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## FEATURED Q&A

# Two Years In, Is Peace Taking Hold in Colombia?



Colombian President Iván Duque, who took office this year, has backed away from suggestions he would scuttle the 2016 peace accord. // File Photo: Colombian Government.

**Q This month marks the two-year anniversary of Colombia's peace accord with the Revolutionary Armed Forces of Colombia, or FARC, rebels. While the FARC has largely disarmed, there have been recent reports of hundreds of Colombians being displaced in Norte de Santander department due to fighting between the National Liberation Army, or ELN, rebels and a crime gang, which are fighting for control of the area. How well is peace taking hold in Colombia, two years after the signing of the peace accord? To what extent is the FARC simply being replaced by other criminal groups? Does President Iván Duque have the right approach to establishing control and the rule of law in all of Colombia's territory?**

**A Antonio Navarro Wolff, Colombian senator and former commandant of the M-19 guerrilla movement:** "Two years after the peace accord between the government and the FARC, results are contradictory. On one hand, thousands of guerrillas were demobilized and disarmed. That is an indisputable fact. But, on the other hand, the territories vacated by the FARC have almost all been taken by other armed groups: a mix of FARC dissidents, members of the ELN or criminal groups. The main problem is the huge expansion of illicit crops, essentially coca. There are some 200,000 hectares of coca in Colombia right now, three times more than when negotiations between the FARC and the government started. Whoever controls these territories gets a lot of money, which in turn finances illegal armed activity and attracts these kinds of groups. There are two regions where the situation is worse today than under FARC control: Catatumbo, at the Venezuela border, and

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## TODAY'S NEWS

### ECONOMIC

## Mexico Raises Interest Rates

Economists said the rate increase was expected in light of higher inflation pressures, recent losses in the peso currency's value and volatility in local financial markets ahead of the change of government.

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### POLITICAL

## El Salvador Sees Highest Rate of Femicide

El Salvador last year logged the highest rate of femicide in Latin America and the Caribbean, with more than 10 killings for every 100,000 women.

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### POLITICAL

## Piñera Calls for Investigation in Mapuche Death

Chilean President Sebastián Piñera pledged to open an investigation into the police killing of an indigenous Mapuche man that sparked protests and firebomb attacks this week. Nobody has claimed responsibility for the arson attacks.

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Piñera // File Photo: Chilean Government.

## POLITICAL NEWS

## Chilean President Pledges Investigation Into Mapuche Death

Chilean President Sebastián Piñera on Thursday pledged to open an investigation into the police killing of an indigenous Mapuche man that sparked protests and firebomb attacks this week, Agence France-Presse reported. While calling the killing “lamentable,” Piñera so far has stood by the police unit’s actions in the situation. Riot police used water-cannon and tear gas Wednesday in Santiago to push back around 100 protesters outside government offices demonstrating against the killing. According to the report, arsonists hit a church, holiday resort and a home this week in the Araucanía region in southern Chile, apparently in response to the killing of 24-year-old

Camilo Catrillanca in a police operation aimed at countering Mapuche unrest. Indigenous advocates say Catrillanca was headed to work in a tractor when he was confronted by the unit, which “opened fire without any provocation,” said Karina Riquelme, a Mapuche community lawyer. Mapuche activists have clashed with logging companies and farmers for decades. In September, Piñera announced a plan worth \$24 million to address the conflict. The program aims to increase indigenous representation in the government and accelerate the creation of a ministry of indigenous people, The Santiago Times reported. Housing subsidies, infrastructure improvements and a dozen new hospitals for the Araucanía region are also part of the so-called “Plan Impulso Araucanía.” However, earlier this month, Mapuche community leader Aucán Huilcamán dismissed the plan, saying it was designed to increase tourism and benefit the private sector. Huilcamán anticipated conflict will increase, saying Piñera had not considered the Mapuche’s demands.

## NEWS BRIEFS

## Mexico Raises Interest Rates Amid Uncertainty

Mexico’s Central Bank on Thursday increased its overnight interest rate target by a quarter of a percentage point to 8.0 percent, The Wall Street Journal reported. Economists said the rate increase comes in response to higher inflation pressures, recent losses in the peso currency’s value and volatility in local financial markets ahead of the change of government. Leftist Andrés Manuel López Obrador takes office as president on Dec. 1.

## El Salvador Sees Highest Rate of Femicide in Region

El Salvador last year logged the highest rate of femicide in Latin America and the Caribbean, with more than 10 killings for every 100,000 women, the U.N.’s Economic Commission for Latin America and the Caribbean said Thursday, Agence France-Presse reported. In absolute terms, Brazil had the most murders of women with 1,133, but given El Salvador’s much smaller population, its rate outpaced that seen in other countries. Only Panama, Peru and Venezuela had rates under one murder for every 100,000 women.

## IMF Board to Meet Soon on Venezuela Crisis

The International Monetary Fund said Thursday its executive board will meet in the “coming weeks” to discuss Venezuela’s refusal to provide updated figures on its troubled economy, the Associated Press reported. Venezuelan authorities have not allowed the IMF, the world’s “lender of last resort,” to formally review its data for years, even though member states are expected to do so annually. Spokesman Gerry Rice declined to say whether any deadline had been given to Caracas to come up with the figures. Not complying with the IMF’s rules could result in penalties including expulsion from the Fund, Bloomberg News reported.

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Tumaco, at the Ecuador border. In Catatumbo, territorial disputes between a fraction of the demobilized EPL (Popular Liberation Army) and the ELN, plus FARC dissidents, have created a complex violent situation. In Tumaco, FARC dissidents associated with Mexican drug cartels are behaving brutally. According to Colombia’s Red Cross, the number of displaced people in these and other rural regions has gone up this year. This is not surprising—if illicit crops are not reduced, insecurity in rural areas will continue. The government still hasn’t developed a clear policy. Threats to tear up the peace accords have fortunately not materialized, but compliance with the agreement is also unclear. We’re in a transition period with no end in sight. Meantime, several issues could produce negative effects: the possible extradition of Jesús Santrich, alongside unfulfilled agreements, could lead a certain group, roughly the same size as the FARC, to think the state is not complying with the accords, prompting them to leave for the mountains. We’ll know in the next few

months. We must recognize that most of the older FARC leaders are keeping their word. In one year, we’ll know with much greater certainty if the peace accord has passed the initial post-conflict challenges. Hopefully, results will be positive.”

**A** **Adam Isacson, director for defense oversight at the Washington Office on Latin America:** “The big mystery of Colombia’s peace process is why, after the FARC disarmed, the government did so little to occupy and administer the vast stateless territories that the guerrillas left behind. A year and a half later, even zones of great strategic value—with oil, mineral wealth or geographic advantages—have seen only a minor increase in state presence, or even just military presence, if they’ve seen any at all. Money may be to blame: the Colombian government’s revenues were hit hard by the post-2013 drop in oil prices. Bureaucracy may be to blame: the national government is uncoordinated and slow-moving. Expertise

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## ECONOMIC NEWS

## Santander Economist Chosen to Lead Brazil Central Bank

Incoming Economy Minister Paulo Guedes has chosen Banco Santander economist Roberto Campos Neto to take over Brazil's central bank under President-elect Jair Bolsonaro, Bloomberg News reported Thursday. Campos Neto, 49, will replace Ilan Goldfajn, a market favorite who has lowered interest to record lows since taking the job in 2016. The appointment needs to be approved by Congress. Current Treasury Secretary Mansueto Almeida will be invited to stay on in Bolsonaro's government, Guedes added in a statement, Reuters reported. Market analysts said Campos Neto is an orthodox, pro-market economist who will likely maintain independent monetary policy.

## BUSINESS NEWS

## López Obrador Offers to Consult With Business Elites

In the wake of recent moves that have shaken investor confidence, Mexican President-elect Andrés Manuel López Obrador on Thursday reached out to the country's business elites, announcing in a publicly circulated video the formation of a business advisory council he has pledged to meet with "every couple months," the Associated Press reported. López Obrador, who takes office Dec. 1, said Mexico needs the private sector's support to generate jobs and grow the economy. The group will include billionaire Ricardo Salinas Pliego, the founder of Grupo Salinas, which owns TV Azteca network, and Bernardo Gómez, the co-CEO of Televisa network, according to the report. [Editor's note: See also "[Will Investors Soon Sour on Mexico's López Obrador?](#)" in Wednesday's issue of the Advisor.]

## THE DIALOGUE CONTINUES

## Will Bolsonaro Make Good on His Law & Order Promises?

**Q** During his campaign, Brazilian President-elect Jair Bolsonaro frequently vowed to crack down on criminals, allow police more latitude in the use of force, make it easier for Brazilians to own guns and reduce the age at which defendants can be tried as adults. How many of Bolsonaro's pledges on crime will become policy? Will his tactics succeed? Will Bolsonaro expand the use of the military in civilian policing beyond Rio de Janeiro state, where troops have been operating for months?

**A** Amanda Mattingly, senior director at The Arkin Group in New York: "Jair Bolsonaro made fighting crime the centerpiece of his successful bid for the presidency, so it is likely he will enact more draconian security measures and expand the use of the military to police areas like Rio de Janeiro State. It is likely he will make good on campaign promises to allow more Brazilians access to guns and lower the age Brazilians can be tried as adults. Winning with 55 percent of the vote in the second round, Bolsonaro believes he has a mandate to enact such policies, and he has support in Congress to carry them out. Bolsonaro's win signals that Brazilians are fed up with the crime—indeed, Brazil's homicide rate climbed 3 percent in 2017, resulting in more than 60,000 deaths. Bolsonaro himself became a symbol of Brazil's increasing violence when he suffered stab wounds while campaigning. So yes, Brazil needs a new security plan. But allowing police more discretion to use deadly force and expanding the use of the military will more likely result in a period of increased violence and bloodshed and the possibility for human rights abuses. Ultimately, Brazil will not reduce the levels of violent crime until it

addresses the underlying issues of inequality and corruption. Bolsonaro's plan should be more comprehensive and go after those who have been operating in the country with impunity, including many in government, law enforcement and the private sector, while also using intelligence-based methodologies to infiltrate and dismantle the criminal organizations, gangs and drug cartels that fuel the violence and criminality."

**A** James Bosworth, founder of Hxagon, LLC: "Unfortunately, Bolsonaro has no strategy to reduce violent organized crime or street-level criminal violence other than to hit the criminals harder, even if it violates legal rights and moral norms. The combination of Bolsonaro's hardline security efforts, declining social spending and a culture of human rights abuse are likely to increase crime in Brazil over the coming year. While the militarization of security and various economic factors matter, more important than any specific policy will be Bolsonaro's attitude toward security and human rights. Brazil already has a significant problem with private security guards and off-duty police working as 'cleansing' units to target criminals and sometimes civilians in high-crime neighborhoods. Bolsonaro has indicated, often indirectly, but sometimes directly, that he supports extrajudicial executions of criminals and that he wants military and police to do whatever they feel necessary to stop criminals. Criminal groups are likely to adapt and push back, increasing the violence that everyday Brazilians face."

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**EDITORS NOTE:** The above is a continuation of the Q&A in Tuesday's Advisor.

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## FEATURED Q&amp;A / Continued from page 2

may be to blame: there is a gulf between the technocrats making sophisticated 'territorial peace' and 'territorially focused development' plans, and managers able to carry out those plans on the ground. Whatever the cause, there is slippage in Colombia's security situation as other armed groups fill the territorial vacuum. Official data for the first four months of 2018 showed an 11 percent increase in nationwide homicides. With more than 26,000 victims, forced displacement has long since surpassed the 2017 figure. New actors include the ELN, the Gulf Clan neo-paramilitaries, more than a dozen FARC dissident units and more than a dozen smaller trafficking groups. These are more regional than national in scope, have more interest in illicit income than politics and often work by corrupting local officials and security-force personnel. But they are making steady territorial advances, and the Duque government has yet to make clear how its territorial approach will differ from that of its predecessor. The mystery remains unsolved."

**A** **Martha Maya, former chief of staff to the Colombian minister of interior:** "It is hard to assess both how well peace is taking hold and the extent to which other criminal groups have been growing in conflict-affected territories in few words. There are different organizations in charge of doing that kind of assessment, and they can provide specific information regarding each of the issues included in the Peace Agreement using a specific matrix, including elements related to security and criminal activities. Putting in place the agreement's institutions has taken time, effort, discussions and controversy. The plebiscite, political campaigns and government change have all aggravated the difficulties of implementing the agreement. Currently, there are significant challenges to consolidating the progress made under the accord, particularly related to violence reduction and the disarmament of the FARC. The Colombian state urgently needs to strengthen its territorial control in the areas

vacated by the FARC. This territorial control implies not only the presence of security forces, but also improving justice and investment in public goods to improve the living conditions of citizens in these areas. President Duque needs to promote a comprehensive strategy to establish the rule of law. The task of peace-building must be a long-term undertaking, related to state-building. In conflict-ridden regions, citizens' trust in the state depends on tangible benefits: roads, agricultural projects, access to land. It is important that President Duque acts on his own terms within the roadmap defined in the agreement. The implementation of the peace accord is at a crucial stage. The institutions and plans have been established, and now the government needs to deliver."

**A** **María Teresa Aya, professor at Universidad Externado de Colombia:** "Two years ago, Colombia began a transition process from a country living in conflict to a country in peace. However, the power vacuum left by the dismantling of the FARC has led to the rise of different criminal groups. These groups are not trying to replace the FARC—they are trying to fill the power vacuum. Among these, there are right-wing armed groups that have killed over 120 social leaders in the last year as they move into the territories formerly occupied by the FARC. There's also the ELN, the last guerrilla group left in the country, which gives their actions a false sense of grandeur. They no longer share the limelight with others. This does not mean their actions are irrelevant. They are despicable. Colombia, a country that believes in the rule of law, has, with the peace accords, a unique opportunity to increase its state presence and as such deal with the hurdles of the transition period. It must do so militarily, but also within the development arena. Peace is indeed taking hold in Colombia; however, it is not doing so at an equal pace throughout the country. The government's challenge is to understand that peace does not mean the total absence of conflict. We are in a transition period."

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**Erik Brand**

Publisher  
[ebrand@thedialogue.org](mailto:ebrand@thedialogue.org)

**Gene Kuleta**

Editor  
[gkuleta@thedialogue.org](mailto:gkuleta@thedialogue.org)

**Anastasia Chacón González**

Reporter  
[achacon@thedialogue.org](mailto:achacon@thedialogue.org)



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Subscription inquiries are welcomed at [fretrial@thedialogue.org](mailto:fretrial@thedialogue.org)

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