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FEATURED Q&A

What Are the Main Challenges Facing Haiti's Céant?



Haiti's president last month tapped Jean Henry Céant as the country's prime minister. // File Photo: Facebook page of Jean Henry Céant.

Q Haiti's opposition and some supporters of the current government have criticized the proposed cabinet selections of the country's nominated prime minister, Jean Henry Céant. President Jovenel Moïse tapped Céant following last month's resignation of Prime Minister Jack Guy Lafontant, who was blamed for poorly handling a fuel price hike that sparked deadly violence. What is behind the controversy surrounding Céant and his proposed cabinet? Will he be effective in the role of prime minister? What are the biggest challenges facing Moïse's government?

A Georges Fauriol, senior associate in the Americas Program at the Center for Strategic and International Studies: "The political bickering over the nomination of a new cabinet following the forced resignation of Prime Minister Lafontant in early July is not surprising. The July crisis was ignited by a clumsy handling of fuel price increases—which the government is still going to have to tackle—yet the underlying factors were more profound: a deeply rooted network of corruption permeating all sectors of public governance and a belief that the government in office since early 2017 is ineffectual as well. A politically weakened Jovenel Moïse presidency has further emboldened critics. His nomination of Jean Henry Céant as prime minister may not have been an inspired choice, but unlike Lafontant, he is at least a known political actor, albeit with few achievements. His political lineage has fluctuated over time, first navigating among the Aristide wing of Haitian politics and then reversing course toward Michel Martelly and

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TODAY'S NEWS

POLITICAL

Ex-Venezuelan Officials Charged in Bribery Case

Several Venezuelan officials were among those charged in Andorra in a bribery case involving companies seeking to do business with state oil company PDVSA.

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BUSINESS

Walmart Buys Mexico-Based Cornershop

Walmart is acquiring the Mexico- and Chile-focused delivery service for \$225 million. The retailing giant has sought to expand its digital commerce operations.

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POLITICAL

U.N. Security Council Renews Mandate of Colombia Mission

The U.N. Security Council renewed the mandate of the mission overseeing Colombia's peace deal with the FARC rebels. The council also called on President Iván Duque's government to speed up the deal's implementation.

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Duque // File Photo: Colombian Government.

POLITICAL NEWS

Ex-Venezuelan Officials Charged in Laundering Case

Twenty-eight people, including several former Venezuelan officials, have been charged in Andorra with money laundering in connection with a scheme involving some \$2 billion in bribes from companies seeking contracts with Venezuelan state oil company PDVSA, the Associated Press reported Thursday. Canolic Mingorance, an investigating magistrate in the tiny European principality issued the indictments in the culmination of a five-year investigation into suspicious deposits at an Andorra-based bank, Banca Privada d'Andorra. Those charged in the case include 14 people from Venezuela, nine from Andorra and five from Spain. The alleged mastermind of the scheme is Diego Salazar, the cousin of former energy minister and PDVSA president Rafael Ramírez, the wire service reported. Ramírez also was Venezuela's ambassador to the United Nations until he resigned and went into hiding last year after falling out of favor with Venezuelan President Nicolás Maduro. Among the other Venezuelans charged are ex-deputy ministers Nervis Villalobos and Javier Alvarado as well as Luis Carlos de León-Pérez, a former official at a

state-run power company in Caracas. None of the Venezuelan defendants appeared in court on Thursday, according to local newspaper *Diari d'Andorra*. The defendants are alleged to have received illegal payments from companies, several of which are based in China, that then received oil industry contracts, the AP reported. Managers of Banca Privada d'Andorra then hid the money in shell companies before making it available through the bank's accounts, authorities allege. In the indictment, Mingorance wrote that the defendants "joined forces to control the public bids of PDVSA and the construction of energy-related infrastructure." Andorra intervened in the private bank in 2015 after the U.S. Treasury accused it of involvement in money laundering for groups in Venezuela, China and Russia. Since then, the principality has toughened banking laws. One of those accused, De León-Pérez, has pleaded guilty in the United States to money laundering and other charges. A court in Houston is expected to sentence him this month.

Former Salvadoran President Saca Sentenced to 10 Years

Former Salvadoran President Antonio Saca was sentenced to 10 years in prison on Wednesday after pleading guilty to laundering more than

NEWS BRIEFS

U.N. Security Council Renews Mandate for Colombia Mission

The United Nations Security Council in a resolution adopted unanimously on Thursday extended the mandate for the U.N. mission overseeing the 2016 peace deal between the Colombian government and the Revolutionary Armed Forces of Colombia, or FARC, until next September, the Associated Press reported. The U.N. body also asked President Iván Duque's government "to renew momentum" in implementing the peace deal.

Chilean Authorities Raid Four Catholic Dioceses in Sex Abuse Investigation

Authorities in Chile raided four Catholic dioceses on Thursday in connection with an investigation into child sex abuse cases and the alleged cover-up by bishops, the Associated Press reported. The searches took place in Valparaíso, Chillán, Osorno and Concepción, according to prosecutors. Authorities were seen walking out of church buildings with documents they had seized. Prosecutor Emiliano Arias, who is leading some 20 investigations of alleged abuse by priests in the city of Rancagua, ordered the raids.

Discover, Mexico's Prosa Ink Deal for Greater Card Acceptance

Discover Financial Services and Mexican payments network Promoción y Operación, or Prosa, have partnered to expand acceptance of the Discover card in the Latin American country, the companies said Thursday in a statement. Discover and its network affiliate cards will now be accepted on Prosa's network in Mexico at stores and ATM locations. The companies said they are looking at other opportunities to work together in the future.

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Moïse. This flexibility might be a virtue, but it took a month to announce a cabinet (a third of which were holdovers). Predictably, parliamentary review of the nominees' tax returns uncovered suspicions of financial and other forms of misconduct. A scheduled parliamentary recess kicked in last Monday with everything left in suspense—saved in extremis by Moïse calling parliamentarians back for a special session. Assuming Céant gets his wishes, factors to watch include the uncertain Céant-Moïse political dynamic and relations with a divided parliament, let alone a challenging 'to-do' list even under the best of circumstances. This includes parliamenta-

ry elections later in 2019 and reforms of the electoral machinery that frames the process, let alone the potentially explosive outcome of a parliamentary review involving the accounting of more than a decade's worth of Venezuela-sourced Petrocaribe funding."



Robert Fatton Jr., Julia Cooper
Professor of Politics in the
Department of Politics at the
University of Virginia:

"Haiti is facing another conjunctural crisis which is symptomatic of a wider, deeper and unending systemic crisis. The current problems facing the country and President Jovenel

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\$300 million from state funds, Salvadoran daily El Mundo reported. He is the first former president of El Salvador to be convicted on corruption charges. A Salvadoran court found Saca guilty of embezzling government funds to favor his businesses and third parties and ordered him to pay \$260 million as part of the ruling. "We are satisfied with the conviction, the criminal responsibility that has been



Saca // Photo: Salvadoran Government.

imposed on the defendants, as well as the civil judgment," prosecutor Jorge Cortez said, the Associated Press reported. Five of Saca's associates were also given sentences of between three to 10 years, and an additional associate, who did not plead guilty, was sentenced to 16 years in prison, El Mundo reported. Before his plea deal in July, the former president was facing a sentence of more than 30 years. Cortez said the case "has not been closed with Saca's conviction," adding that more investigations are underway and more people could be held responsible, the Associated Press reported. [Editor's Note: See related [Q&A](#) on the Aug. 17 issue of the Advisor.]

BUSINESS NEWS

Walmart Buys Mexico-Based Cornershop

Walmart has bought Cornershop, an online delivery marketplace in Mexico and Chile, for \$225 million, the company said Thursday. Mexico-based Cornershop is a three-year-old startup that runs an on-demand delivery service for supermarkets, pharmacies and food retailers from an app, The Wall Street

Journal reported. The move comes as part of Walmart's wider strategy to expand both digital commerce operations and its presence in Latin America. "We are focused on making life easier for customers and associates by building strong local businesses, powered by Walmart," Judith McKenna, president and chief executive of Walmart International, said in a statement. She added, "Cornershop's digital expertise, technology and capabilities will strengthen our successful businesses in Mexico and Chile and provide learning for other markets in which we operate." Cornershop's three founders, Chief Executive Oskar Hjertsonsson, Chief Operating Officer Daniel Undurraga and Chief Technology Officer Juan Pablo Cuevas, will remain in their positions. Walmart also said Cornershop

would remain an open platform, continuing its delivery services for a variety of retailers rather than focusing only on Walmart's operations. Cornershop is Walmart's latest acquisition of

Cornershop runs an online delivery marketplace for retailers.

online retailers, as it faces growing competition from marketplaces such as China's Alibaba and Amazon. Earlier this year, the company bought a \$16-billion controlling stake in Flipkart Group, India's largest e-commerce company, The Wall Street Journal reported.

COMINGS & GOINGS

New Colombian Ambassador Arrives in Washington

Colombia's new ambassador to the United States, Francisco Santos, arrived Wednesday in Washington. Santos will seek to strengthen cooperation between the United States and Colombia in areas including anti-drug efforts, fostering democracy in Venezuela and addressing the Venezuelan migration crisis, as well as expanding business and economic ties, the embassy said in a statement. Santos previously served as vice president of Colombia under former President Álvaro Uribe and editor of Colombian daily newspaper El Tiempo.

Former Head of U.S.-Cuba Democracy PAC Joins U.S. National Security Council

Attorney Mauricio Claver-Carone joined the U.S. National Security Council in late August to help coordinate the White House's policy with other departments, including the State and Treasury departments, Politico reported. Claver-Carone is the former executive director of the U.S.-Cuba Democracy PAC, and he advised President Donald Trump during his 2016 campaign. He was also a member of Trump's transition team in the Treasury Department and currently serves as acting U.S. executive director at the International Monetary Fund.

Former U.S. Diplomat Shannon Joins Arnold & Porter

Thomas A. Shannon, a former under secretary of state for political affairs and former U.S. ambassador to Brazil, has joined international law firm Arnold & Porter as a senior international policy advisor in the firm's global law and public policy practice in Washington, the firm announced in August. Previously, Shannon served as assistant secretary of state for Western Hemisphere affairs, counselor of the State Department and special assistant to the president at the National Security Council.

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Moïse stemmed from the ill-fated decision of the IMF and the government of then-Prime Minister Jack Guy Lafontant to suddenly raise the price of fuel by as much as 51 percent and from the Petrocaribe graft scandal implicating the previous Préval and Martelly administrations. Both have generated civil unrest. It is in this context that Moïse nom-

“Haiti is facing another conjunctural crisis which is symptomatic of a wider, deeper and unending systemic crisis.”

— Robert Fatton Jr.

inated a well-known politician, Jean Henry Céant, to replace Lafontant. Haitian parliamentarians have not been enthusiastic about Céant's nomination; even those supporting the president have maneuvered to limit Céant's ability to choose the members of his own cabinet. It remains unclear whether Céant will obtain the necessary votes to be confirmed. However, the fear that leaving the country without a functioning government for a prolonged period of time might generate political chaos is likely to lead to Céant's ratification. The new prime minister will have to confront the immediate problems of what to do with the cost of and the subsidies for fuel, how to deal with the Petrocaribe scandal and accusations of massive corruption by high officials of previous governments, and how to stop the depreciation of the local currency. In the medium term, Céant will inevitably confront the longstanding and systemic problems of massive poverty, deep class inequities, fledging security, anemic economic growth and dependence on foreign sources of financial support. In short, Moïse and a confirmed Céant will face the very same problems that have besieged all the governments that have ruled the country since the fall of Jean-Claude Duvalier's dicta-

torship in 1986. So far, solutions to these critical problems have eluded Haiti's political class, and at the moment there is little to indicate that this will change. Haiti continues to endure a systemic and a conjunctural crisis that bodes poorly for political stability, reduction of poverty and economic growth. The present and immediate future look very much like the troubled past.”

A James Morrell, executive director of the Haiti Democracy Project: “Twenty-seven years ago, the military seized power in Haiti, and the country began bleeding refugees. U.S. presidents and policymakers quickly developed a healthy respect for the utility of having an elected president in Haiti to undercut claims for political asylum. Twenty thousand U.S. troops went in, elections and economic development were fostered, four elected presidents served out their terms, and six incumbents peacefully turned over the presidential sash to successors. The head of the Inter-American Development Bank said, ‘We're going to break the rules for Haiti!’ Yet since 2017, the United States and the international community have displayed a sense of historical amnesia, wantonly pulling the rug out from under the latest president, Jovenel Moïse. First was the United Nations in pulling the MINUSTAH mission which had kept three presidents safe from coups. Meanwhile, Venezuela severely cut back Petrocaribe. Then, the United States announced that it would revoke Temporary Protected Status for 60,000 Haitians sending remittances back to Haiti. Finally, the IMF imposed a 50 percent jump in fuel prices. Together, these actors could not have done better if they had deliberately set out to destroy the edifice of electoral consolidation and slow economic development fostered by three U.S. presidents since 1994. The effect is to invite the coup plotters, always hovering in Haiti, to do their worst. Although it will take millions to shore up this embattled government, the Pentagon's bill for its services would be numbered in the billions.”

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