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FEATURED Q&A

Will Nicaragua Find a Resolution to its Political Crisis?



Protesters have taken to the streets several times in recent months, including last month in the city of Masaya, pictured above. // File Photo: Alianza Cívica por la Defensa de Masaya.

Q More than two months after street protests broke out in Nicaragua, some 200 people have died, and peace talks between President Daniel Ortega's administration and opposition and civil society groups have been for the most part unsuccessful. Nicaragua's Catholic bishops, who are mediating the talks, said both sides are discussing the possibility of rescheduling presidential elections for March 2019, rather than holding them in late 2021 as planned, Agence France-Presse reported. Meanwhile, violence has continued to break out across the country. Why have talks stalled, and what scenarios to the impasse are most likely in the months ahead? Is negotiating electoral reform with Ortega realistic? What is each side bargaining for, and how can a peaceful resolution be found?

A Francisco Campbell, Nicaragua's ambassador to the United States: "Shortly after the outbreak of the crisis in Nicaragua this past April, President Ortega announced his commitment to a peaceful solution, based on respect for the Constitution and laws of the country. He also requested the participation of the Catholic bishops as mediators and witnesses. This commitment to a solution through a national dialogue is firm. Moreover, the government highlighted the dialogue by stating its willingness to discuss all issues in an environment conducive to a successful outcome. Persistent violence, however, is a clear obstacle to advancement of the dialogue, for it undermines the trust and confidence that is necessary to achieve understanding. This is why the government maintains that removal of barricades holding Nicaraguans and citizens of other countries hostage, violating basic prin-

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TODAY'S NEWS

POLITICAL

Looting Hits Port-au-Prince Following Protests

Several stores were ransacked and burned in the Haitian capital, following two days of violent protests sparked by the government's plans to raise fuel prices. Several bodies were seen amid the debris.

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ECONOMIC

Mexico's López Obrador Seeks to End Fuel Imports

Mexican President-elect Andrés Manuel López Obrador said he wants the country to stop importing fuel within three years.

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POLITICAL

Brazilian Judge Blocks Order to Release Lula

The chief justice of a Brazilian appeals court reversed an order from a lower-ranking judge to release former Brazilian President Luiz Inácio Lula da Silva, who has been imprisoned since April following his conviction on corruption and money laundering charges.

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Lula // File Photo: Lula Institute.

POLITICAL NEWS

Brazilian Judge Blocks Order to Release Lula

A Brazilian appeals court's chief justice on Sunday blocked an order from a lower-ranking judge to release former President Luiz Inácio Lula da Silva from prison, *O Estado de S.Paulo* reported. The ruling from Carlos Eduardo Thompson Flores, the chief justice of the TRF-4 appeals court keeps the former president behind bars, blocking the order that appeals court judge Rogerio Favreto made earlier in the day to release Lula. The former president has

Lula has been imprisoned since April after being convicted of corruption and money laundering.

been imprisoned since April after being convicted of accepting bribes from an engineering company in exchange for it to secure lucrative contracts. Favreto had ruled that Lula, who has been seeking to return to Brazil's presidency in this October's election, should have the same conditions to campaign as other presidential candidates, Reuters reported. However, Flores sided with prosecutors who requested that Lula be kept in prison. Brazilian law bars candidates who have been convicted by an appeals court, as Lula was, from running for office for eight years. Still, Lula's Workers' Party announced in January that Lula would be its candidate in the election. Lula has denied wrongdoing and has vowed to continue appeals. Polls have consistently put Lula as the front-runner ahead of the country's presidential election, and he has had more than twice the support of his nearest rival, Reuters reported. In polling scenarios that do not include Lula, a third of respondents say they would cast spoiled or blank ballots. Lula was originally sentenced to nine and a half years in prison after being

convicted of corruption and money laundering charges. His sentence was lengthened to 12 years and one month when his conviction was upheld in January. Brazil's electoral court has a Sept. 17 deadline to decide whether Lula can run in the election.

Looting Hits Port-au-Prince Following Violent Protests

Several stores in Haiti's capital, Port-au-Prince, were looted and burned on Sunday, following two days of violent protests, the Associated Press reported. The protests were sparked by the government's plans to hike fuel prices. Several bodies were seen lying among the debris after looters stripped supermarket shelves bare and torched businesses. The U.S. Embassy in Port-au-Prince advised U.S. citizens to shelter in place and added that several airlines had canceled flights. "The airport has limited food and water available," the embassy said in a statement.

ECONOMIC NEWS

Mexico's López Obrador Seeks to End Fuel Imports

Mexican President-elect Andrés Manuel López Obrador said on Saturday that he aims for Mexico to stop importing fuel within three years, and focus instead on growing production and refinery domestically, *Vanguardia* reported. "We are going to immediately revive our oil activity, exploration and the drilling of wells so we have crude oil," López Obrador told reporters before a meeting with members of his incoming cabinet. So far this year, Mexico has, on average, imported some 590,000 barrels per day (bpd) of gasoline and 232,000 bpd of diesel, mostly from the United States, Reuters reported. Meanwhile, Mexico's crude oil production has been declining for years, and the

NEWS BRIEFS

Nicaragua's Ortega Rules Out Early Elections

Nicaraguan President Daniel Ortega on Saturday ruled out an early presidential election, which the opposition has demanded amid deadly protests in the Central American country, *Agence France-Presse* reported. "Here the rules are set by the Constitution of the Republic, through the people. You don't just change them overnight because a group of coup plotters got the idea to do so," Ortega told supporters at a rally. More than 220 people have been killed in anti-government protests in Nicaragua since mid-April.

Associate of 'El Chapo' Extradited to U.S.

Damaso López, a reputed drug kingpin known as "El Licenciado," was extradited on Friday from Ciudad Juárez in northern Mexico to the United States, charged with conspiring to distribute cocaine and money laundering, the Associated Press reported. López was formerly the right-hand man of Sinaloa Cartel drug lord Joaquín "El Chapo" Guzmán, who escaped from prison in 2001 with his help. Mexico's acting attorney general Alberto Elías Beltrán said López is "a potential key witness" against Guzmán, who is imprisoned in New York and awaiting trial, the AP reported.

Jamaica, Guyana Pledge Stronger Ties in Ag Trade, Investment

Jamaica and Guyana have committed to revamping a joint commission, originally created in 1995, to cooperate in agricultural trade and investment as part of a larger plan for economic growth, *The Jamaica Gleaner* reported. The announcement came after Jamaican Prime Minister Andrew Holness and Guyanese President David Granger held a private meeting at the 39th Regular Meeting of Caricom heads of government last week.

six state-owned oil refineries in the country are producing an average of 220,000 bpd of gasoline this year, far below their capacity. López Obrador on Saturday also said he will build either one large or two medium-sized refineries during his six-year term, though he did not specify how the construction of these facilities would be funded, Reuters reported. Energy was one of the major themes of López Obrador's campaign, with the future president criticizing the opening of the sector in 2013, which has since brought more than 100 exploration and production contracts to foreign oil companies, the wire service reported.

BUSINESS NEWS

Talks Between BHP, Workers at Escondida Enter Final Stretch

Talks between officials at BHP Billiton's Escondida mine, the world's largest copper mine, and a miners' union are entering its final stage before a contract expires at the end of July, with still many points of contention to be sorted out, Reuters reported. The union is demanding a series of benefits, including a 5 percent increase in workers' salaries, a new health care plan and good-practice bonuses, and a one-time bonus of some \$40,000 per worker, which BHP has called "exaggerated," the wire service reported. BHP and the workers' union failed to reach a labor deal last year, which led to a 44-day strike that affected the global copper market. The miners are betting on higher copper prices and new labor legislation to get better results this time. In related news, BHP on Thursday announced a short-term plan to "energize the regional economy," La Tercera reported. Patricio Tapia, president of the miners' union, said BHP should focus on its employees before moving on to city-wide and regional plans, *Diario Financiero* reported. Negotiations between the two sides will continue until July 24, the deadline for BHP to present its final offer, after which the union will decide to either accept its proposal or go on strike.

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principles of human rights, including freedom of movement, the right to go to work or to go to school, is imperative. The impact of these barricades is being felt beyond our borders, fostering insecurity and severely affecting transportation and commerce between Central American countries. Strengthening democratic institutions, including reforms of the electoral system, is a priority for the Nicaraguan government. For the last two years, the government has been working with the Organization of American States to bring the electoral system in line with standards of the Inter-American Democratic Charter. OAS Secretary General Luis Almagro has repeatedly stated this cooperation is moving along positively and will create conditions and a timetable for free, fair and transparent elections in Nicaragua."

A Mario Arana, director of the Nicaraguan Foundation for Social and Economic Development and a former Nicaraguan minister of finance and central bank president:

"The civic, non-violent, inspired protests and the level of mass mobilization took the government by surprise. Initially, the opposition, made up of student leaders, the business sector and a diverse coalition of other interest groups, had the upper hand. The process has stalled because Ortega has felt the need to reverse the unfavorable forces protesting against him, using delaying tactics to have time to increase repression and take back the control of some of the main regional transit international roads in the hands of protesters. Strategically, though, it is most likely that Ortega will not be able to regain control of an acceptable level of governance. He has lost the support of key allies, the private sector, the United States and the church. The sustainability of the economy is simply no longer viable under his rule. With the most recent regain of control, Ortega is actually in a better position to negotiate his exit than if he waits until 2021 when normal elections are scheduled. Ortega is

difficult to predict, though, and while he may be encouraged by his recent achievements against the opposition, he will most likely call for early elections in 2019, will try to stay during the transition, and will accept institutional and electoral reforms. Some are calling for Ortega's immediate resignation. This outcome would cost more lives and take more time to settle, it would do more damage to the economy than an early exit, and it is less likely to happen. Ortega staying until 2021 would be the worst-case scenario in every respect."

A Carlos Fernando Chamorro, director of Confidencial in Managua: "Negotiations regarding justice and democratization have stalled because there's a lack of political will from the government. In reality, discussion on the very first point of the agenda has not even begun. Ortega has set out to launch a military offensive, supported by paramilitary forces, to retake control of upraised cities and clear the roads. The results have been more repression and many more dead, even with the presence of the Inter-American Commission on Human Rights and the United Nations in the country. This, in turn, makes Ortega remaining in power even less viable, even if he does accept the rescheduling of elections. Most people, in the streets and even presidents of some business chambers, are demanding Ortega's immediate resignation in order to then proceed to negotiate political and electoral reforms. Alianza Cívica, for its part, demands the disarmament and dismantling of paramilitary groups, and political reforms that will allow the rescheduling of presidential elections. But Ortega will never agree, unless he's forced into it by extraordinary civic pressure, both national and international, that will persuade the pillars of his regime—the police, the Sandinista National Liberation Front, the army and civilian government forces—that he can no longer rule and should either exit or negotiate. For now,

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we're in the process of mediating forces, on which the future of the dialogue depends, while Ortega is focusing his counteroffensive military in order to come emboldened to the negotiating table."

A **Christine Wade, associate professor of political science and international studies at Washington College in Chestertown, Md.:** "Attempts at dialogue between the Ortega government and civil society have been fraught from the beginning. A broad, disparate group of civil society is demanding an end to repression and the resignation of President Ortega and Vice President Murillo. The Ortega administration has focused on dismantling barricades that protesters have erected around the country, as a condition for dialogue. The violence and repression against protesters has been a major point of contention. The government has repeatedly denied that the police and parapolice have engaged in repression, insisting that protesters are responsible for a majority of the violence. A recent report from the Inter-American Commission on Human Rights, however, documented 212 killings and found that the government used 'excessive and arbitrary use of state force' to repress protesters. The Ortega administration lambasted the report as biased and 'unprofessional.' The administration's refusal to take responsibility for the repression has seriously undermined the prospects for a successful national dialogue. As repression continues, the crisis may worsen before it improves. Ortega's resignation is unlikely so long as he maintains the support of the armed forces, and the protesters are too weak to overthrow the government. Dialogue must continue. Despite discussion about the possibility of early elections in 2019, it remains unclear whether Ortega will capitulate or how that process would unfold. Early elections would not be without problems, as the political opposition is weak and the protest movement disparate, but they appear the best prospect for a resolution to the current crisis."

A **Gavin Strong, director for Mexico, Central America and the Caribbean at Control Risks:** "Control Risks does not expect a swift resolution to the political crisis currently engulfing Nicaragua. President Daniel Ortega and First Lady and Vice President Rosario Murillo appear hell-bent on remaining in power, whatever the cost. This is reflected in both their apparent unwillingness to proffer meaningful political concessions—most notably, agreeing to bring forward the 2021 general election to March 2019—as well as the continued repression of protests. The latter includes the brazen use of paramilitar-

“A game changer in this respect would be if the army ... were to renounce the regime or step in to disarm the paramilitaries.”

— Gavin Strong

ies, despite provoking vehement opprobrium both in Nicaragua and among the international community. The regime has allowed the deployment of international investigators to the country to look into alleged human rights abuses committed since the crisis began in April. However, rather than a sign of good faith, we believe this is part of a broader tactic by Ortega and Murillo to draw out the national dialogue brokered by the Catholic Church until the opposition to the regime, including the Civic Alliance for Justice and Democracy, runs out of steam. A game changer in this respect would be if the army, which is coming under increasing pressure to intervene in the crisis, were to renounce the regime or step in to disarm the paramilitaries. However, the army has given little indication to date that it intends to do either of these."

LATIN AMERICA ADVISOR

is published every business day by the Inter-American Dialogue, Copyright © 2018

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Latin America Advisor is published every business day, except for major U.S. holidays, by the Inter-American Dialogue at 1155 15th Street NW, Suite 800 Washington, DC 20005

www.thedialogue.org

ISSN 2163-7962

Subscription inquiries are welcomed at freetrial@thedialogue.org

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