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Guaidó seeks end game in Venezuela but lacks powerful pieces

Sixty-one years to the day from the overthrow of the Venezuelan dictator Marcos Pérez Jiménez, another dictator, President Nicolás Maduro, was supplanted. At least that is the symbolism for which the president of the opposition-controlled national assembly, Juan Guaidó, was striving when he proclaimed himself interim president on 23 January. The trouble is Maduro has not been removed from power. Guaidó's audacity won him the formal recognition of US President Donald Trump, and several regional governments, but while there was a minor uprising by national guardsmen this week, and some large street protests, for now the armed forces are not swayed by Guaidó's promise of an amnesty if they help to topple Maduro, who also enjoys the support of the supreme court (TSJ). This leaves Guaidó as an unpromoted pawn unable to checkmate Maduro.

Guaidó formally announced his assumption of the presidency on 23 January, invoking the constitution to declare President Maduro to be illegitimate, during a large rally in Caracas. Guaidó called for supporters to "stay on the streets...until democracy is achieved", insisting that the movement for change in Venezuela was "unstoppable" and "hope" had been reborn. He promised to call a transitional government, and free and fair elections.

The US government moved swiftly to recognise Guaidó as Venezuela's legitimate president. "The people of Venezuela have courageously spoken out against Maduro and his regime and demanded freedom and the rule of law," Trump said in a statement, adding that he would "use the full weight of United States economic and diplomatic power to press for the restoration of Venezuelan democracy". Extending sanctions to oil imports would be the most serious blow he could strike against the Venezuelan government, especially given the parlous state of the economy.

Trump urged other governments in the hemisphere to follow suit. The presidents of Argentina, Brazil, Chile, Colombia, Costa Rica, Guatemala, Honduras, Panama, Paraguay, Peru, and even Ecuador did so. The US has assiduously courted Ecuador in recent months, but President Lenín Moreno had demurred, even as bilateral relations with Venezuela soured, calling instead for a national dialogue process.

Maduro reacted with a meesage from the balcony of the Miraflores presidential palace, flanked by senior figureheads of the Bolivarian Revolution, including Vice President Delcy Rodríguez, and the president of the government-controlled national constituent assembly (ANC), Diosdado Cabello. Maduro announced the rupture of relations with the US and gave all the

Ecuador rupture

Ecuador's President Lenín Moreno called for "free and transparent elections" in Venezuela after extending his country's recognition of Juan Guaidó as interim president. Moreno had distanced Ecuador from Venezuela after succeeding Rafael Correa in 2017 but had favoured national dialogue to resolve the country's crisis. This appears to have changed after the Venezuelan government decided to appeal to the United Nations High Commissioner for Human Rights, Michelle Bachelet, to investigate Moreno, for inciting violence against Venezuelans. On 20 January Moreno ordered special brigades to verify the legal status of Venezuelan immigrants "in the streets, the workplace, and at the border", adding "we have opened our doors, but we will not sacrifice the security of anyone." The previous day a Venezuelan immigrant kidnapped and murdered his pregnant Ecuadorean ex girlfriend in front of 100 people in Ibarra, the capital of the northern province of Imbabura. The video of the crime, streamed live on Facebook, caused a public outcry, and several Venezuelans were subjected to xenophobic attacks, especially in Ibarra.

country's consular personnel 72 hours to leave Venezuela. "We don't want to return to the 20th century; the Venezuelan people say no to coups and imperialism," Maduro said. At the present time, however, the 20th century holds more attractions for the majority of Venezuelans than the 21st century socialism espoused by Maduro who, with the collusion of the TSJ, carried out what most regional governments accept was a coup of his own by usurping the functions of the democratically elected national assembly.

Maduro reserved particularly harsh words for Moreno who he branded "a Nazi fascist and traitor" (see sidebar). This excoriation of an estranged ally on the Left stood in stark contrast to Maduro's treatment of the Right. There was generic criticism, but Maduro stopped short of taking on Guaidó. The closest he came was trying to draw a parallel with the brief interim presidency of Pedro Carmona after the failed coup against Hugo Chávez in April 2002. The most obvious difference being that Chávez enjoyed a popularity Maduro can only dream about, and had won democratic presidential elections in 1998 that were not plagued with irregularities.

This suggests that the government has been caught off guard and is unsure about how to react to the challenge posed by Guaidó. Maduro called upon the judiciary to "preserve the democratic order" and Cabello said that "if the opposition oversteps the mark the judiciary will have to act", but the opposition has not gone as far as this since 2002 and the government reaction has been much firmer for much less in the past. This could be because Guaidó is employing a different tactic to previous opposition figureheads, not just protesting against Maduro but rather acting as if he is no longer in power. Guaidó, for instance, named an ambassador, Gustavo Tarre Briceño, to the Organization of American States (OAS). Guaidó also sought to countermand Maduro's expulsion of US diplomats, saying that Venezuela maintained relations with every country in the world. US Secretary of State Mike Pompeo duly announced that Maduro lacked "the legal authority to break diplomatic relations".

The difficulty for the Maduro administration is that if domestic and international support swells for Guaidó it will become increasingly difficult to arrest him and charge him with sedition. There are no reliable figures on the size of the nationwide demonstrations against Maduro, but they were the largest for two years and appear to have topped 100,000. At least 13 people were killed in violent clashes across the country, according to the local human rights NGO Observatorio Venezolano de Conflictividad Social: three in Caracas, three in the western state of Barinas, two in each of the south-eastern states of Amazonas and Bolívar, two in the westernmost state of Táchira, and one in the western state of Portuguesa.

The constitutional tribunal of the supreme court (TSJ), as anticipated by Cabello, declared all acts of the national assembly to be null and void, and its resolutions "inadmissible and in violation of the constitution", saying that under no circumstances could it assume executive powers. Guaidó responded by saying the assembly would remain "very firm in its decisions", and dismissed the TSJ's ruling as "an aberration". He said the TSJ did not have the mandate to annul the assembly's decisions.

Juan José Mendoza, the president of the constitutional tribunal, urged the attorney general's office to "take immediate measures" in the face of the "criminal conduct" of the assembly's leaders. But there is no sign of any legal action against them yet. Crucially, however, neither is there any sign of cracks in the military's support of Maduro despite Guaidó's best efforts to foment unrest within the institution. Defence Minister General-in-chief Vladimir Padrino López said on Twitter that the military remains steadfast in

International reaction

Bolivia's President Evo Morales tweeted his full support for President Maduro "in these decisive hours in which the claws of imperialism once again look to deliver a death blow to democracy and self-determination to the peoples of South America". Neither the Uruguayan nor the Mexican governments recognised Juan Guaidó as the interim president (the latter adding "for now"). The European Union (EU) could not reach a unified foreign policy so stuck to the line of calling for fresh elections to restore democracy while stopping short of recognising Guaidó. The Chinese foreign ministry criticised US "interference in [Venezuela's] domestic issues", while Russia's foreign ministry accused the US of "deepening divisions in Venezuelan society...and escalating the conflict".

its loyalty to Maduro. The military hierarchy has a vested interest in the survival of the Bolivarian Revolution. The rank-and-file much less so but it could be deterred by the fact that the government has arrested numerous members of the armed forces suspected of disloyalty in recent months.

There was a revolt early on 21 January by a small group of national guardsmen, under sergeant major José Gregorio Bandres, who stole weapons but were met with "firm resistance", according to Padrino López, near the military outpost of Cotiza in western Caracas. Padrino López said that 27 arrests had been made, blaming the "dark interests of the far Right" for the incident (*see sidebar*). Guaidó said, somewhat hopefully, that the uprising was indicative of "a generalised feeling prevailing within the armed forces". The revolt was the catalyst, however, for a series of pots and pans protests across Caracas, especially in poor neighbourhoods, such as the Petare slum, which was once a bastion of support for the Bolivarian Revolution, and elsewhere in the country.

Separately, the commander of the armed forces in western Venezuela, Brigadier General Fabio Zavarse, said his troops had dismantled a "terrorist cell" on 21 January. Zavarse said three men had been apprehended in an apartment in the state of Zulia, and a sub machine gun, three grenades, 200 bullets, and three military uniforms confiscated. Zavarse claimed the men were planning to disguise themselves as members of the military to carry out violent attacks during the anti-government march on 23 January for which the security forces would later have been blamed.

ELN attack source of renewed Colombo-Venezuelan tension

President Maduro also lashed out at "the Colombian oligarchy" after President Iván Duque announced his recognition of Juan Guaidó as the country's legitimate president, promising to "accompany this transition to democracy to allow the Venezuelan people to be freed from dictatorship". Duque was speaking from Switzerland where he was attending the World Economic Forum (WEF) in Davos. Duque opted to attend the WEF despite 21 people being killed and a further 68 injured after the Ejército de Liberación Nacional (ELN) detonated a car bomb outside the Francisco de Paula Santander police academy in Bogotá on 17 January.

Duque reacted by formally terminating suspended negotiations with the ELN. He called on the Cuban government to arrest ELN leaders, such as 'Pablo Beltrán' (Israel Ramírez Pineda), a member of the guerrilla group's central command (Coce) and chief peace negotiator, still in the country awaiting the resumption of talks.

"It is clear to all of Colombia that the ELN has no genuine desire for peace," Duque said. "During the 17 months of the dialogue process between the previous administration and the ELN, these criminals carried out 400 terrorist actions in 13 departments...claiming more than 100 lives," Duque said. "Enough murders, enough kidnappings, and attacks against the environment. Colombia says to you: enough," he added.

In its statement claiming responsibility for the attacks, the ELN called upon the government to restart peace negotiations. But this attack will harden public opinion against any peace talks with the ELN, with consequences for Colombia's internal armed conflict. It will also provide a fresh source of tension between Colombia and Venezuela.

Colombia's Foreign Minister Carlos Holmes Trujillo called for "a concrete response" from the Venezuelan government over whether ELN guerrillas enjoy sanctuary in the country. Successive Colombian governments have bemoaned the fact that ELN guerrillas melt across the border into Venezuela after perpetrating attacks on oil infrastructure and security forces in Colombia, but the Maduro administration has denied the ELN is active on the Venezuelan side of the border. The Colombian government suspects that ELN leaders in Cuba will now make their way to Venezuela.

Brazil's President Jair Bolsonaro expressed his solidarity with Duque and called upon the Venezuelan government not to "give shelter and protection to these terrorists".

Bolivia gas alliance

Peru's energy and mines minister, Francisco Ísmodes, did in fact meet Bolivia's hydrocarbons minister, Luis Alberto Sánchez, on 10 January to discuss mechanisms to strengthen cooperation and bilateral energy integration, and negotiate the possible export of Bolivian gas to southern Peru. Ísmodes, who met Sánchez in Bolivia's eastern city of Santa Cruz, also discussed an association between the state energy companies Yacimientos Petrolíferos Fiscales Bolivianos (YPFB) and Petroperú to sell liquefied petroleum gas in regions near the shared border.

Local authorities hit the ground running

With all of the focus in Peru on the political and judicial twists and turns in the powerplay between President Martín Vizcarra and the right-wing opposition Fuerza Popular (FP, Fujimoristas) little attention has been given to the new regional and municipal authorities that came in at the start of the year. There have been some intriguing developments, however, not least involving the new governor of the south-eastern region of Puno, Walter Aduviri who, on 20 January, gave his first interview on national television since taking office, and the new mayor of Lima, Jorge Muñoz, whose approval rating is even higher than Vizcarra's.

Aduviri's landslide victory in Puno last October by some 30 percentage points was eye-catching because the Aymara leader spent much of the campaign in hiding until the supreme court accepted his appeal against a seven-year conviction handed down in December 2017 for masterminding anti-mining protests, dubbed 'Aimarazo', in May 2011 during which five people died, and promised him a retrial.

Aduviri has been an outspoken advocate of natural resources reform in Peru. During his television interview he praised Bolivia's President Evo Morales for putting the country's natural resources, especially natural gas and lithium, at the service of the people and delivering GDP growth in excess of 5% year after year. Aduviri said he would like to see this model replicated in Peru with regard to the Camisea gas fields, which he said had been "contaminated with corruption", but failing this he urged the government to allow Puno to receive gas from Bolivia. He said a 10kg gas cylinder in Puno cost NS\$38 (US\$11) but in Copacabana, Bolivia, just two hours south, it cost only NS\$12. Aduviri, who met Morales in La Paz last month (along with Zenón Cuevas, then governor-elect of the contiguous region of Moquegua) said that if the central government approved it, Puno could be receiving Bolivian gas within eight months.

Aduviri also said he would do everything possible to formalise the small-scale miners operating in Puno in order to improve protection of the environment. But he was insistent that large-scale mining was also guilty of contaminating rivers in the region, singling out Mina Arasi in the province of Melgar, north of the city of Puno. Aduviri said he would support local farmers who are campaigning for the gold-extracting mine to be closed and claim that contaminated water is responsible for the death of 10,000 heads of cattle in recent years.

Puno might be the fourth-most populous region in Peru, but Lima is around seven times larger. Muñoz began his mandate as mayor of Lima with an approval rating of 70%, according to a survey by the national pollster Datum, while his predecessor, Luis Castañeda, left with a disapproval rating of 77%. Muñoz had a challenging start to his term when a waste-water pipeline ruptured, flooding hundreds of homes in San Juan de Lurigancho [WR-19-02], Lima's most populous district where he promised during his campaign to construct a cable car to the district of Independencia to reduce traffic and pollution.

Muñoz moved swiftly to sign an 'integrity pact' with all but five of the mayors of the 43 districts into which Lima is split, to combat official corruption. Muñoz, a member of the centrist Acción Popular (AP), said the pact was "historic and unprecedented", containing eight measures which the local authorities would undertake to implement to improve municipal transparency and accountability.

Macri goes on the offensive**What next?**

The presidential promulgation of a decree of necessity and urgency (DNU) has the force of law almost immediately. The DNU implementing the Ley de Extinción de Dominio will now go to a bicameral congressional commission, however, for evaluation. This commission will then pass a report on to both chambers of the federal congress, which will approve or reject the DNU, which will only lose validity if they both reject it.

Argentina's President Mauricio Macri took the contentious decision this week to sidestep congress and issue a decree enacting a bill held up in congress for over two-and-a-half years. Macri argued that the 'Ley de Extinción de Dominio' asset forfeiture law would recover for the state money and property stolen by "corrupt mafias and drug-traffickers". It would also allow confiscation of assets obtained illegally by public officials, and its retroactive application of 20 years neatly covers any corruption committed under the three Kirchnerista governments (2003-2015). This goes some way to explain why the bill ultimately failed to prosper in congress, and the hostile reaction to the decree of Kirchnerista deputies who accused Macri of acting unconstitutionally and with thinly veiled electoral motives as former president Cristina Fernández (2007-2015) prepares a likely presidential bid.

"The judiciary needs this mechanism right now," President Macri said while announcing a decree of necessity and urgency (DNU) implementing the Ley de Extinción de Dominio from the presidential palace Casa Rosada on 21 January. The federal lower chamber approved the bill in June 2016, but it was then mired in the senate for just over two years. Some senators argued that the lower chamber approved the bill precipitately at the time because of the scandal involving Fernández's former public works secretary José López who tried to smuggle US\$8.9m of cash into a convent. The ruling centre-right Cambiemos coalition wanted to include crimes such as corruption, drug trafficking, and financing terrorism in the asset forfeiture bill, while the Kirchnerista opposition wanted to include tax evasion, asset laundering, and influence peddling.

When the senate did eventually approve the bill in August last year it made such substantial modifications it had to be returned to the lower chamber, where it made no progress. In the face of the congressional impasse, Macri decided enough was enough and opted to issue a DNU instead, approving the original bill passed by the lower chamber. Macri said it would apply to those on trial for serious crimes, such as drug trafficking, people trafficking, and child pornography, as well as corruption by public officials. He said the judiciary could expropriate assets under the current law but after "a very slow process", while the new law would enable the judiciary to act "much more rapidly". Macri said the state would auction confiscated assets, including "money, land, houses, boats, cars, and even works of art", and channel the proceeds into "essential public policies".

Under the Ley de Extinción de Dominio a special prosecutor will investigate the legality of assets acquired by defendants charged with serious crimes. The security minister, Patricia Bullrich, said a civil judge would determine which assets the defendant could not have acquired legally based upon "the weight of evidence" and that this would be independent of the legal process itself. Precautionary measures are currently in place to freeze some Arg\$245bn (US\$6.5bn) of assets in cases involving corruption, drug trafficking, money laundering, and people trafficking.

The head of the Kirchnerista Frente para la Victoria (FPV) bloc in the lower chamber, Agustín Rossi, said the law would "do nothing to punish corruption". Rossi said it was an "unconstitutional mess and a distraction...on the day that the IMF announced a bigger economic contraction for Argentina [in its World Economic Outlook on 21 January the IMF predicted that the

Massa's presidential bid

“This is the century of women,” Sergio Massa said, while announcing his determination to run for president this year. Massa appears to have concluded from his disappointment in the 2017 federal senate elections that presenting himself as a moderate alternative to the incumbent and previous presidents, Mauricio Macri and Cristina Fernández, is not sufficient and he needs to have some more eye-catching policies. Courting the female vote makes arithmetical sense, and some of his proposed policies, such as reforming the penal code to introduce life sentences for femicide and rape, are memorably radical.

country would contract by 1.7% this year] Macri is trying to cover up a fresh piece of bad news with electoral smoke and mirrors”.

Rossi accused Macri of “campaigning rather than governing”. Voters will certainly be more sympathetic to the idea of targeting “the economic power” of criminals, to cite Macri, than energy tariff increases. Indeed, last August protesters gathered outside congress armed with a petition containing 194,000 signatures demanding the approval of the Ley de Extinción de Dominio.

Macri’s move will also play well to his coalition partners Coalición Cívica-Afirmación para una República Igualitaria (CC-ARI) and Unión Cívica Radical (UCR). The government’s economic travails, in particular, have placed strain on Cambiemos, with CC-ARI’s maverick leader, federal deputy Elisa Carrió, giving Macri a verbal lashing last October [WR-18-41], and both parties accusing him of not listening to them. Last week Carrió had said that she asked Macri at the tail end of 2018 to issue a DNU to promulgate the law. She praised him on Twitter for doing so. Within minutes the CC-ARI released a statement describing the DNU as enabling “an enormous step” to be taken in the fight against corruption and drug trafficking, the party’s principal priorities, which would enable more investment in schools, roads, hospitals, and infrastructure.

UCR Deputy Mario Negri, the head of the Cambiemos bloc in the lower chamber, also applauded Macri’s decision saying the DNU had enacted the bill approved by the lower chamber before Kirchnerista senators carried out sweeping amendments. Macri will need the support of both parties in the run-up to his anticipated re-election bid in October.

PJ primaries taking shape

Exactly who Macri would face is not yet clear. Rossi has announced his intention to stand in primary elections in August but says he would step aside if Fernández chooses to run for president. Sergio Massa, who actually presented the Ley de Extinción de Dominio to congress in 2016, confirmed his intention this week to run in the primary elections. Massa, the leader of the Frente Renovador (FR) faction of the main opposition Partido Justicialista (PJ), finished third in the 2015 presidential elections. He met other moderate Peronists last September to forge “an alternative for Argentina” from both Macri and Fernández, who he was adamant should not be permitted to compete on the PJ ticket.

One of the four politicians with whom Massa launched this face of “democratic, republican, and federal” Peronism, Juan Manuel Urtubey, the governor of Salta, also says he will run in the PJ primaries. Former economy minister Roberto Lavagna (2002-2005), who succeeded in stabilising the peso after Argentina’s previous currency crisis (and wider financial, economic, and political meltdown) in 2001-2002, is also intent on standing. Lavagna has the support of Peronist grandee and former interim president Eduardo Duhalde (2002-2003), who described his former economy minister as “the ideal candidate for these times”.

Fernández eschewed the PJ primaries in 2017 when she successfully secured a federal senate seat for her Unidad Ciudadana. If she adopts the same strategy this time around it would pose a serious problem for the moderate PJ and play into Macri’s hands. Fernández might be a polarising and increasingly discredited figure, tainted by successive corruption scandals, but she retains significant popularity. This is especially true in the province of Buenos Aires, a predominantly working-class region which holds nearly 40% of the national electorate, where she was elected as a federal senator in a contest which, notably, saw Massa squeezed out. Massa is trying to reframe his discourse (*see sidebar*), conscious that more radical rather than moderate figures tend to thrive in times of economic and political volatility.

Davos scrutinises Brazil

In his speech on 22 January at the WEF summit in Davos, President Bolsonaro spoke in broad strokes of a tax reform, efforts to attain macroeconomic stability, and his desire to attract trade in Brazil. Economy Minister Paulo Guedes mentioned the planned pension reform in a separate event, while Bolsonaro told *Bloomberg* in an interview on 23 January that congress's approval of the pension reform is practically certain. Bolsonaro's acknowledgement of the economic changes needed reassures investors but his lack of specifics is beginning to dampen market enthusiasm.

Domestic scandal mars Bolsonaro's Davos appearance

Brazil's President Jair Bolsonaro made his debut on the world stage this week when he addressed heads of state, top executives and global leaders from all sectors at the annual World Economic Forum (WEF) summit in the Swiss Alpine resort of Davos-Klosters. In the absence of big names like US President Donald Trump, France's President Emmanuel Macron and British Prime Minister Theresa May, all stuck at home managing domestic crises, Bolsonaro had become one of the key attractions for this year's attendees. He did not live up to his billing and his performance was further overshadowed in Brazil by recent revelations which have cast suspicions of serious wrongdoing over one of his sons, Flávio Bolsonaro.

There was much hype around Bolsonaro's attendance at the WEF summit less than a month into his presidency, especially when he was offered a keynote slot on the opening day after Trump pulled out. Bolsonaro delayed an operation to have his colostomy bag removed (which he has since being stabbed on the campaign trail last September) in order to be able to travel to Davos, a move which he has framed as proof of the importance he attaches to the WEF's agenda. There was much talk in Brazil ahead of Bolsonaro's trip of the contents of his speech, and the global community appeared to be eagerly awaiting it, in the hopes of gaining a better understanding of how Brazil's promised renewal will unfold.

After such a build-up, many were disappointed by Bolsonaro's six-minute speech and his short Q&A session with WEF executive chairman and founder, Klaus Schwab, as both speech and answers lacked substance and character. While Bolsonaro sought to present Brazil as back in the game after the economic, political and reputational crises of the past few years, and emphasised his government's commitment to opening Brazilian markets to international trade, he fell short of offering any real guarantees as to how exactly he plans on building this new Brazil.

Although investors may not have been deterred, and some in the audience may even have been comforted that the anti-globalist ideologues in Brazil's new government will not prevail on questions of trade and foreign affairs, Bolsonaro failed to reassure those concerned about the future of environmental protection in Brazil. "The environment must go hand-in-hand with economic development," Bolsonaro said during the Q&A, although he did add that he intends to work with the international community towards decarbonising Brazil's economy and preserving the environment.

When asked about how he intends to stamp out corruption, Bolsonaro again glossed over the particulars, simply repeating that Justice Minister Sérgio Moro is the perfect man for the job with the tools to change legislation. Schwab's question about corruption, which the WEF founder described as "one of the issues that damaged [Brazil's] brand", may have seemed particularly pointed in light of the revelations that had emerged days earlier casting suspicions of corruption over Bolsonaro's eldest son, Flávio.

Flávio in trouble

Three of Bolsonaro's sons are politicians who played an important role in their father's campaign last year, while also running their own. If re-elected federal deputy Eduardo was frequently embroiled in minor controversies during the campaign, it is now federal senator-elect Flávio who is under scrutiny in relation to possible wrongdoing during his time as deputy in Rio de Janeiro state's legislative assembly (Alerj).

Foro privilegiado

After Flávio Bolsonaro evoked his right to the ‘foro privilegiado’ as senator, a video from 2017 re-emerged in which he appears beside his father Jair Bolsonaro, then federal deputy, who says that he neither wants nor needs this privilege. The ‘foro privilegiado’ effectively shields key government officials and members of congress from prosecution by asserting that they can only be judged for corruption by the supreme court (STF). This partial immunity was restricted by the STF last year, which means it would not apply to Flávio’s case as the investigations pre-date his election as federal senator.

Suspicious were first aroused in December 2018 when it emerged that the governmental financial regulator, Coaf, had uncovered unusual transactions in the accounts of Fabrício Queiroz, a retired military police officer who had worked as a driver and parliamentary aide to Flávio [WR-18-49]. Despite assurances from the Bolsonaro family that Queiroz would have a simple explanation for the movements of funds, Queiroz and his family members have repeatedly failed to show up to testify in the case, citing health reasons. Last week, Flávio also failed to turn up in court to give evidence.

Then, on 17 January, supreme court (STF) justice Luiz Fux temporarily suspended the investigation into Queiroz’s accounts at Flávio’s request. Although he was not being formally investigated, Flávio’s lawyers argued that Rio de Janeiro state’s public prosecutor (MPRJ) had breached his right to bank secrecy and that, as senator-elect, he should benefit from the ‘foro privilegiado’ – a form of partial immunity under which politicians in office can only be prosecuted for corruption by the STF.

In an interview broadcast by *Record TV* on the evening of 18 January, Flávio said that the MPRJ was persecuting him. He insisted that he was neither hiding behind the ‘foro privilegiado’ nor asking for preferential treatment, but simply requesting the correct application of the law.

Flávio’s protestations over his treatment in the Queiroz case lost credibility when, that same evening, *TV Globo* revealed that the Coaf had also uncovered unusual transactions in Flávio’s own accounts. Over a one-month period in 2017, 48 cash deposits amounting to a total of R\$96,000 (US\$25,290) were made to Flávio’s account. He also paid over R\$1m (US\$263,380) into an unidentified Caixa Econômica Federal account.

According to the Coaf’s report, accessed exclusively by *TV Globo*, the nature of the cash deposits, which were made from an ATM inside the Alerj in Rio, points towards an attempt to hide the origin of the funds. This means that they could be part of a kickback scheme in which government employees return part of their salary to the politicians employing them – not an unusual practice in Brazil’s lower government circles.

In two TV interviews given on 20 January, Flávio defended his innocence. He explained that the transactions related to some real estate he had bought off-plan then rapidly sold on, a claim that has been corroborated by the supposed buyer although there appear to be irregularities in the dates. The MPRJ has also clarified that Flávio is the object of a civil not criminal investigation that involves 26 other Alerj deputies flagged by the Coaf.

Suspicious of financial wrongdoing have since been compounded by reports linking Flávio and Queiroz to a criminal. According to *O Globo* newspaper, Flávio until recently employed the mother and wife of a prominent member of a Rio de Janeiro death squad, Escritórios do Crime, which is suspected of being involved in the as-of-yet unsolved murder of Rio councilwoman Marielle Franco last March. Flávio responded to these 22 January revelations with a statement saying that he continues to be “the victim of a defamation campaign aiming to target the government of Jair Bolsonaro.”

Repercussions

Although Flávio has no formal links to the government led by his father, this unfolding scandal has the potential to be harmful to the new administration. Flávio will commence his term as senator on 1 February in the new federal congress, in which he was once expected to seek an active role (this now looks less likely).

The might of the military

According to *Folha de São Paulo*, at least 45 members of the military occupy positions across 21 different areas in President Bolsonaro's government. The armed forces have not had such a strong presence in government since Brazil's return to democracy in 1985. One of the more powerful generals is the frequently outspoken vice-president, Hamilton Mourão. Most recently, Mourão has risked displeasing the president by questioning Foreign Minister Ernesto Araújo's capabilities. Derided by the international community whom he puzzles, Araújo's strongly ideological views are often closely aligned to Bolsonaro's.

Flávio was elected to represent the state of Rio de Janeiro, the Bolsonaro family's political birthplace, running for the same Partido Social Liberal (PSL) as his father and brother Eduardo. All the Bolsonaros built their campaign on a strong anti-corruption platform, presenting themselves as clean and promising to change the way politics are run in the country. These promises will ring hollow if Flávio is found guilty of corruption, and President Bolsonaro will inevitably find himself tainted by association.

Bolsonaro, who travelled to Davos as the scandal was unfolding, has remained uncharacteristically quiet on the matter. On 23 January, he cancelled a planned press conference in Davos, although he did give an interview to *Bloomberg*, in which he said he would "regret it as a father" if Flávio is found guilty of wrongdoing, but that his son would have to pay the price. Vice-President General Hamilton Mourão, who is acting president in Bolsonaro's absence, was quick to distance the government from the issue, saying on 20 January that it is Flávio's problem and nothing to do with the government.

Critics have of course seized upon the scandal, with the hashtag #FlavioBolsonaroNaCadeia (#FlavioBolsonaroInPrison) trending on Twitter on 22 January. However, Bolsonaro's supporters are also unhappy, including elected PSL representatives. PSL federal deputy Janaína Paschoal criticised Fux's decision last week to suspend the Queiroz investigation. Following the more recent revelations, Paschoal has asked for all Alerj state deputies concerned by the investigations to give explanations. With just a week to go before the all-important negotiations between the government and the legislature begin, once the new congress takes over on 1 February, loss of political credibility could hurt Bolsonaro and his ability to secure a solid support base in congress.

The tainting of the Bolsonaro name could also serve to reinforce the power of the military representatives in government (*see sidebar*). "Mourão now comes across as the stabilising force in government," said Oliver Stuenkel, a professor of international relations at the Fundação Getúlio Vargas (FGV), after the Flávio scandal broke. This would in turn impact certain policy areas where the military position differs from other cabinet ministers, such as the pension reform. Mourão, who has frequently contradicted Bolsonaro, will remain acting president of Brazil while Bolsonaro undergoes surgery from 28 January, giving the vice-president an opportunity to further consolidate his position.

PARAGUAY | POLITICS & SECURITY

Devising new strategy to defeat EPP

The Paraguayan government led by President Mario Abdo Benítez is currently trying to come up with a new plan to resolve a major problem that has afflicted the past three administrations – how to defeat the Ejército del Pueblo Paraguayo (EPP) insurgent guerrilla group. Since the EPP emerged as a major threat to national security in 2008 successive governments have pursued a similar strategy to try to defeat the group, which consists of the deployment of a military-police task force (FTC) to the group's area of influence in northern Paraguay. However, 10 years on the EPP, while significantly weakened, remains active. This has prompted the Abdo Benítez administration to explore the adoption of a more integral approach.

After coming to power in August 2018, President Abdo Benítez announced that his government would conduct an extensive review of all areas of government before deciding which new policy initiatives to adopt. In early January the interior minister, Juan Ernesto Villamayor, finally announced that the government had decided to conduct a "complete restructuring" of

Alliana

The current president of the ANR-PC is Deputy Pedro Alliana, a close ally of former president Cartes who has turned increasingly critical of President Abdo Benítez. However, Alliana's voice has been silenced since on 25 December 2018 he was hospitalised in Brazil, where he is said to be receiving treatment for an unspecified haematologic disease. Alliana's condition is said to be delicate. In Alliana's absence the criticism of Abdo Benítez from the ANR-PC party ranks has subsided and the talk within the party has increasingly turned towards promoting party unity rather than division.

the way in which the security forces have been combating the FTC in a bid to produce "better results". Villamayor admitted the three armed attacks by the EPP in northern Paraguay carried out since Abdo Benítez assumed office (one of which claimed one life) showed that the group remains a threat and that new strategies are needed.

Villamayor went on to say that he also understood the public's "frustration" with the lack of results that the FTC's deployment has produced in all this time, while affecting the daily lives of the people that live in the EPP's area of influence. He attributed the FTC's lack of success to a multitude of factors among which he cited "intelligence failures, tactical failures, communication failures, and a loss of public confidence". Villamayor announced that Abdo Benítez had decided to shake-up the FTC command and called upon the task force to set clear goals, and deadlines for achieving these. Villamayor did not provide further details, saying that these would be announced in due course.

However, improving the way in which the FTC operates is not the only initiative that the Abdo Benítez administration is looking to pursue in order to defeat the EPP. Following Villamayor's announcement, on 18 January Abdo Benítez chaired a meeting with the general command of the armed forces and his security cabinet to discuss ways in which to defeat the EPP. After the meeting Édgar Olmedo, who advises Abdo Benítez on poverty reduction, and who attended the meeting, said that one of the initiatives discussed was the implementation of new social security programmes benefiting the population in the northern departments where the EPP has its area of influence (Concepción, San Pedro, and Amambay departments). According to Olmedo, the plan is to "increase the state's presence in the area to discourage the criminal groups from operating there".

Olmedo explained that it is no coincidence that the EPP's area of influence happens to be in some of the country's most impoverished and remote areas, where the state presence has historically been lacking, with the likes of the EPP exploiting the fact that local communities in these areas feel vulnerable and abandoned to secure their support in exchange for handouts.

Against this backdrop, Olmedo said that Abdo Benítez gave clear orders to improve coordination between the FTC and all state entities to better deliver social programmes in these areas. In particular, Olmedo pointed out that the plan is to provide more assistance for subsistence farmers, establish additional units in the area to improve the provision of health services, and improve transport infrastructure projects.

Political defections

President Abdo Benítez and his Colorado Añetete faction of the ruling Asociación Nacional Republicana-Partido Colorado (ANR-PC) have significantly strengthened their political position inside the ruling party after a series of political leaders from the rival Honor Colorado ANR-PC faction defected to join Colorado Añetete.

The governors of Caazapá, Itapúa, and Misiones departments, along with a handful of mayors, all announced that they were leaving Honor Colorado, the faction led by Abdo Benítez's predecessor and main in-party rival, former president Horacio Cartes (2013-2018), to join Colorado Añetete.

The change in allegiances suggests an internal ANR-PC realignment away from Cartismo and towards Abdismo which means Cartes may be losing influence ahead of the 2020 internal party elections and municipal elections. Honor Colorado currently holds the ANR-PC party presidency (*see sidebar*), and the obstructionist stance that the ANR-PC leadership has adopted against some of the Abdo Benítez executive's initiatives has produced internal tensions within the party. However, it now looks like the balance may be shifting with Abdismo poised to secure control of the ANR-PC which would provide a political boon for the current administration.

Tlahuelilpan calamity adds to sense of crisis

The death of at least 90 people following an explosion at a suspected clandestine tap on an oil pipeline near the town of Tlahuelilpan, in the central Mexican state of Hidalgo, has added to the sense that the new anti-oil theft strategy adopted by the government is doing more harm than good. It has certainly raised serious questions about the implementation of the strategy and whether it must now be reviewed despite President Andrés Manuel López Obrador's insistence that his government will continue with it until all forms of oil theft are eradicated.

What exactly happened in Tlahuelilpan is still unclear. But what is known is that on 18 January petrol started gushing out of a pipeline of the state-owned oil firm Pemex located in a field nearby. According to the local authorities some 700 people congregated at the site trying to collect fuel in makeshift containers as petrol remains scarce in Hidalgo as a result of the new fuel distribution mechanism introduced as part of the government's anti-oil theft strategy. At some point the fuel ignited and there was a large explosion (one hypothesis is that static electricity was the catalyst for the explosion) and fire, killing dozens and wounding many more (51 people remain in hospital with serious injuries, according to the authorities).

The incident has further highlighted the unintended negative consequences that the anti-oil theft measures introduced by the government are having. There are questions over whether the Tlahuelilpan incident would have happened had the new anti-oil theft strategy not been rolled out. More problematically, the incident has also raised some questions about how effective the government has been in implementing its own strategy, under which the armed forces have been deployed to patrol Pemex pipelines across the country to put a stop to the clandestine taps. And yet the Tlahuelilpan episode shows that the armed forces are either incapable of effectively patrolling the thousands of kilometres of pipelines, or that they are currently not well prepared to do so.

Notably, the local press reported that army personnel were present at Tlahuelilpan when the fuel leak was reported and prior to the explosion. However, they failed to stop the crowd from reaching the pipeline and collecting fuel. This is currently being investigated by the authorities. It has led to more uncomfortable questions for the government. Yet López Obrador has defiantly defended his government's strategy and the response to the incident. "I apologise if this action has caused sacrifices, damage, annoyance, but we have to do it. It may be costly, but the country comes first. I will not cede the fight against corruption," López Obrador said in a 20 January press conference in reference to the incident and the possibility of rolling back the anti-oil theft strategy.

López Obrador went on to confirm that army personnel were present at Tlahuelilpan and that they had advised the crowd to stay away from the leaking pipeline but were not able to stop them. He defended the army's actions, dismissing the idea that it could have done more to prevent the tragedy (*see sidebar*) and insisting that established protocol had been followed. But in a tacit admission that the situation could have been handled better, López Obrador said that these protocols would now be reviewed and "perfected". He also stated that those collecting fuel at Tlahuelilpan would not be prosecuted, and that all those injured in the incident and the relatives of the deceased would receive assistance from his government.

Inaction

Following the Tlahuelilpan explosion, Mexico's defence ministry (Sedena) reported that it had received a formal complaint from the national human rights commission (CNDH). According to Sedena, the complaint is over the failure of the army units present at the site of the explosion to protect the lives of all of those present and of not taking sufficient actions to prevent the loss of life. Sedena said that it would deliver a full report to the CNDH and discuss any concerns.

Fuel theft

To prevent fuel theft, the government has implemented a change in the supply model of Pemex fuels, which involves closing pipelines and transporting fuels in tanker trucks. This modification has produced fuel distribution problems for the past two weeks in at least 10 states and in Mexico City, as well as the closure of service stations and long queues at petrol stations.

Going after huachicol proceeds

On 17 January, Mexico's public security minister, Alfonso Durazo, stated that, as part of the government's plan to fight fuel theft, ('huachicoleo') it had blocked the accounts of 13 companies which had franchises with the state-run oil firm Pemex and sold stolen fuel. Durazo noted that, so far, he had received five complaints involving 15 legal entities linked to the illicit fuel trade, whose accounts have already been blocked. As an example, one particular company is showing "a net income of US\$4.5bn", with a "marginal profit" of US\$355m that has not been declared to the tax authorities (SAT), Durazo said without providing the names of any of the suspect firms.

Durazo also explained that as well as modifying the national fuel distribution scheme and protecting oil pipelines, the government is developing a tactical and technological plan with the defence ministry (Sedena), the navy (Semar), Pemex, and the federal police (PF) to anticipate and tackle acts of sabotage. He also revealed plans to create a specialised police unit to investigate related money laundering.

MEXICO | POLITICS & JUSTICE

Attorney general appointed

Mexico has an attorney general at last to head the new *Fiscalía General de la República* (FGR). On 18 January the federal senate voted to appoint **Alejandro Gertz Manero**, the acting head of the *Procuraduría General de la República* (PGR), which the FGR supersedes. The position had been vacant since late 2017.

Gertz Manero is a lawyer of long standing who has held prominent legal and political positions. He served as public security minister for four years under President Vicente Fox (2000-2006). From 2009 to 2012 he was a federal deputy for the leftist *Convergencia*, later to become *Movimiento Ciudadano* (MC), then allied to **Andrés Manuel López Obrador**, for whom he acted as a security adviser during last year's presidential campaign.

Despite the fact that Gertz Manero previously served in Fox's government, the right-of-centre *Partido Acción Nacional* (PAN) decried his appointment. The PAN argued that he would be a 'fiscal carnal', doing López Obrador's bidding, rather than an independent head of the FGR which was conceived as an autonomous body subjected to greater oversight to replace the executive-controlled PGR. Gertz Manero's detractors also argued that a septuagenarian, who will be 88 if he concludes his nine-year mandate, steeped in the dark arts of bureaucratic politics was not best suited to transform the attorney general's office. Proponents, however, contended that this makes him uniquely qualified for the job.

TRACKING TRENDS

MEXICO | **Red Troncal tender.** President **Andrés Manuel López Obrador** has suspended the forthcoming public tender to develop a new national wholesale fibre-optic network ('Red Troncal') and start "from scratch", with new bases for the project, which could be ready by mid-February. Contracts for the project, which had been drawn up by the previous government as part of its 2013 telecommunications reform, were to be awarded in October 2018 but the deadline was extended until 15 February 2019 and has now been suspended pending review.

López Obrador explained that "although the telecommunications reform proposed connectivity throughout Mexico, the companies that have obtained concessions to provide telephony and internet services had barely covered 25% of national territory. He added that such infrastructure should be beneficial for the state and not the firms.

Electoral race kicks off

Guatemala's electoral authorities (TSE) have officially called the June 2019 general elections. The TSE's announcement last week comes as the country remains in the throes of political crisis, stemming from an institutional clash between the constitutional court (CC) and President Jimmy Morales (who is constitutionally barred from seeking re-election) over the future of the International Commission against Impunity in Guatemala (Cicig) [[WR-19-02](#)]. With no end in sight to the crisis, the origins of which date back to Cicig's initial call for Morales to be investigated over illegal campaign finance, the continued focus on official corruption suggests that, as in previous electoral contests, the issue is likely to be a major voter concern.

The TSE called the election for 16 June with a second-round run-off to take place on 11 August if none of the candidates muster 50% + 1 of the votes. With no pre-electoral surveys as yet released, the race remains wide open with five presidential line-ups having so far registered ahead of the 17 March deadline. These include some familiar faces. One is former First Lady Sandra Torres (2008-2012) of the main opposition Unidad Nacional de la Esperanza (UNE) who Morales defeated in the 2015 run-off – an election also won under the shadow of a major corruption scandal which forced President Otto Pérez Molina (Partido Patriota, 2012-2015) to step down. Under the UNE administration led by her husband Alvaro Colom, Torres had become popular in rural areas after leading various social welfare programmes, such as the conditional cash transfer project 'Mi Familia Progresiva'. Yet the success of these programmes has since been overshadowed by corruption allegations while Colom and several of his cabinet members also face trial on corruption charges.

Other candidates so far declared include Alejandro Giammattei, a former head of the prison service under the Oscar Berger administration (Gran Alianza Nacional, 2004-2008), who is running for his political outfit Partido Vamos. Acquitted of involvement in a criminal ring inside the interior ministry and police in May 2011, Giammattei has previously run three times for the presidency for different political parties (in 2007, 2011, and 2015).

Other well-known candidates include far-right congresswoman Zury Ríos (Valor), the daughter of the late dictator Efraín Ríos Montt (1982-1983), who was found guilty of genocide and crimes against humanity in 2013 but whose sentence was annulled on a technicality. The other two to have thrown their hats into the ring are Fredy Cabrera (Todos), a lawyer, and Mauricio Radford (Fuerza), a businessman.

With corruption a major concern, the possible candidacy which continues to fuel speculation is that of former attorney general (AG), Thelma Aldana (2014-2018) who has indicated her interest in seeking the presidency on various occasions. Along with Cicig's director Iván Velásquez (currently barred from re-entering Guatemala), Aldana played an instrumental role in the investigations forcing Pérez Molina to resign as well as the investigations relating to illegal campaign finance involving Morales. Given she (along with Velásquez) became very popular with the public as a result, if she did decide to run, she could become a major contender in the electoral race.

That Aldana's possible candidacy might pose a threat to the political elite has already been suggested in what she described in October 2018 as "illegal attempts to subject her to judicial proceedings" by a group of legislators "linked to various illicit cases". This is in response to claims by a national legislator, Juan Ramón Lau (of the opposition Todos party), of anomalies surrounding the purchase of a building for the AG [[WR-18-42](#)].

Complaints against Aldana

According to Juan Ramón Lau, the building at the heart of the alleged anomalies was overvalued by more than Q8m (US\$1m) in a procedure which violated state procurement legislation, reported by a legislative investigating committee. Meanwhile, Thelma Aldana's reference to legislators "linked to various illicit cases" is believed to be an allusion to national legislator Felipe Alejos, also from Todos, who set up the congressional investigating commission in the first place. Alejos has been implicated in an influence-trafficking scandal involving the tax authorities, which made headlines at the start of last year.

Chamorro

Rafael Solís is not the only public figure who has left Nicaragua for Costa Rica. On 20 January Carlos Fernando Chamorro, one of the country's most well-known journalists, confirmed that he was seeking exile in Costa Rica. As well as hosting a weekly TV show, Chamorro is the director of news website *Confidencial*, which last month reported that police (PNN) officers stormed the office premises, seizing laptops and computers. The son of Violeta Chamorro, who governed Nicaragua from 1990 to 1997 after beating Daniel Ortega in the 1990 presidential election, Chamorro comes from one of the country's most well-known families; his father, Pedro Joaquín Chamorro, was editor of *La Prensa*, and a leading opponent of the Anastasio Somoza dictatorship (1974-1979) who was assassinated in 1978.

Cicig off the case involving Morales' relatives

As well as the illicit finance case involving the ruling Frente de Convergencia Nacional (FCN-Nación), President Morales' dispute with Cicig also stems from its efforts to investigate his brother and son, respectively Samuel and José Manuel Morales, for corruption. Uncovered in September 2016 by the AG and Cicig, the case involves suspected corruption at the national property registry office (RGP) which took place under the Pérez Molina government. Since Morales announced Cicig's ejection from the country, on 17 January a local court revealed that Cicig's representative on the case had been absent from proceedings.

NICARAGUA | POLITICS

Jumping ship

Three high-level officials have quit in recent days – two justices from the 16-member supreme court (CSJ), Rafael Solís and Carlos Aguerra, and the head of Nicaragua's banking superintendence (Siboif), Víctor Urcuyo. The most eye-catching departure was that of Solís, formerly a close ally of President Daniel Ortega and his political operator in the justice system (which, like all Nicaraguan institutions, is under Ortega's control). The departures have sparked speculation that cracks could be appearing at the heart of the Frente Sandinista de Liberación Nacional (FSLN) government.

Urcuyo had been in the post since 2004 and his resignation, made public on 15 January, was officially for health reasons. The departure of Aguerra – who has yet to give the reasons for his resignation – was made public two days later. In the post since 2014, Aguerra was aligned with the influential private sector lobby Cosep, whose president is his nephew, José Adán Aguerra. Cosep ended its pragmatic alliance with the FSLN government soon after the start of the long-running violence in the country last April.

The resignation of Solís grabbed even more headlines, due to his closeness to President Ortega and the reasons given for his decision. Indicative of his importance to Ortega, Solís had played a pivotal role in the legal manoeuvring which produced the changes to the constitution in 2009 which lifted the bar on indefinite presidential re-election. This meant that Ortega, who took office in 2007, was able to run again in 2011 and 2016.

In an open letter to Ortega, First Lady and Vice President Rosario Murillo, and the president of the national assembly, Gustavo Porras, made public in the press and through social media, Solís (who is now in Costa Rica) was unequivocal about his reasons for leaving both the CSJ and the FSLN. Alluding to the 325 deaths tallied by the Inter-American Commission on Human Rights (IACHR) since the start of the crisis (although the most recent [10 January] figures from a local NGO ANPDH, put the death toll at 561), Solís was clear that it was Ortega's management of the crisis which forced his departure. In a blistering rebuke of Ortega, Solís said that having "fought against a dictatorship", he "never believed that history would repeat itself on account of those who also fought against that same dictatorship".

In a further blow to Ortega, Solís also rejected the government's justification for the violence – that it was necessary to counter a failed coup attempt. Stating that there was never a coup attempt, and accusing Ortega of responding to dissent with an "irrational use of force", the former CSJ magistrate also warned that Nicaragua was closer than ever to civil war. He said that the army's failure to disarm pro-Ortega paramilitary groups held responsible for many of the deaths meant it was "logical to expect the opposition groups will seek to arm themselves and the country will regress 40 years".

INCSR report
The INCSR report notes that Costa Rica's strategic location, vast maritime territory, and the small size of its security forces combine to make it an attractive transit and logistics hub for illicit drug trafficking. In 2017, US authorities estimated Costa Rica was among the most heavily transited countries for cocaine shipments entering the US.

In an interview with the *New York Times* (NYT) following his resignation, Solís remained sceptical regarding the impact of his departure on the judiciary or the government. He said "I wasn't being very useful: we practically didn't have any job functions". Yet an opposition leader Juan Sebastián Chamorro, the director of local think-tank Funides, also interviewed by NYT was more optimistic. Chamorro told NYT that he thought Solís's resignation "is going to have a whole lot of people who are currently in the government evaluating whether to take a similar action".

COSTA RICA | SECURITY

More good news for Alvarado

Weeks after President Carlos Alvarado trumpeted his first significant legislative victory since taking office in May 2018 – the approval of a tax reform [WR-18-48] – he is again claiming progress. At the start of the year, Security Minister Michael Soto boasted that, for the first time in five years, homicide rates had gone down – to 586 in 2018 from 603 in 2017. While Costa Rica has yet to suffer the notorious levels of crime and violence which afflict its Northern Triangle neighbours (El Salvador, Guatemala, and Honduras), addressing security was a major priority for the new government given that 2017 had been a record year of homicides.

On 3 January Soto, who was formerly the head of operations of the judicial investigations unit (OIJ), confirmed the decline in homicides, noting the rate of homicides per 100,000 inhabitants went down from 12 in 2017 to 11.72 in 2018. He told the local press that there were various factors underpinning the progress. One was better analysis of where homicides were taking place and better information to bolster prevention efforts, with police officials deployed to areas where conflicts between criminal groups were reported. Soto also highlighted a greater police presence which resulted in more arrests, many related to dangerous criminal groups. According to Soto, from 1 January to 21 December, over 124,000 arrests took place, 68,000 related to drugs.

Other factors cited by Soto as key to reducing homicides was the seizure of firearms; he noted that a total of 2,155 firearms were seized in 2018 – an historic figure. He said that 398 murders were committed with firearms last year, less than the 435 reported in 2017. As noted by the most recent (March 2018) US State Department's International Narcotics Control Strategy Report (INCSR), a key reason for the upsurge in homicides in Costa Rica in recent years was the link with drug trafficking (*see sidebar*). Soto was also able to point to record seizures of drugs in 2018 which he said had had an impact on reducing homicides due to a resultant drop in turf wars between drug-trafficking groups. Soto said that in 2018 249 incidents relating to clashes between rival groups had been registered, down from 300 in 2017, while a total of 41tonnes (t) of drugs were seized, including over 33t of cocaine. This compares with more than 36t of drugs seized in 2017, including 30t of cocaine.

One of the main reasons underpinning the Costa Rican government's success with regard to security was suggested in the same INCSR: increased resources. The INCSR noted "an 11% increase in the public security ministry's budget in 2017, and a reinstated security tax on companies [which] provided a new annual stream of extrabudgetary resources for law enforcement". According to the INCSR, these new resources allowed the hiring of 1,500 new police (over 10% of the current force) in 2017 with another 1,000 officers scheduled to be added in 2018.

Quotes of the week

“We will not allow this great movement of national hope and fortitude to be extinguished.”

Venezuela's head of the opposition-controlled national assembly, Juan Guaidó, upon his self-proclamation as interim president.

“Can anyone proclaim themselves president? Or is it the Venezuelan people who elect their president?”

Venezuela's President Nicolás Maduro.

“Argentina has to deconstruct the prevailing machista patriarchy and move towards a society of equals.”

Sergio Massa, the leader of Argentina's Frente Renovador (FR) faction of the main opposition Partido Justicialista (PJ).

Mexico's PRI and Morena unlikely bedfellows

Mexico's Partido Revolucionario Institucional (PRI), which endured an electoral humbling last July, losing the presidency and more than three quarters of its seats in congress, has played a crucial role in domestic politics in recent days. Without the congressional support of the PRI, the government led by President Andrés Manuel López Obrador would not have garnered sufficient support in the federal lower chamber of congress on 17 January to approve a constitutional reform establishing a national guard. The ruling Movimiento Regeneración Nacional (Morena) also needed PRI support to appoint a new attorney general the following day in the federal senate.

The legislative cooperation between Morena and the PRI prompted the right-of-centre Partido Acción Nacional (PAN) to denounce a political pact between the two parties which it dubbed PRIMOR. While in opposition Morena, and López Obrador, reviled the PRI and constantly decried the existence of “one corrupt political mafia” in Mexico, fusing the PAN and PRI acronyms to create PRIAN, which he said was determined to thwart him. The PRI saw its presence in the 500-seat lower chamber fall from 203 to just 45 deputies and in the 128-seat senate from 57 senators to 13 but given the new congressional dominance of Morena and its allies this was enough, with the PRI's old ally Partido Verde Ecologista de México (PVEM), to grant the government the requisite two-thirds majority to advance with two of its legislative priorities.

The constitutional reform approved by Morena and the PRI in the lower chamber to create a national guard was slammed by human rights groups who said it enshrined the militarisation of public security in the constitution. López Obrador was none too impressed himself, and called upon the senate to reinstate aspects of the original bill omitted by deputies, such as removing the training of national guardsmen by the armed forces, and three articles defining the command of the new corps, which would nominally be under civilian control but with the military in charge of daily operations.

The human rights ombudsman, Luis Raúl González, also weighed in against the national guard initiative on 23 January, saying it was “risky for democracy and civil institutions”. It is now in the hands of the senate where Morena and allies would have a two-thirds majority with PRI and PVEM support. PRI senators joined Morena to appoint a new attorney general this week (*see page 12*). With senate approval the national guard proposal would go to state legislatures, more than half of which (at least 17) would have to support the constitutional reform for it to take effect.

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