duarte Frutos (2003-2008), whose candidacies the opposition consider to be unconstitutional even though the supreme court (CSJ) has ruled otherwise.

In fact, the current senate president, Lugo, who looks poised to have secured re-election as a senator, has said that he will not allow Cartes or Duarte to be sworn-in as elected senators. Should the two former presidents be unable to take their seats as elected senators, this would produce major political tensions not just between the ANR-PC and the opposition but also within the rival ANR-PC factions. The inclusion of the two faction leaders in the party's senate list was ostensibly part of the arrangements allowing the ANR-PC to unite behind Abdo Benítez's candidacy. If this is not fulfilled then Cartes and Duarte may withdraw their support for Abdo Benítez, who would face serious governability problems.

#### BRAZIL | POLITICS

#### Narrowing the pool of electoral candidates

There is no shortage of candidates running in October's general election. The jailing of early electoral frontrunner Lula da Silva (2003-2011) from the leftist Partido dos Trabalhadores (PT) opened a window of opportunity for other presidential contenders to come forward. But, unless these candidates manage to restore faith in the political system, blank and spoiled votes could be the biggest winner.

Judicial interference could deplete Brazil's pool of possible presidential contenders. At least 15 out of 20 candidates are the subject of more than 160 investigations pending in court, according to local daily *Folha de São Paulo*. "This number could be even greater because it does not include those under the seal of secrecy," said the newspaper.

Ultimately, it will fall on Brazil's electoral court (TSE) to rule whether the evidence against any given candidate is serious enough to cross them off the ballot sheet. A final decision will be announced in August.

Corruption is the biggest obstacle which could stop presidential hopefuls from running under Brazil's 2010 'Clean Slate Law'. Already, Lula has been sentenced to 12 years in jail, President Michel Temer from the ruling Movimento Democrático Brasileiro (MDB) is the subject of at least two judicial investigations linked to 'Operation Car Wash' and so is the current head of the federal chamber of deputies, Rodrigo Maia, from the right-wing Democratas (DEM). According to the latest DataFolha poll, Lula has 31% of voter intentions, Temer 2% and Maia 1%.

On 20 April, the public ministry in the state of São Paulo said they would also question centre-right presidential candidate Geraldo Alckmin from Brazil's third largest party, the Partido da Social Democracia Brasileira (PSDB). Alckmin, the former São Paulo governor, who has 8% of voter intentions, is suspected of taking R\$10m (US\$2.9m) from engineering firm Odebrecht between 2010 and 2014.

Aside from corruption, other candidates have allegedly had unfortunate run-ins with the law. Jair Bolsonaro, the second strongest presidential candidate after Lula (with 17% of voter intentions), from the Partido Social Liberal (PSL), prides himself on being "clean". But he has been charged with inciting hatred and discrimination against blacks, indigenous communities, women, and homosexuals by the federal attorney general's office (PGR).

Possible leftist contender Guilherme Boulos from left-wing party Partido Socialismo e Liberdade (PSOL) has 3% of voter intentions. He clashed with the judiciary on multiple occasions through his involvement with Brazil's landless movement, the Movimento dos Trabalhadores Rurais Sem Terra (MST). Less seriously, he has also been taken to court for road rage.

Even possible presidential contender and former supreme court (STF) magistrate Joaquim Barbosa has not escaped unwanted judicial attention. He has been slapped with a R\$20,000 (US\$5,800) fine for insulting a journalist in 2013. Barbosa has 8% of voter intentions and is running for the Partido Socialista Brasileiro (PSB).

#### **Exploring alternatives**

The high number of new entrants running in this year's elections has increased speculation about which coalitions could form before the August

## Delusions of grandeur

In a national address, **President Michel** Temer compared himself to Brazilian independence hero Joaquim José da Silva Xavier or 'Tiradentes'. Hit by corruption allegations, Temer said he faced heavy criticism like Tiradentes but would go down as a victor in history. He is not the first politician to draw such a far-flung comparison. Before his arrest Lula recently claimed he was a political martyr like Tiradentes.

deadline. Barbosa's recent rise in opinion polls has made the PSB a more eligible coalition partner than in previous years and he is currently being courted by parties from left, right, and centre. But, at this early stage, Barbosa has not even confirmed whether he will be running.

Barbosa's career history outside politics plays well in the current electoral climate. He is running on a centrist platform and would marry liberal economic policies with social reforms. He defends pro-market structural reforms, free competition, and the privatisation of state-owned assets. But, drawing on his own humble origins as the son of a bricklayer, he advocates the need for poverty reduction and increased human rights protections.

#### Déjà vu?

This year's election could be more similar to the 2014 election than first thought. Then, the PT's Dilma Rousseff ran for the presidency against the PSDB's Aécio Neves, winning 54.5m votes to his 51m.

Over the past four years, both candidates have seen their popularity plummet. A deep-set recession and 'Operation Car Wash' are mainly to blame. Their fall from grace has been an extremely public affair following Rousseff's impeachment for fiscal mismanagement in 2016 and the corruption trial against Neves to be held at the STF.

But both politicians could rise again to compete for a senate seat in Minas Gerais. Rousseff, who until recently had been living in Porto Alegre, capital of Rio Grande do Sul, has re-registered in the capital of Minas Gerais, Belo Horizonte, in honour of the occasion.

#### **Indigenous rights**

Franklimberg Ribeiro de Freitas became the second head of Brazil's indigenous rights agency (Funai) to resign in a year. He handed in his notice on 19 April, which ironically coincides with Brazil's national indigenous day.

Ribeiro de Freitas left before he could be dismissed. Days before, 40 deputies from Brazil's agricultural lobby signed a petition asking President Michel Temer to remove him from the post, according to local daily *Estadão*.

The Funai is particularly susceptible to pressure from agricultural groups due to the way the department is structured. It is run by the justice ministry led by Osmar Serraglio, who is closely linked with congress' agricultural lobby, which has considerable legislative muscle with over 200 seats in the 513-seat chamber of deputies. They pose a direct threat to the Funai's interests and last year put 33 anti-indigenous measures to congress, according to the indigenous committee (Cimi).

The new head of the Funai, Wallace Moreira Bastos, has been handpicked to lead the agency by the same agricultural lobby. Moreira Bastos has ample experience in government and the private sector, but no obvious links to indigenous groups judging by his CV. Previously, Moreira Bastos worked in the ministry of transport, where he was a member of the administrative committee for ports operating company Docas do Maranhão. Before that, he was a partner and owner of fast-food chains such as Giraffas, Casa do Pão de Queijo, and Montana Grill.

Meanwhile, on 23 April, over 2,500 indigenous people staged protests outside the capital Brasília. Such demonstrations, affiliated with the Terra Livre movement, are an annual event.

But the theme of this year's protests to protect land rights has taken on a new sense of urgency (*see sidebar*) against the interests of agricultural and mining companies and private land owners. Some of the complaints, including tightening up Brazil's land demarcation laws, which have been weakened under Temer's administration, have been put to the senate's human rights' committee.

#### **Rural conflict**

Disputes over land ownership can be deadly. Last year, Brazil registered more than 70 deaths from rural conflict, up 15% on the 61 reported in 2016 and the largest number in the past 14 years according to a report by the Catholic church's land commission (CPT). Vidal rides to Macri's rescue

Hours after the release of President Macri's video message, María Eugenia Vidal, the Cambiemos governor of Buenos Aires province, announced that her government would reduce its taxes on public services. "Today we have decided to adhere to the president's call...This is our way of helping families that are struggling," Vidal said, while signing a decree reducing the taxes on public services by between 6.2% and 15.7% and noting that a bill implementing a further reduction would be presented to the provincial legislature. Buenos Aires is Argentina's most populous province. This should help to boost public support for Cambiemos in **Buenos Aires** province and puts pressure on other provincial governments to follow suit or face questions by the public.

#### Macri bows but does not succumb to tariff pressure

The government led by President Mauricio Macri has once again agreed to adjust its economic stabilisation plans to ease the social discontent they have been producing. After coming under mounting public and political pressure, the government has announced that it will modify its schedule for the elimination of the generous energy subsidies introduced under successive Kirchnerista administrations (2003-2015). But while Macri has said that the move is designed to alleviate the financial pressure that the sharp increase in utility tariffs resulting from the gradual removal of subsidies has placed on the Argentine people, he was clear that his government will not abandon its plans to eliminate all energy subsidies, convinced that this is in the country's long-term economic benefit.

Following a string of recent protests and strikes organised by local unions and civil-society groups to reject the high cost of living in Argentina resulting from the successive sharp increase in utility tariffs (of between 400% and 1600%) implemented since the Macri administration assumed office in 2015 [WR-18-15], the political opposition and even some prominent members of the ruling centre-right Cambiemos coalition began calling for a tariff freeze. Proponents of the freeze argued that the tariff increases were not only helping to stoke the still-high national inflation rate but also eroding salaries and the profits of small and medium-sized businesses to the general detriment of the domestic economy. Some even accused the Macri government of pandering to the interests of energy firms, which have seen their profits rise with the tariff increases.

The government has faced down the protests and dismissed the calls for a freeze arguing that, while painful, the elimination of energy subsidies and the gradual increase in utility tariffs is necessary to stabilise the domestic economy and return it to the path of sustainable economic growth. But after the centre-left Unión Cívica Radical (UCR), the senior partner in the Cambiemos coalition, threatened to vote in line with the opposition in favour of a tariff freeze in congress, the government opted to offer concessions to avoid a painful political defeat. Government representatives met UCR leaders on 19 April to hear their concerns that the social discontent over the tariffs would undermine public support for the coalition ahead of next year's general elections. The government announced afterwards that it would be modifying its schedule for eliminating subsidies.

The government announced that it would limit tariff increases (and temporarily pay more subsidies) starting from May and offer consumers the option to spread payments in order to ease financial pressures. But this was not all. In a video message released on 23 April, Macri called on all municipal and provincial governments to eliminate the taxes that they charge for the delivery of public services such as electricity and water as another way to help ease the economic pressure on the public. In the message, recorded at an oil-producing plant in the Vaca Muera shale oil and gas deposit in southwestern Argentina, Macri defended the need to keep reducing energy subsidies: "It is a lie that subsidies on gas and electricity are not paid by anyone, we all pay for it with higher inflation and [public] debt because to pay for our energy we need to borrow money".

But Macri recognised that the rising utility tariffs were hurting consumers and said that the government must be sensitive to this. He invited local governments to heed his calls to eliminate all local taxes on public services. He justified the demand by noting that, following the signing of a new federal-tax sharing agreement last year, local governments are now receiving more federal funds than ever before and that these benefits should be passed on to taxpayers. The problem for Macri is that so far only one provincial governor (*see sidebar*) has heeded his call.

#### Piñera tables contentious migration reform

This week thousands of migrants gathered in the Víctor Jara stadium in Chile's capital, Santiago, to begin the process of regularising their documentation. This is in line with new administrative measures announced earlier this month by President Sebastián Piñera along with a new legislative initiative aimed at updating existing laws. While human rights groups have welcomed some of the changes, others have been slammed as racist and discriminatory.

President Piñera presented the new administrative measures and legislative package on 10 April. He justified the new rules on the grounds that there are over a million migrants in Chile of which around a third are there on an irregular basis. He added that there had been an "exponential increase" in the number of foreigners entering the country with a tourist visa who remained on an irregular basis. As well as the launch of the regularisation process, the new administrative measures include a ban on requests for a temporary work visa in Chile, which took effect as of 23 April, and three new categories of temporary visas which will take effect as of 1 August.

The most contentious new rules, however, were those which single out Haitian nationals, allowing them only a 30-day tourist visa rather than the previous 90-day one, bar a quota of humanitarian one-year visas given to reunite families. This has led NGOs like Servicio Jesuita a Migrantes and Chile Abraza to warn that Haitians are being unfairly discriminated against. Another bone of contention has been changes which affect Venezuelan nationals. While these are permitted to request a year-long visa for humanitarian reasons – in response to the continued political and economic crisis afflicting the country – they may only be requested from the Chilean consulate in Caracas which has led critics to warn that this will make it more difficult for Venezuelans to leave.

Also on 10 April Piñera outlined the new legislative reform package which includes six objectives and similarly has met with a mixed response. The objectives are to: 1) give just treatment to migrants who enter Chile on a legal basis; 2) combat migrant trafficking and prevent those with criminal records from entering Chile; 3) create a migration policy council tasked with formulating and updating a clear migration policy; 4) create a national migration service to implement policy; 5) establish a flexible system of migration categories; and 6) decriminalise irregular residency and simplify and expedite the deportation process for those who have violated migration law. Some aspects of the proposed reform package, which has been sent down to congress for discussion, have been welcomed – such as the creation of new institutions to address migration policy. However, NGOs have raised concerns about some provisions such as expedited ejections without "due legal process".

#### Unrest

President Piñera, who took office last month, has encountered the first unrest of his new mandate. Last week the first nationwide protests took place by both students as well as the 'Coordinadora Nacional No + AFP' protest movement which is calling for an end to the mixed public-private national pension system which dates back to the dictatorship led by General Augusto Pinochet (1973-1990). The students' protests were triggered by a ruling by Chile's constitutional court (TC) last month striking down part of the higher education reform passed by the previous government [WR-18-13]. However, the unrest over pensions – which saw turnout of 150,000 nationwide – reflects a major electoral concern, upping the pressure on Piñera to make good promises made in his manifesto (*see sidebar*).

#### Pensions

In his proposed US\$14bn government plan for 2018-2022, which includes 745 measures and was presented at the end of October, President Piñera's main spending priority is a programme entitled 'positive ageing & pensions with dignity', which is assigned US\$3bn. Piñera is, however, calling for the current pension system to be retained, while his plan rather includes new subsidies to raise the pensions of the middle class, as well as incentives that would encourage workers to retire later.

#### **MEXICO & NAFTA**

**MEXICO | POLITICS** 

#### Anaya wins debate but will it help his cause?

There was no doubt who won the first televised debate of Mexico's presidential campaign on 22 April. Ricardo Anaya of the Left-Right coalition Por México al Frente was the victor by a unanimous decision. The most fleet of foot, Anaya exposed the clear frontrunner Andrés Manuel López Obrador as ponderous time and again but, crucially, the presidential candidate of the leftist Movimiento Regeneración Nacional (Morena) did not drop his guard. He absorbed the punches and stayed on his feet. With a large lead in the opinion polls and only just over two months until the elections, López Obrador might not need to do much more in the remaining two debates, relying on campaign rallies, his preferred modus operandi.

López Obrador received 51 attacks in total from his rivals in the two-hour presidential debate covering the issues of corruption and impunity, public security and violence, and democracy and pluralism. Anaya launched the most of these: 17 of his 20 attacks were on López Obrador; the other three on José Antonio Meade, of the federally ruling Partido Revolucionario Institucional (PRI). For his part, Meade attacked López Obrador 15 times and Anaya five. The remaining 19 attacks on López Obrador came from the two independent presidential candidates, Margarita Zavala and Jaime 'El Bronco' Rodríguez Calderón, who completed the line-up. While his opponents tried to land a glove on López Obrador, he stuck to his task, discussing his proposals, and only being drawn into two jabs in response throughout the debate.

Rodríguez set the tone with a fierce attack on López Obrador over his proposed amnesty for leaders of organised criminal groups. Rodríguez described how he had been personally affected by violence in Mexico with the loss of his son. He, like Anaya and Meade, accused López Obrador of perpetuating impunity. "Amnesty doesn't mean impunity," López Obrador insisted, claiming that crime fell in Mexico City when he was mayor (2000-2006). For all that López Obrador's proposal remains nebulous – he now says he would put it to a panel of experts which he invited Pope Francis to join – his opponents were far readier to attack him than to present their own alternatives to deal with the country's public security problem.

Meade's cause was not helped by the fact that on the day before the debate the government led by President Enrique Peña Nieto picked up the unwelcome accolade of the most violent in Mexico's recent history, surpassing that of Felipe Calderón (2006-2012) with more than seven months left to run. There have been 104,000 homicide investigations opened during Peña Nieto's term to date, passing the 102,000 for the whole of Calderón's mandate. Peña Nieto, who took office promising to succeed where Calderón had failed, accepted on 20 April that there was "still much to do" on the public security front.

March was the second most violent month in absolute terms, with 2,729 homicides, since records began, after last October, according to figures published by the Sistema Nacional de Seguridad Pública (SESNSP), up 23% year-on-year. There was an average of 85 homicides per day in the first quarter. At the present rate, the number of homicides in 2018 will exceed the 28,730 recorded last year, possibly reaching as many as 33,000, allowing for a customary increase during the summer months.

#### Corruption

López Obrador was more comfortable when the debate moved onto corruption as he insists that eradicating the scourge is his fundamental objective.

#### Homicides

Guanajuato was the most violent state in Mexico in March in absolute terms, for the third month running, surpassing the Estado de México (Edomex) and Guerrero. The highest murder rate was in Colima, reaching 96.7 per 100,000 inhabitants in March, similar to El Salvador.

#### **Missing students**

The three university students who disappeared in the western state of Jalisco last month [WR-18-12] were beaten and murdered, their bodies dissolved in acid, the state attorney general's office announced this week. It said they may have been confused by the Cartel Jalisco Nueva Generación (CJNG), the country's most powerful drug trafficking organisation (DTO), with members of a rival DTO. The announcement did not stop protests by thousands of students and others in the state capital Guadalajara and Mexico City. They want answers and better public security. They also doubt the official version of events.

"We are going to clean the government of corruption from top to bottom, the way you sweep the stairs...If ending privileges is populist then mark me down for it," he said. While Rodríguez advocated cutting off thieves' hands (informing a bemused moderator that he meant it literally), Anaya showed a picture of Meade sharing a cake with the former PRI governor of the northern state of Chihuahua, César Duarte, a fugitive from justice accused of large-scale corruption. "The question is how big a slice of the cake did you take?" Anaya asked rhetorically.

Meade has tried to make a virtue of necessity by putting combating corruption at the heart of his campaign. He expressed his commitment to make the federal public ministry independent rather than essentially under presidential control. He also said he wanted to be the first president without legal immunity. López Obrador had proposed eradicating the so-called 'fuero presidencial', but Meade has moved to accomplish it before taking office to give the impression that he means business.

On 19 April, the PRI led the way in the 500-seat federal lower chamber of congress in a resounding vote to end the fuero for the president, legislators, supreme court magistrates, electoral court magistrates, cabinet ministers, and the attorney general. The revision would allow for the impeachment of the president by a qualified majority. A total of 370 deputies voted to modify eight articles in the constitution in total. The amendment will require approval in the senate and the majority of the country's 32 state congresses to enter into force.

The PRI baptised the abolition of the fueros the 'Ley Meade', but all parties laid claim to it as none of them wanted to be seen to support what is widely viewed by the public as one of the main abuses of power in Mexico. Meade even sought to tackle López Obrador over corruption, accusing the Morena leader of having lied on his declaration of assets by omitting to mention three apartments he said featured on an official register. Calm and collected, López Obrador deflected the attack with humour, a tactic he used throughout the debate: "I'll give them to you if they exist."

#### Anaya's alliance rocking

López Obrador's response summed up Meade's night. But Meade did get a boost on the eve of the debate from Anaya's unruly electoral coalition between the right-wing Partido Acción Nacional (PAN), and the left-wing Partido de la Revolución Democrática (PRD) and Movimiento Ciudadano (MC). Anaya's victory in the debate was undermined by the decision by Silvano Aureoles, the PRD governor of the western state of Michoacán, to express his public support for Meade, praising his "proven professional ability and experience". His comments plunged the PRD into turmoil once again. Manuel Granados, the PRD president, announced that steps are being taken to expel Aureoles from the party, but this will not undo the damage to Anaya and Por México al Frente. Michoacán, with a population of 3.4m, is one of the largest 10 states in Mexico.

The other three PRD governors, of Morelos, Tabasco (López Obrador's home state) and Ciudad de México (CDMX), have kept their own counsel but there is disillusionment with the electoral alliance with the PAN. Morena candidates are leading in all three states ahead of concurrent gubernatorial elections on 1 July. Armando Ríos Piter, who left the PRD last year in a (failed) bid to register as an independent presidential candidate and retains support among factions of the party, also threw his weight behind Meade this week.

The second presidential debate, in just under a month, will be staged in the border city of Tijuana, focusing on foreign trade, border security, and migration. If the needle moves in the next opinion polls, López Obrador might need to be more assertive. If not, uncomfortable as he is with close-quarter skirmishes in quick-fire television debates, he will not change his approach.

## Quotes of the week

More than half a century of slander and dark invitations to generational rupture and discouragement in the face of difficulties have not been able to tear down the columns of the temple of our faith: the Revolution of Fidel...continues in its 60th year with the dignity of its founders intact and ennobled by having been able to do in each moment what each moment demanded. Cuba's new president Miguel Díaz-Canel

promises continuity.

"Nicaragua has changed...The Nicaragua of a week ago no longer exists." José Adán Aguerri, president of Nicaragua's influential business organisation Cosep.

"Nothing has damaged this country more than the dishonesty of its governors; the corrupt politicians and influence traffickers steal around M\$500bn a year. There is no gang that steals so much. Hardened criminals are like amateurs compared with corrupt politicians. Mexico's presidential frontrunner Andrés Manuel López Obrador.

## POSTSCRIPT

#### Peru's Vizcarra faces first challenges

One month on from assuming the presidency of Peru from Pedro Pablo Kuczynski, Martín Vizcarra's primary achievement is that this period has been quiet and uneventful, with nothing for the media to sink their teeth into. This could be starting to change. Firstly, a report released by the national statistics institute (Inei) this week showed that poverty increased in 2017 for the first time this millennium. This may not have been on Vizcarra's watch (although he was Vice President at the time) but it is something which his government will need to be seen to address. Secondly, the production minister, Daniel Córdova, tendered his resignation, becoming in the process Vizcarra's first cabinet casualty. As so often in Peru, he was undone by a leaked video.

President Vizcarra smoothly cleared his opening hurdle of hosting the 13-14 April Summit of the Americas without incident (albeit he was aided by the absence of the region's most combustible leaders). Vizcarra has devoted much of his time in office to visiting Peru's regions. He will need to deliver on his promises to drive development in these regions if he is to reverse an unwelcome development in 2017. Poverty increased by one percentage point on 2016 to 21.7%, meaning that an additional 375,000 people fell beneath the poverty line, set at NS\$338 (US\$104) per month. In rural areas poverty increased by six decimals to 44.4% and by 1.2 points in urban areas to stand at 15.1%. Lima accounted for nearly half of the people slipping into poverty.

Vizcarra said the increase in poverty was "unacceptable" and his government would "work hard to reverse it". His immediate priority, however, is winning a vote of confidence in his cabinet to be held in congress on 2 May. The prime minister, César Villanueva, accepted the resignation of Córdova as production minister on 25 April after the television programme Panorama aired a video on which he offered to fire his deputy minister for fishing, Héctor Soldi, in the midst of a negotiation with artisanal fishermen to resolve a strike in the southern region of Arequipa. The congressional accountability commission had summoned Córdova to explain the case.

Artisanal fishermen declared an indefinite strike on 4 April to reject new laws rolled out by the national fisheries health agency (Sanipes) decreeing that their landing stages did not meet the requisite sanitary conditions to unload their catch and would be closed. Fishermen elsewhere in the country are now threatening a national strike to protest against Córdoba's departure, blaming fishmeal producers.

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