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'Bolsonaro effect' shakes up Brazil's political landscape

Jair Bolsonaro has emerged as the clear winner in the first round of Brazil's presidential election, which took place on 7 October, although he was a few percentage points shy of the absolute majority needed to avoid a run-off vote. He will therefore face Fernando Haddad of the leftist Partido dos Trabalhadores (PT) in the second round on 28 October.

Bolsonaro, who represents the small right-wing Partido Social Liberal (PSL), received 46% of the valid vote. Haddad obtained 29.3% of the vote, while the alternative left-wing candidate Ciro Gomes, from the Partido Democrático Trabalhista (PDT), came a distant third with 12.5%.

Centrist parties suffered a crushing defeat. Geraldo Alckmin, the candidate for the Partido da Social Democracia Brasileira (PSDB), which held the presidency from 1995 to 2003 under Fernando Henrique Cardoso, and served as the main opposition party to the PT thereafter, finished in fourth place with just 4.8% of the vote. Marina Silva of Rede Sustentabilidade (Rede), who was the third-most voted presidential candidate in the 2010 and 2014 elections, came eighth this year, with a paltry 1% of the vote.

Nearly 50m Brazilians voted for Bolsonaro, the highest number of votes ever given to a candidate in the first round. He was the most voted candidate in 17 of Brazil's 27 states, with a sweeping victory in São Paulo, Rio de Janeiro, and Minas Gerais, the three most populous states (*see map overleaf*). Even in the nine states in which Haddad won, primarily in the traditionally pro-PT north-east, Bolsonaro performed significantly better than expected, beating Haddad in five major cities. In a further sign of how polarised the country has become, there is only one state in which neither Bolsonaro nor Haddad won; Gomes was the most voted candidate in Ceará, his home state.

The search for second-round support

Assuming a similar level of participation and unchanged support, Haddad would need over 27m extra votes to beat Bolsonaro in the run-off, while the PSL candidate requires less than 10m more votes to be assured of victory. Both candidates have high rejection rates, and any votes that they succeed in harnessing for the second round will likely be based not on the preference of voters, but on which candidate they dislike the least.

In a reflection of just how strongly both candidates are rejected, many centrist parties (including the PSDB) have opted to declare themselves neutral and officially support neither Bolsonaro nor Haddad in the second round. This could be partly strategic; parties such as the PSDB and the centrist Partido Progressista (PP) know that their support in the federal congress will be necessary for the incoming president, whoever he is, to have any chance of pushing through reforms.

PT changes tack
The PT has unveiled its new campaigning material for the second round, which shows a sharp change of direction from its previous 'Haddad is Lula' slogan. Former president Lula da Silva (2003-2011) no longer appears in the graphics, and the PT has abandoned its signature red for the colours of the Brazilian flag, as it searches for a narrative to unify the electorate behind Fernando Haddad.

The choice of neutrality could also reflect divisions within the parties themselves, or simply a sentiment expressed many times by Rede's Silva, that of not wanting to choose the lesser of two evils – that is, the corrupt and unrepentant establishment (Haddad) or an authoritarian hard-liner (Bolsonaro). Taking into account the number of Brazilians who abstained (30m), cast blank or spoilt ballots (10m) or voted for someone else (27m), it is a sentiment shared by many.

Even with parties such as the PDT and the Partido Socialista Brasileiro (PSB), which have strong support bases at state-level, siding with Haddad, the odds are not in his favour. Historically, the winner of the first round has always gone on to win the presidency in the run-off. Despite no big parties officially backing Bolsonaro, he has received the support of influential individual politicians, such as João Doria, the PSDB former mayor of São Paulo city (2017-2018) and leader in the race for governor of São Paulo state. And the results of the legislative and state elections show that support for Bolsonaro (or, failing that, complete rejection of the PT) runs deep through the electorate.

A shock for congress

The so-called 'Bolsonaro effect' extended to the congressional and state elections on 7 October, upending predictions and carrying an unexpected number of candidates representing the PSL and its allies to victory.

Until Bolsonaro, who has been affiliated with a number of different parties during his 27 years as a federal deputy, joined the PSL for this year's presidential race, the party carried little weight in Brazilian politics. It had no representation in the senate and elected just one federal deputy to the lower chamber in 2014 (although it currently has eight representatives in the chamber).

Yet as its presidential candidate has galvanised support, so the PSL's profile has risen, and it will be the second-most represented party in the new lower chamber with 52 deputies, behind the PT which will have 56 (down from 69 in the 2014 election). One of Bolsonaro's sons, Eduardo, was elected with a record number of 1.8m votes as federal deputy for the state of São Paulo.

At senatorial level, the PSL gained four seats, one of them through the election of another of Bolsonaro's sons, Flávio, in the state of Rio de Janeiro. The PT only succeeded in getting four senators elected, which means it will have a total of six senators in the newly composed senate, down from 13. Former president Dilma Rousseff (2011-2016), who was running for senator in Minas Gerais state, will not be one of them, disproving last week's opinion polls which had assured her victory.

As in the presidential elections, the biggest losers at congressional level are the well-established centre-right parties, which have traditionally been strong in the legislature, leading either the governing or opposition coalition. The governing Movimento Democrático Brasileiro (MDB) and the PSDB will remain the two biggest parties in the federal senate from 1 January 2019, but with diminished ranks (12 and nine senators respectively, down from 19 and 10 currently). In the lower chamber, the MDB will go from the second-most represented party currently to fourth (losing 32 deputies). The PSDB drops from fourth to ninth with the loss of 25 representatives.

While expected at presidential level, such a collapse of the political centre in congress had not been foreseen. Overall, only eight senators and 240 deputies succeeded in getting re-elected, which means that renewal rates in congress are higher than expected. The electorate's rejection of the political establishment and anger at corruption, which contributed to Bolsonaro's rise, emerged far more decisively than was believed possible in the votes for congress and state representatives.

Amongst the established politicians who were punished at the ballot box are Romero Jucá, a previously influential MDB senator for Roraima state, the

‘Barrier clause’

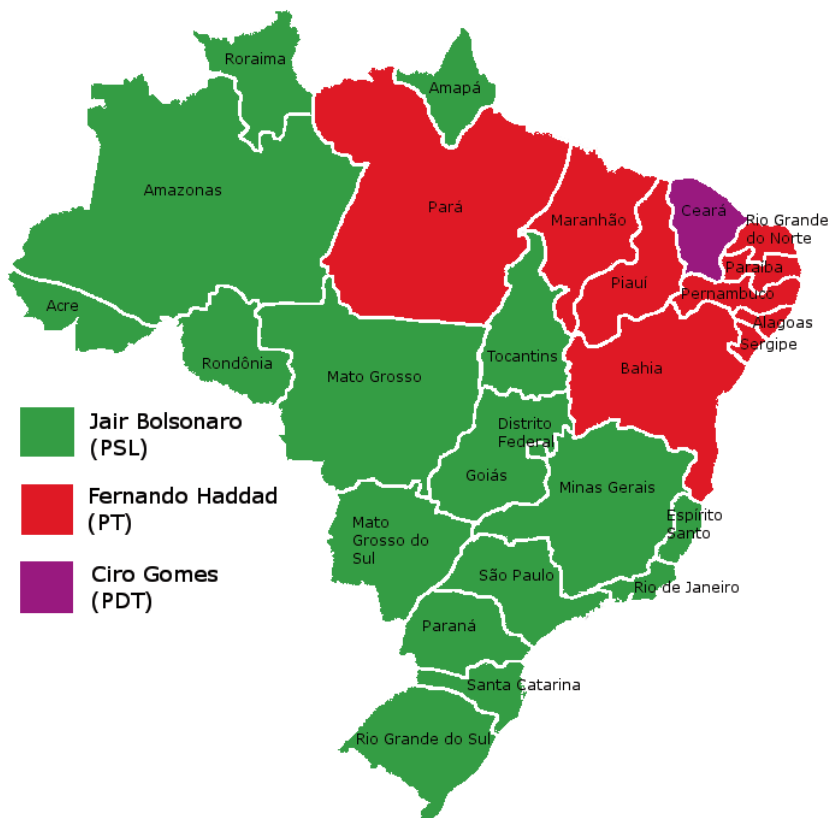
A new law known as the ‘barrier clause’ aimed at reducing fragmentation in congress comes into effect as of next year. It will cut financial and structural resources to parties that do not meet certain requirements, namely a minimum proportion of votes or number of elected federal deputies across the country. The clause could affect 14 of Brazil’s 35 political parties, nine of which have succeeded in electing deputies to the federal lower chamber. Although the clause does not in theory prevent these parties from being represented, they are not expected to survive without these resources, making it likely that their elected deputies would defect to bigger parties.

current president of the senate, Eunício de Oliveira (MDB also), the PSDB’s Cássio da Cunha Lima, and the PT’s Rousseff. They have all in some way been implicated in the ‘Car Wash’ corruption scandal.

Interestingly, the new congress will be both more diverse and more socially conservative. Diversity has improved slightly, with a better representation of women and people of colour, as well as the election of the first openly gay senator and the first indigenous woman as federal deputy. At the same time, the number of military representatives and evangelicals has also risen. These contradictions translate into a highly fragmented congress, as there will be 21 political parties represented in the senate and 30 in the chamber of deputies – the highest number ever.

Whether the presidency goes to Haddad or Bolsonaro, the incoming government will have to work hard to build coalitions within the fractured legislature. Although predictions see Haddad as the likelier to put together a stronger governing coalition, Bolsonaro would probably be more successful in harnessing the support of cross-party blocs, such as the so-called ‘bullet, beef and bible’ caucus.

Results of Brazil’s 2018 presidential election, first round, by state



Gubernatorial race

The gubernatorial elections saw some surprises as well. Six states elected a new governor and seven re-elected the incumbent outright with an absolute majority, while 14 states, including São Paulo, Rio de Janeiro, and Minas Gerais, will face a gubernatorial run-off on 28 October.

Although three PT governors obtained re-election in the north-east, the party lost the governorship in the state of Acre, one of its bastions, to the PP, and in Minas Gerais, where there will be a run-off vote between candidates from the Partido Novo (Novo) and the PSDB.

In Rio de Janeiro state, former mayor of the eponymous city Eduardo Paes (2009-2017), who was initially poised to win the governorship for the Democratas (Dem), was relegated to second place by Wilson Witzel from the

Partido Social Cristão (PSC). Witzel surged from practically unknown to third place in the polls after publicly expressing his support for Bolsonaro, and further surprised by collecting more than double the number of votes obtained by Paes on the day of the election. Witzel therefore looks set to beat Paes in the run-off, which would be a victory for Bolsonaro.

The PSDB's losses continued at gubernatorial level, where it failed to win a single election outright, including in strongholds such as the state of São Paulo. Its candidates will be fighting a second round in six states, including São Paulo, where it hopes to win, and Minas Gerais, where victory is less certain.

Composition of Brazil's federal senate							
Party	Seats	Seats	Change	Party	Seats	Seats	Change
	2019-2023	2015-2019			2019-2023	2015-2019	
Movimento Democrático Brasileiro (MDB)	12	19	(-7)	Partido Socialista Brasileiro (PSB)	2	6	(-4)
Partido da Social Democracia Brasileira (PSDB)	9	10	(-1)	Partido Popular Socialista (PPS)	2	1	(+1)
Partido Social Democrático (PSD)	7	4	(+3)	Solidariedade (SD)	1	0	(+1)
Partido dos Trabalhadores (PT)	6	13	(-7)	Partido Republicano Progressista (PRP)	1	0	(+1)
Democratas (DEM)	6	5	(+1)	Partido Humanista da Solidariedade (PHS)	1	0	(+1)
Progressistas (PP)	5	5	(=)	Partido Republicano da Ordem Social (PROS)	1	1	(=)
Podemos (Pode)	5	0	(+5)	Partido Social Cristão (PSC)	1	1	(=)
Rede Sustentabilidade (Rede)	5	1	(+4)	Partido Trabalhista Cristão (PTC)	1	0	(+1)
Partido Social Liberal (PSL)	4	0	(+4)	Others	1	2	
Partido Democrático Trabalhista (PDT)	4	6	(-2)	Partido Republicano Progressista (PRP)	1	0	(+1)
Partido Trabalhista Brasileiro (PTB)	3	3	(=)	Partido Republicano Brasileiro (PRB)	1	0	(+1)
Partido da República (PR)	2	4	(-2)	Total	81	81	

Composition of Brazil's federal lower chamber							
Party	Seats	Seats	Change	Party	Seats	Seats	Change
	2019-2023	2015-2019			2019-2023	2015-2019	
Partido dos Trabalhadores (PT)	56	69	(-13)	Partido Popular Socialista (PPS)	8	10	(-2)
Partido Social Liberal (PSL)	52	1	(+51)	Partido Republicano da Ordem Social (PROS)	8	11	(-3)
Progressistas (PP)	37	38	(-1)	Partido Social Cristão (PSC)	8	13	(-5)
Movimento Democrático Brasileiro (MDB)	34	66	(-32)	Partido Novo (NOVO)	8	-	(+8)
Partido Social Democrático (PSD)	34	36	(-2)	Avante	7	1	(+6)
Partido da República (PR)	33	34	(-1)	Partido Humanista da Solidariedade (PHS)	6	5	(+1)
Partido Socialista Brasileiro (PSB)	32	34	(-2)	Patriota (Patri)	5	2	(+3)
Partido Republicano Brasileiro (PRB)	30	21	(+9)	Partido Republicano Progressista (PRP)	4	3	(+1)
Partido da Social Democracia Brasileira (PSDB)	29	54	(-25)	Partido Verde (PV)	4	8	(-4)
Democratas (DEM)	29	21	(+8)	Partido da Mobilização Nacional (PMN)	3	3	(=)
Partido Democrático Trabalhista (PDT)	28	19	(+9)	Partido Trabalhista Cristão (PTC)	2	2	(=)
Solidariedade (SD)	13	15	(-2)	Democracia Cristã (DC)	1	2	(-1)
Podemos (Pode)	11	4	(+7)	Partido Pátria Livre (PPL)	1	0	(+1)
Partido Socialismo e Liberdade (PSOL)	10	5	(+5)	Rede Sustentabilidade (Rede)	1	0	(+1)
Partido Trabalhista Brasileiro (PTB)	10	25	(-15)	Others	0	1	
Partido Comunista do Brasil (PC do B)	9	10	(-1)	Total	513	513	

National parties pummelled in regional elections**Lima elections**

Daniel Urresti finished second in the Lima mayoral elections some 15 percentage points adrift of Jorge Muñoz. Three days before the elections, Urresti was declared innocent of the 1988 murder of the journalist Hugo Bustíos. Ricardo Belmont, a populist former mayor of Lima (1990-1995), who had been one of the frontrunners in the polls, denounced Muñoz's victory as "one of the biggest frauds in the country's political history...television showed barely 200 people celebrating the triumph of a mayor nobody knows".

Regional and municipal elections on 7 October confirmed the atomisation of Peruvian politics, a trend in evidence since 2006. Established national parties were for the most part vanquished in the contests for the 25 regional governments by local movements fielding caudillos, often espousing anti-system views, as well as many of the mayoral contests in the 196 provinces (into which each region is subdivided), and 1,875 districts. The mayoralty of Lima, won by Jorge Muñoz of the centrist Acción Popular (AP), was the most obvious exception to the rule. The right-wing Fuerza Popular (FP, Fujimoristas), the dominant force in congress, was hammered at the polls, underlining its loss of popularity.

In few other countries in Latin America is there such a clear distinction between local and national politics. This is ultimately a reflection of the neglect that voters in the region feel from the central government. It could be interpreted as a distrust of central government; an indictment of its failure to pass on the benefits of years of strong economic growth to improve the living standards of some 10m poor Peruvians, mainly in the regions, through infrastructure, road construction, rural electricity, sanitation, and literacy projects. It confirms the disjuncture between national and local politics. And it emphasises the crisis of Peru's party political system, reinforced by the corruption scandal implicating most political parties revolving around bribes paid by the Brazilian construction giant Odebrecht to secure government contracts. Many national parties did not even bother fielding candidates in several of the regional elections because they knew that local movements (with limited accountability) would hold sway.

The most eye-catching result was the landslide victory for the Aymara leader Walter Aduviri in the south-eastern region of Puno, with 48% of the vote, some 30 percentage points ahead of his nearest challenger. In May 2011 Aduviri launched a violent anti-mining protest, during the course of which five people were killed in clashes with the police, to demand the definitive annulment of all mining concessions in Puno to protect agriculture and the environment.

Aduviri, who was sentenced in December 2017 to seven years in prison for masterminding the protests, ran his campaign from hiding, presenting himself as a victim of the criminalisation of protest. Two days before the elections, the supreme court accepted his appeal against the ruling and he will face a retrial. Aduviri called for dialogue between social leaders and the business sector in the interests of regional development, but his triumph is likely to be inimical to mining interests in Puno, Peru's fourth-most populous region.

Only nine of the 25 regional elections were decided in the first round, with the others going to a run-off between the top two candidates on 9 December. Local movements were in the ascendancy in the majority of the contests, although Alianza para el Progreso (APP), which won two regional governments in 2014, could win more this time around. The APP retained the northern region of La Libertad (but lost neighbouring Lambayeque) and triumphed in Ucayali. It will contest run-offs in Pasco, San Martín, Madre de Dios, and Cajamarca, Peru's third-largest region. In Cajamarca, the APP will face off against AP, which will also compete in second rounds in Cusco and Huánuco. But the AP's big prize was the mayoralty of Lima, which Muñoz won at a canter with around 37% of the vote.

Venezuelan migrants

Peru has once again opened its borders to Venezuelan migrants without a valid passport. Peru's judiciary issued a ruling on 5 October declaring that restrictions put in place since 25 August violated the rights of Venezuelan migrants to free movement. Peru's interior minister, Mauro Medina, reluctantly accepted the ruling, saying it would create problems in identifying people as identity cards were "an insufficient guarantee to authenticate the holder's real identity". He also argued that Venezuela is no longer part of the Andean community (CAN) and has been suspended from the Southern Common Market (Mercosur).

AP resurgence

AP was not in contention in Lima, according to opinion polls, until the final two weeks of the campaign when Muñoz excelled in the two debates organised by the national electoral council (JNE), which were skipped by the frontrunner Renzo Reggiardo. Muñoz promised to improve citizen security, with joint patrols conducted by the serenazgo (the municipal security service) and the national police, and overhaul the transport system, including the construction of the first cable car in Lima between the districts of Independencia and San Juan de Lurigancho in the north of the city, a project which has been paralysed for more than two years.

Eduardo Orrego (1980-1985) was the last mayor of Lima representing AP, the party founded in 1956 by former president Fernando Belaúnde Terry (1963-1968 and 1980-1985), which also won 14 of the 43 district mayoralties into which Lima is split. Muñoz, who was elected mayor of the affluent Lima district of Miraflores in 2014 for the centre-right Somos Perú, said it was appropriate that he achieved his notable victory on the day on which the AP founder would have been 106. It is not clear whether this presages a return to the big leagues for AP. The party had lost importance and nationwide presence, consumed by internal disputes, until the decent showing by its presidential candidate Alfredo Barnechea, who came fourth in the 2016 elections with just over 1m votes.

Fujimorismo humbled

The revival of the moderate centrist AP coincided with a sharp reversal in the fortunes of the populist right-wing FP, in marked contrast to Brazil's presidential elections on the same day. FP lost all three of its regional governments and failed to win a single electoral district in Lima, where its mayoral candidate, Diethell Columbus, finished in twelfth place behind Muñoz with just 2% of the vote. This was a setback for the leader of FP, Keiko Fujimori, whose problems were compounded on 10 October when she was arrested in connection with the Odebrecht corruption scandal, just days after her father, former president Alberto Fujimori (1990-2000), saw his humanitarian pardon overturned [[WR-18-39](#)]. Adjudged a flight risk, Keiko will be held in preventive detention for 10 days.

Referendum to be held with regional run-offs

FP will not contest any of the 16 regional elections going to a second round on 9 December, when a referendum on four judicial and political reforms pushed through congress by the government led by President Martín Vizcarra will also be staged. Vizcarra signed a resolution to this effect on 9 October. Vizcarra also took the opportunity to advise the electorate to vote against one of the questions calling for the restoration of a bicameral congress.

Vizcarra said that congress had amended the requirement for gender parity on lists for deputies and senators, and modified the 'cuestión de confianza', which allows the president to call a vote of confidence in his government; if congress votes against the government twice during a presidential term it triggers fresh elections. It is precisely this weapon which Vizcarra has used to force the FP-majority in congress to support his political and judicial reform proposals.

FP deputy Rosa Bartra, president of the congressional constitutional commission, expressed surprise that in calling the referendum Vizcarra should have urged the electorate to vote one way or another. She argued that his opposition to the question restoring a senate put him at odds with his own prime minister, César Villanueva, and the justice minister, Vicente Zaballos. She also criticised the fact that there was no gender parity in his cabinet. Deputy Gilbert Violeta of Peruanos por el Cambio (PPK), the party on whose ticket Vizcarra was elected as vice-president in 2016, said bluntly, "I don't share the president's observations." AP deputy Víctor García Belaunde, meanwhile, accused Vizcarra of being "dizzy with power...his sudden popularity has clearly affected him".

Political polarisation deepens

France

President Maduro took aim at France last week after the government led by President Emmanuel Macron joined Colombia, Argentina, Chile, Paraguay, Peru, and Canada in denouncing Venezuela before the International Criminal Court (ICC). Maduro accused France of “a populist act...to improve the discredited image of Macron and his government...in line with the most racist style of the French far-right”. He condemned France’s “interventionist attitude” which he said would damage bilateral relations. Colombia’s President Iván Duque thanked Macron publicly for “a show of solidarity with the Venezuelan people”.

The president of Venezuela’s national constituent assembly (ANC), Diosdado Cabello, organised a demonstration for peace in central Caracas on 5 October. This professed commitment to peace and dialogue was belied by an incident three days later which won international condemnation: a councillor representing the political opposition, who was arrested without a warrant and taken to the headquarters of the national intelligence agency (Sebin), died, officially from suicide.

Addressing government supporters in the ‘march for peace’, Cabello said that Venezuela had become the victim of a relentless pursuit by the agents of imperialism “attacked like no other country perhaps over the course of the last three or four years”. He insisted that Venezuela did not need a humanitarian corridor, as demanded by the political opposition, but “to be freed from the blockade of sanctions, to allow us to buy medication and food from anywhere in the world”. The scarcity of food and medicine, however, long predates the US sanctions imposed last year.

“Our president has always called for peace and dialogue for years...and what has been the response of the Right? Terrorism, destruction,” the governor of the eastern state of Lara for the ruling Partido Socialista Unido de Venezuela (PSUV), Carmen Meléndez, said. The opposition levelled precisely the same charge at the government after Fernando Albán’s death in Sebin’s headquarters. The attorney general’s office announced that Albán had committed suicide. The government gave conflicting accounts of how this came to pass, but the political opposition accused the government of murdering Albán, and numerous national governments in the region and beyond are demanding a thorough investigation. Albán had been arrested on 5 October after prosecutors implicated him in the alleged drone assassination attempt on President Nicolás Maduro at a military parade in August.

Albán’s funeral procession in eastern Caracas on 10 October attracted a large turnout. It comes as protests against the Maduro administration by labour unions passed 100 days. The main focal points of the protests are in Caracas, the central state of Carabobo, the southern state of Bolívar, and the western state of Táchira. Teachers and university professors are denouncing the violation of their collective contracts, claiming that their salaries are not keeping pace with inflation. The minimum wage is just BS\$1,800 (US\$29 at the official exchange rate) and a basic basket of goods costs BS\$20,000 (US\$322), the president of the labour union at the Universidad Pedagógica Experimental Libertador (Upel), Israel Herrera, complained. “How are you and your family supposed to survive on this?” he asked rhetorically. Medical workers are protesting a lack of medical supplies and essential equipment in hospitals; steelworkers from the Ferrominera del Orinoco in Bolívar that they have not been paid for a month.

The day before a march called by labour unions for 5 October, Maduro announced on state television that public sector workers would henceforth be paid on a weekly basis rather than twice monthly in a bid to combat hyperinflation. Maduro did not refer directly to the protests, saying the decision had been made by “public request”. It is unlikely the public requested another step taken by the government this week. Vice-President Delcy Rodríguez announced the creation of a “migration police” to attend to the “reality” at 72 land, port, and airport border controls. She provided no details about the structure of the new body except that it would be “very specialised”; the national guard presently oversees border security. Rodríguez added that the new police would “preserve citizen security”, and would confront a “campaign of falsehoods...so that the truth can be imposed, not the imperial lies peddled by Washington to the world”.

More arrests

On 3 October, the Colombian authorities announced the arrest of three Colombian women accused of sexually exploiting and trafficking girls to Trinidad & Tobago. According to prosecutors, the three women, identified as Edna Ruth Avendaño, Mónica Tatiana Avendaño, and Angie Carolina Hernández, exploited around 100 girls aged 15-19, who were recruited in Colombia's Caldas department and then shipped to Trinidad & Tobago through Venezuela. Prosecutors also announced that they had requested the issuance of an international arrest warrant against a fourth woman, identified as Krisna Maryana Beltrán, the suspected head of the criminal ring who is believed to be residing in Trinidad & Tobago.

Human trafficker brings down municipal official

The fallout from a long-running investigation into a huge prostitution and human trafficking network based in Colombia's tourist hotspot of Cartagena de Indias saw the resignation of a high-ranking local public official this week, and more scandal could follow.

Víctor Hugo Arango, director of a Cartagena municipal government public security office called Distriseguridad, was forced to resign after taking a selfie with the alleged leader of the criminal network, Liliana del Carmen Campos Puello, also known as 'La Madame', during a party at the San Diego prison where she is being held awaiting trial. The image of Arango smiling as he takes a selfie with Campos Puello sparked a controversy which saw Colombia's Vice President Marta Lucía Ramírez step in to demand swift action from Cartagena mayor Pedrito Perreira.

The photo was taken on 21 September at a party in honour of the Virgen de las Mercedes, the patron saint of prisoners. That day, Campos Puello and her fellow inmates partied with public figures, such as television presenters and local government officials, enjoying performances from local musicians as well as dancing and beauty pageants. Videos of the human trafficker dancing salsa on stage caused anger among Colombians who questioned why the leader of a huge criminal network was being treated like a celebrity.

In fact, the entire affair has left many questions unanswered. It has emerged that Campos Puello has previous convictions for heroin smuggling and irregular entry to the US, but her contact book shows that her prostitution ring served clients from every strata of Colombian society from leaders of drug trafficking organisations (DTOs), such as the Oficina de Envigado and the Clan del Golfo, to elected government officials and members of high society based in Bogotá. Campos Puello's network of more than 250 women, including some minors, served a huge number of local and international clients and had become something of an open secret in the Caribbean port city of Cartagena.

Perhaps that explains why a specialist team, comprising largely of officers from Bogotá, was used to man a surveillance operation that lasted for months and resulted in the collection of huge amounts of evidence, including 70,000 audio recordings, which revealed the inner workings of the network. Investigators were able to ascertain that girls were sold as part of luxurious trips on yachts, and others listed in catalogues with prices starting at Col\$500,000 (US\$162), while their 'madame' accumulated vast amounts of wealth.

Already well-known on the streets of Cartagena, Campos Puello was arrested by police on 30 July alongside 18 other suspected members of the trafficking network, including two Israeli citizens. Prosecutors are charging her with conspiracy, human trafficking, incitement to prostitution, and sexual exploitation of minors under 14 years of age.

Given the scale of the network, which the authorities say had operated in Mexico, Panama, Ecuador, Curaçao, The Bahamas, and the US, Campos Puello can expect a hefty jail term. More worryingly for those listed in her address book, she has said that she will take others down with her. Sex tourism and human trafficking are huge problems in Colombia, and President Iván Duque will be keen to be seen to take action. Campos Puello's case has uncovered uncomfortable truths about how her criminal network was seemingly allowed to operate with complete impunity by the authorities in Cartagena, as well as about Colombian prisons, where inmates can party as public figures queue up to take photos with them.

Corruption

The motion calls for the national government to intervene to clear up the allegations of corruption, mismanagement, illicit association, money laundering, and illicit enrichment affecting Mayor McLeod and the Zacarías Irún brothers. The motion approved by the CDE legislature came after the economic crimes unit of the attorney general's office announced that it had opened a new illicit enrichment investigation against Senator Zacarías Irún and his family based on a complaint filed by the CDE lawyers' association. The Zacarías Irún clan has rejected all of these accusations and denounced the move by the CDE legislature as an attempted political coup against McLeod promoted by its political adversaries. The family also warned the national authorities against intervening in CDE.

BRAZIL & SOUTHERN CONE

PARAGUAY | POLITICS

Divisions widen in ruling ANR-PC

One of Paraguay's most influential political families has become the latest target of local prosecutors. Senator Javier Zacarías Irún and his family are now under investigation for illicit enrichment, corruption, and tax evasion. The moves against the Zacarías Irún clan may be applauded in some quarters. But they are likely to exacerbate the deep divisions within the ruling Asociación Nacional Republicana-Partido Colorado (ANR-PC), which could produce political instability and governability problems for the government led by President Mario Abdo Benítez.

Senator Zacarías Irún has emerged as an ANR-PC political caudillo in his home department of Alto Paraná in recent years. After winning election as mayor of Ciudad del Este (CDE), the capital of Alto Paraná and Paraguay's second city, in 2001 and serving for two terms, Zacarías Irún managed to get his wife, Sandra McLeod, to succeed him as CDE mayor in 2007, a post she still holds. In addition, Zacarías Irún also helped his brother, Justo Zacarías Irún, win election as Alto Paraná governor in 2013 (Justo stepped down as governor ahead of April's general election to run, successfully, as a national deputy).

The political influence and apparent stranglehold that the Zacarías Irún clan exerts in Alto Paraná allowed Senator Zacarías Irún to rise through the ANR-PC ranks to the point that he was touted as a presidential contender (ultimately standing as the party's unsuccessful vice-presidential candidate in the 2008 general election). Since then he has remained an influential figure within the ANR-PC by becoming a close ally of former president Horacio Cartes (2013-2018). Notably, Zacarías Irún was elected as ANR-PC vice president in the internal party elections held in 2016 in which Cartes and his allies succeeded in capturing the party leadership.

Zacarías Irún's political detractors have long accused him and his family of running Alto Paraná and CDE as their personal fiefdom and of using their political influence to amass considerable wealth through dubious means. The clan has been accused of gross corruption in public office and the mismanagement of public funds for its personal and political benefit. These accusations have always been rejected by the family, which was able to avoid investigation in large part thanks to its control of the local authorities in Alto Paraná. However, this started to change following April's general election in which Abdo Benítez's allies replaced many of Cartes' supporters in elected posts across the country, including Alto Paraná.

Abdo Benítez and Cartes are in-party rivals and since the Cartes administration the two leaders and their supporters have been deeply divided and engaged in an internal political struggle. The election of Abdista politicians in Alto Paraná, coupled with the ongoing public campaign demanding the prosecution of corrupt government officials, and the new president's professed determination to combat government corruption, has led to the Zacarías Irún clan becoming the focus of anti-corruption investigations. This shift became evident when, on 2 October, the CDE municipal legislature voted in favour of a motion calling for the national government to intervene in the municipal administration amid allegations of gross mismanagement by Mayor McLeod. Abdista CDE councillors voted along with the opposition in favour of the motion (*see sidebar*).

Senator Zacarías Irún is also being investigated for illicit enrichment by the attorney general's office. He has appeared in a series of interviews with local media since 5 October in which he has sought to show that his wealth has

Zacarías Irún's defence

During his interviews with the local media, Senator Zacarías Irún pointed out that he and his family own various businesses in different sectors (including construction, real estate, and business advisory services), and that these are the source of their wealth. When asked about his tax returns, Zacarías Irún admitted that he had never registered to pay IRP because his companies had always paid the business income tax (Iracis), and claimed that most of his income comes from his businesses. However, Zacarías Irún recognised that he is also a registered lawyer, that he earns a salary as a senator, and that he has carried out consultancy work in recent years, all of which tax lawyers noted represents income that is subject to IRP.

been legitimately obtained by presenting his declaration of assets and tax returns. However, the documents revealed that he has never registered to pay personal income tax (IRP) since it was first introduced in 2013. He himself admitted to this but tried to argue that he was exempt from paying the IRP because his numerous companies had regularly paid taxes (*see sidebar*).

Zacarías Irún's arguments were quickly dismissed by local tax lawyers and, on 10 October, the tax authority (SET) announced that it was investigating him for tax evasion. SET head Fabián Domínguez said that in line with the ongoing investigation by the attorney general's office, his dependency would seek to determine if Zacarías Irún had deliberately avoided paying IRP and why the fact that he had never done so was not flagged by up by his predecessor, Marta González, who happened to be a Cartes appointee. Domínguez added that the investigation would also involve over 14 businesses with which Senator Zacarías Irún and his family are formally linked.

Following the approval of the motion to intervene in the CDE municipal government, this issue is now with the national congress, which must decide whether to go ahead with the requested intervention or not. This debate, along with the various probes opened into the Zacarías Irún clan, is bound to heighten tensions within ANR-PC. The concern is that the end result of all of this will be an institutional crisis and a definitive rift between Abdistas and Cartistas that could spell serious governability problems for the Abdo Benítez administration.

CHILE | ENVIRONMENT

Piñera presented with pollution problems

Chile is facing one of its worst ever health crises, stemming from pollution, after reports of an industrial gas leak in Quintero and Puchuncaví communes, in Valparaíso Region, recently forced hundreds of people to seek medical treatment for vomiting and nausea. With President Sebastián Piñera compelled to acknowledge the crisis in his address before the United Nations General Assembly (UNGA) last month, it once again highlights the challenges facing his right-of-centre Chile Vamos coalition government with regard to what remains a long-running concern.

The crisis first made headlines in late August when the media reported that over 300 people were seeking medical treatment for vomiting and nausea on initial reports (although local media have since suggested that some 600 people were affected). This led to local authorities announcing a 'yellow alert' which, among other things, resulted in classes being suspended, although this has since been lifted.

Since then, on 24 September President Piñera declared a health alert in the area, which provides the health ministry with special faculties to order companies operating locally to suspend operations. Underlining that the government cannot be expected to reverse the effects of 50 years of pollution in the area in just one month, he noted that the alert will strengthen environmental rules which establish for the first time in Chile an hourly norm of sulphur dioxide, the main pollutant, in line with European Union (EU) standards; modernise air quality monitoring networks; and improve resources to monitor operations.

Other measures taken by local authorities include the 4 October announcement of a new early warning protocol, by Valparaíso governor Jorge Martínez, which stipulates that when the air quality is sufficiently bad, health officials will notify eight companies located in the industrial area, to reduce operations. The companies affected are the state-owned oil company Empresa Nacional del Petróleo (Enap); state-owned copper company Codelco; chemicals distribution company Oxiquím; GNL Quintero, a terminal for the reception, unloading, storage, and regasification of liquefied

SMA

Chile's environmental inspectorate (SMA) has also taken action in response to the health crisis. On 5 September it announced it would press charges against Enap for environmental problems identified in its process of treating liquid industrial waste. Enap Vice President Gonzalo de la Carrera resigned following the release of the SMA's report. However, in a statement released on 6 September Enap denied the accusations and said it would invoke all the legal actions at its disposal.

natural gas (LNG); AES Gener, an electricity producer and distributor; Gasmar, a company that imports and sells liquefied petroleum gas (LPG); Copec, an industrial conglomerate; and Enx, the gasoline distributor. The operational plans of Enap and Codelco have so far been analysed and approved by the authorities, while the operational plans of the other six companies are still under analysis.

A more general concern

According to a UN report released in August 2017, every year in Chile air pollution costs the health sector at least US\$670m and is the root cause of 127,000 emergency health consultations and more than 4,000 premature deaths.

Previous governments have taken steps to address the problem. In 2014, the administration led by President Michelle Bachelet (2006-2010; 2014-2018) launched a programme in the centre-south region to replace 200,000 firewood heaters with more energy-efficient heaters, such as new gas, paraffin, or wood pellet-based heaters. This led to a drop in emissions and improved indoor air quality. Former environment minister Marcelo Mena (2017-2018) revealed that between 1 April and 29 June 2017 severe air pollution episodes in the main cities of the centre-south region were 45% lower than in the same period of 2016.

According to the same UN report, currently 10m people are exposed to an average concentration of fine particles (particulate matter of 2.5 microns) above 10 micrograms per cubic meter ($\mu\text{g}/\text{m}^3$), a level deemed unsafe by the World Health Organization (WHO). Also trumpeted as part of efforts to cut emissions, the government subsidised insulation in low and middle income households as part of a programme to improve the housing conditions of 100,000 families. The housing ministry estimates that insulation reduces the demand for heating by 30%.

TRACKING TRENDS

ARGENTINA | Economic travails. The latest World Economic Outlook released by the International Monetary Fund (IMF) makes for uncomfortable reading for the government led by President Mauricio Macri. The IMF forecast that Argentina's economy will contract by 2.6% this year and 1.6% in 2019. The government's own projections do not differ markedly for this year, when it is forecasting a contraction of 2.4%, but are very different for 2019. The government is forecasting that GDP will contract by just 0.5% in 2019 amid clear signs of economic recovery, and market confidence, provided it can deliver on the zero fiscal deficit envisaged in next year's draft budget. This is a stiff challenge as attested by the IMF report which alluded to "persistent uncertainty over the success of the stabilization plan".

The projection for 2019 is particularly significant because Macri will be seeking re-election in October and his prospects will be dimmed if the economy is still contracting heavily. Balancing the need to meet the fiscal deficit target with preserving some personal popularity will be challenging. On 5 October the national gas regulator Enargas issued a resolution increasing gas prices retroactively for the period from 1 April to 30 September. This would have hit consumers in the pocket hard because these are the winter months in the southern hemisphere when energy consumption is at its highest.

The energy minister, Javier Iguacel, was forced to come out and defend the measure on the grounds that distributors had to import gas during the winter months to satisfy demand and had been impacted by the sharp decline in value of the peso. But this did not cut any ice with consumers who have had no choice but to absorb the pain of the currency depreciation and resulting inflation. Federal prosecutor Guillermo Marizuan moved to charge Iguacel with "abuse of authority" and "contravening the duties of a public official", arguing that the gas price increase could not be applied retroactively as consumers have already paid for the service. Such was the strength of feeling, the government was forced to abandon the retroactive increase, five days after announcing it, and assume the costs itself.

López Obrador slips up**Mass graves**

Another Mexican mass grave was discovered last week. The remains of six men, bound and gagged, were found in a clandestine grave in the municipality of Tlajomulco de Zúñiga, in the western state of Jalisco on 4 October by the state attorney general's office and forensic science institute. Another body buried nearby was later detected by sniffer dogs operating in the area. In August another mass grave was discovered in the backyard of a deserted house in Tlajomulco, containing 10 bodies.

Interior Minister Alfonso Navarrete inaugurated a new national search system for enforced disappearances on 9 October, which aims to coordinate action between federal and state governments, and relatives of victims. It was duly savaged by Alejandro Encinas, who will serve as undersecretary for human rights in the interior ministry (Segob) under Andrés Manuel López Obrador, as "too little too late" just two months before the government leaves office. But the incoming government is not in a strong position to criticise the outgoing government. A day earlier, to public consternation and indignation, it had cancelled the five remaining peace and reconciliation forums, championed by López Obrador, in some of the country's most violent states.

"There is a legitimate demand, and legitimate grief, to know the truth," Navarrete said, while presenting the national search system, part of an overarching new law designed to shed light on enforced disappearances, along with a national register for missing people and a DNA register for findings in clandestine graves, a national forensic registry to assist with locating and identifying the disappeared, and the appointment of a specialised prosecutor. Navarrete said the official figure of 37,485 missing people was almost certainly "much higher".

Encinas accused the government of leaving it to the last minute to try to give the impression it was concerned about enforced disappearances. He claimed the national search system would not resolve "the underlying problem, and fails to define national protocols or accords with the states, or resources to carry out its remit". Only six of the 32 states have created their own search commissions to work with the national search commission and coordinate between different police forces and investigative bodies. Encinas said the priority of the new government would be to get to the bottom of the disappearance of the 43 trainee students in Iguala, Guerrero, in 2014 to create a precedent for the rest of the country's cases of enforced disappearances.

Human rights groups have raised some concerns about the new search commissions and specialised prosecutor (who will be subordinate to state and federal attorneys general) which they fear might be toothless. But Francisco Rivas, director of the Observatorio Nacional Ciudadano, one of the civil society organisations that assisted in the creation of the new search system, argued that "despite significant delays" it constituted "a fundamental step". Rivas was also critical of the decision by the incoming government to call off its five remaining public security forums scheduled to take place in Veracruz, Sinaloa, Tabasco, Morelos, and Tamaulipas on 9, 11, 16, 18, and 22 October respectively.

By way of an explanation on *Twitter*, the incoming public security minister, Alfonso Durazo, said there was "an urgent need to systematise the proposals gathered so far" to present a security plan before the end of the month: 16 forums have been held since they were launched by López Obrador in person in Ciudad Juárez, in the state of Chihuahua, on 7 August. Rivas, however, said his team had been present at the forums and had "doubts they would come off", saying they were improvised and poorly organised, and "if there had been an appropriate methodology for systematising the information it would not have been necessary to cancel the forums". He said the forums had really been "an exercise in catharsis which, while necessary, is insufficient".

Opium poppies

At a conservative estimate, the Guerrero sierra is believed to produce around M\$400m (US\$22.2m) a year from opium poppies. From every hectare under cultivation the average production is 8kg of opium gum which sells for around M\$216,000 (US\$12,000). This produces 1kg of impure heroin, known as 'black tar', which sells for around M\$4.5m (US\$250,000).

Durazo said a digital platform would be open to receive proposals permanently, and that he would send an organising team to the states where the forums were cancelled to collect suggestions, but María Elena Morera, president of the NGO Causa en Común, accused the incoming government of reneging on a commitment. The Tamaulipas NGO Amigos y Familiares de Desaparecidos, said it had wanted to convey the particularities of violence in the state, and it was unjust that its voice would not be heard. The NGO said it would hold its own forum funded with its own resources in the state capital Ciudad Victoria to bring attention to the violence in the state.

Senator Kenia López Rabadán, head of the federal senate human rights commission, and a member of the right-of-centre opposition Partido Acción Nacional (PAN), "respectfully" called upon López Obrador to "stick to his promises". She said that just because he was not yet in government did not mean that it was acceptable to behave "erratically" and "disappoint citizens who wanted to participate in the formulation of public policy".

Those states to miss out on holding forums to solicit public input on future security policy are eye-catching. Veracruz has seen spiralling violence and the discovery of Mexico's largest mass graves, and Tamaulipas and Sinaloa also have high homicide rates and a major drug trafficking organisation (DTO) presence. Curtailing the forums before visiting some of the most violent states prompted detractors to question whether López Obrador was seeking to avoid some of the criticism (and even heckling) to which he and his team have been subjected by relatives of victims of the violence, unimpressed with his amnesty proposal for members of organised crime, at some of the other events.

It is possible that López Obrador and his security team cancelled the remaining forums because they are not clear in their own minds what will feature in their security plan and need to thrash it out without the distraction of more events. At the weekend López Obrador suggested that his government might pay more to farmers to grow maize to reduce the appeal of cultivating opium poppies for sale to DTOs to produce heroin. But he also suggested his government might move to legalise the medicinal use of opium poppies to produce painkillers, such as morphine and codeine. López Obrador was reacting to remarks made by the outgoing defence minister, General Salvador Cienfuegos, during a visit to Guerrero, Mexico's most violent state, on 5 October. Cienfuegos said that legalising opium poppies "could be a way out of the problem" of drug-related violence between rival DTOs in the state.

This approach has long been championed by Héctor Astudillo, the governor of Guerrero, where some 60% of the country's poppy production is concentrated, but he has until now only managed to win the support of a smattering of state governors. Astudillo argues that it would not only undercut the DTOs and reduce violence but also provide local farmers from some 1,280 communities in Guerrero's mountainous sierra region, who are currently harvesting opium poppies on the side, with a legitimate outlet for their produce. Policing it would be very difficult though. Opium poppies are cultivated in inhospitable and remote areas at high altitude with no state presence and poor infrastructure, giving the DTOs a big advantage.

If López Obrador were to adopt this approach, it would cause serious friction with the US government led by President Donald Trump, who is a staunch advocate of repressive drug policy rather than decriminalisation. On the other hand, López Obrador will come under considerable domestic pressure very early in his mandate to do something different. His Juntos Haremos Historia (JHH) coalition enjoys a majority in both chambers of the federal congress, but he will need to advance bold, coherent, and decisive alternative action to reduce violent crime or his personal popularity and credibility will suffer.

USMCA? TEUMEC? or T-MEC?

On 9 October President-elect López Obrador opened a *Twitter* poll asking the public to vote on how to refer to the new North American trade agreement in Mexico. The new agreement has been dubbed the US-Mexico-Canada Agreement (USMCA) by the US government after President Donald Trump said that he did not want to keep the Nafta moniker. However, López Obrador said that he does not think that USMCA is an appropriate term for the new deal, as it is not easy to pronounce. So, López Obrador has asked his followers to choose a new name from 'Teumeca' (an abbreviation of Tratado Estados Unidos-México-Canadá) or 'T-MEC' (Tratado México-Estados Unidos-Canadá), or neither.

Combating oil theft

Tackling oil theft is to become a priority of the incoming government in its bid to reduce violent crime in Mexico. Oil theft has soared in recent years, with an average of 18.2 illegal taps per day recorded on the network of 57,000km of pipelines run by the state oil company Pemex between 1 January 2013 and 30 September 2018. Local oil thieves, known as huachicoleros, have been operating for decades, with a popular culture growing around them, but since the war on drugs launched by the federal administration led by Felipe Calderón (2006-2012), big players have entered the game as drug trafficking organisations, reacting to the pressure being brought to bear on them, have diversified into the illegal business.

This week the president of the senate, Martí Batres, of President-elect López Obrador's left-wing Movimiento Regeneración Nacional (Morena), presented a list of nine legislative priorities, among which was amending the penal code to make oil theft a serious crime with a heavy sentence. Batres argued that a new network of organised crime had grown around oil theft which had led to "very serious financial losses being sustained by the state".

There is also growing evidence that huachicoleo lies behind some of the spiralling levels of violence in Mexico. Not long ago Guanajuato, a hub of automobile plants, industrial development, and manufacturing exports, was well down the list of the country's most violent states. Now it is on top. In the first eight months of the year, there were 2,135 homicides in Guanajuato, up 127% year-on-year, putting it well ahead of the total number of homicides over this period in both Guerrero (1,707) and Estado de México (Edomex) (1,674), customarily the most violent states in Mexico. In the first three days after the new governor of Guanajuato, Diego Sinhué Rodríguez Vallejo, of the right-of-centre PAN, took office on 26 September, there were 54 homicides in the state.

The increase in violence in the state owes in large part to the emergence of criminal gangs specialised in oil theft. The most cases of illegal oil taps recorded in any state in 2017 took place in Guanajuato (1,696). There was a clear correlation with the murder rate, as intentional homicides soared in a state not traditionally renowned for high levels of violence.

TRACKING TRENDS

MEXICO | USMCA ratification. Following the sealing of the US-Mexico-Canada Agreement (USMCA) trilateral trade deal that is to replace the North American Free Trade Agreement (Nafta) [WR-18-39], the government transition team of President-elect Andrés Manuel López Obrador has been actively lobbying in favour of the deal ratification so that it can come into effect. It must first be ratified by the respective legislatures of the three North American countries. Both the Mexican and US governments have said they would like the ratification process to be concluded ahead of the US midterm legislative elections in November and before the change in government in Mexico in December. However, Mexico's business sector has expressed some misgivings about the deal and called for the senate to analyse it closely.

Against this backdrop, on 3 October, the future foreign minister, Marcelo Ebrard, met the newly elected senators from López Obrador's Movimiento Regeneración Nacional (Morena) and urged them to support the USMCA. Ebrard told the Morena senate bench that swift ratification of the agreement would help to dispel any uncertainty to the benefit of the economy. However, following the meeting, the Morena senate leader, Ricardo Monreal, said that the bench had agreed to revise the small print of the new deal before approving it.

More criticism of the new deal has emerged not just in Mexico but also the US. Following the 1 October publication of an opinion piece in the *New York Times* which said that the USMCA is "worse than Nafta" and could lead to more trade disputes between Mexico and the US, analysts at the US-based Peterson Institute for International Economics passed their verdict on the deal, arguing that by imposing new restrictions to free trade and investment, it was a blow to regional economic integration efforts and "will suffocate the region's economic growth potential". Notably, Jesús Seade, who represented the López Obrador administration in the USMCA negotiations, also admitted in an interview with the Mexican press that while the new deal is "good, it also has aspects that will hurt us, for example in the areas of intellectual property and textiles".

Fiscal reform passes first hurdle**Breakdown**

According to an information sheet provided by the government, the new fiscal reform seeks to reduce the fiscal deficit by 3.5% of GDP by 2022 by increasing the tax take, containing public spending, introducing mechanisms to strengthen tax administration, and reducing tax evasion. According to the same source, 57% of the additional tax take as a result of the reform will come from changes to income tax (salaries, financial market, remittances) while the other 43% will come from indirect taxes.

“An important and urgent step.” This was how Costa Rica’s President Carlos Alvarado responded to the approval last week by the 57-member legislative assembly of the fiscal reform initiative proposed by his centre-left Partido Acción Ciudadana (PAC) government aimed at addressing the country’s spiralling fiscal deficit. With the approved bill now sent to the constitutional chamber (TC) and other institutions for consideration before facing a further vote in the legislature, its ratification would signal a major victory for Alvarado who took office in May.

Approved on 5 October, the fiscal reform received 35 votes to 22 against. Votes in favour included all 10 PAC deputies; 15 from the opposition Partido Liberación Nacional (PLN – the biggest bench), with two PLN deputies voting against; and eight from the opposition Partido Unidad Social Cristiana (PUSC) with one against. All 14 deputies from the small conservative Partido Restauración Nacional (PRN – which has the second-biggest legislative presence) voted against the initiative, which has now been sent for further consideration to the TC along with other institutions like the central bank (BCCR), the national insurance institute (INS), the Costa Rican electricity institute (ICE), state-run banks, municipalities, and state-run universities.

Among other measures, the government’s fiscal reform initiative would replace the current 13% sales tax with a 13% value-added tax (VAT); increase the number of products and services to be taxed; and make adjustments to income tax. The reform, which includes 1% VAT on basic food products, 2% on medication, and 2% on medical appointments, has been watered down since it entered congress for discussion.

Following its approval, Finance Minister Rocío Aguilar told reporters that it was “far from the version we would have wanted” – an allusion to amendments introduced by deputies which, among other things, introduced exemptions for private education. Aguilar said that under the initial reform, the government would have expected a tax take equivalent to 1.7% of GDP, but with the amendments this has fallen to 1.29%. Yet she said it was an important step in terms of recovering “confidence” for the country, with a string of international institutions like the World Bank and Inter-American Development Bank having sounded the alarm about the fiscal deficit which reached 6.2% in 2017.

In a further boost for President Alvarado, since the preliminary approval of the reform (which has been well received by private sector lobbies such as the Unión Costarricense de Cámaras y Asociaciones del Sector Empresarial Privado [Uccaep]), he has also been able to point to waning support for the strike which unions like Asociación Nacional de Empleados Públicos y Privados (Anep) have been staging since 10 September in protest, amid concerns that it would hurt the poorest sectors of society due to the rise in food prices. On 5 October the government inked a deal with the union of the social security institute, Caja Costarricense del Seguro Social (CCSS), and the national nurses’ union (Sinae) whereby the strike, which resulted in 111,889 external appointments being cancelled and 3,552 operations postponed, would be lifted in exchange for the guarantee that strikers would not face reprisals. The government has also signed deals with employees from the agriculture & livestock ministry and a dependency from the health ministry.

Quotes of the week

“On 28 October we will seal our victory in the second round, even with the whole system working against us.”

Brazil's presidential candidate Jair Bolsonaro.

“He [Colombia's President Iván Duque] looks like a cherub...but he is a devil who hates Venezuela and is conspiring on a daily basis against our country, against our Bolivarian national armed forces.... His is a dangerous government because it is a government that combines great hatred with inexperience.”

Venezuela's President Nicolás Maduro.

“What we did was add precision to an imprecise concept [in the referendum proposal].... If he wants to govern like a monarch so be it. He's within his rights. But he needs to remember that in Peru there is separation of powers.”

Peruvian deputy Víctor García Belaunde on President Martín Vizcarra.

Bukele strolling to presidency in El Salvador?

For the first time since the signing of the peace accords in 1992, neither party in El Salvador's dominant political duopoly is leading the opinion polls, with under four months to go before presidential elections. The right-of-centre Gran Alianza por la Unidad Nacional (Gana) holds a comfortable lead but this owes far less to the party's popularity than it does to the man heading its presidential ticket: Nayib Bukele.

A former mayor of San Salvador (2015-2018), Bukele has jumped ship twice in recent months, as neither his own party, Nuevas Ideas, nor his chosen alternative, the left-wing Cambio Democrático (CD), met the party registration requirements of the supreme electoral tribunal (TSE). Bukele, who has topped the polls whichever party he was representing, then agreed to run for Gana.

Bukele and Gana make interesting bedfellows. Bukele tumbled out of the ruling left-wing Frente Farabundo Martí para la Liberación Nacional (FMLN) amid mutual acrimony last year. Gana was formed in 2010 after the country's other political powerhouse, the main opposition right-wing Alianza Republicana Nacionalista (Arena), expelled former president Elías Antonio Saca (2004-2009) from the party along with 12 deputies. Gana has since provided crucial support in the legislative assembly to two successive FMLN administrations at various junctures.

Gana and Bukele enjoy 41.9% of voter intentions, according to a survey conducted by El Salvador's Universidad Tecnológica (Utec). Arena and its presidential candidate Carlos Calleja lie a distant second on 18.3%, with the FMLN's Hugo Martínez further adrift on 11.3%. Although the TSE only launched the official campaign period on 2 October, the FMLN, worn down by eight years in government, looks to be out of contention: the same Utec survey found that 73% of respondents disapproved of the government led by President Salvador Sánchez Cerén. Arena, meanwhile, will need to harness all of its electoral machinery to turn this into a contest rather than a coronation for Bukele on 3 February 2019.

All the presidential candidates appeared before the private sector business lobby Enade this week to discuss development proposals. Bukele placed an emphasis on boosting the education budget and gaining a competitive advantage through technological innovation. They also all turned out alongside bags of emergency supplies, many carrying party propaganda, for victims of Hurricane Michael.



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Read the agenda and see the full speaker line-up: www.chathamhouse.org/latin-america

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