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LATIN AMERICA ADVISOR

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Featured Q&A With Our Board of Advisors

Q Opposition-aligned Venezuelan television station RCTV is set to go off the air at midnight on Sunday because of the government's expected refusal to renew its license, a move critics say is aimed at silencing criticism. What impact will RCTV's departure have on freedom of expression in Venezuela?

A Guest Comment: Teodoro Petkoff: "The space to exercise freedom of expression will be considerably reduced. With Channel 4's Venevisión being already aligned with the government by the decision of its owner, Gustavo Cisneros, and Channel 2's RCTV being shut down, the viewing audience, 80 percent of which is covered by these two channels, will be unplugged from any opinion that is not the official one. In addition, the government has constructed a huge media apparatus. Its objective, through these two convergent operations, is to create a communications hegemony, not a monopoly in the style of Cuba or the USSR. It is something much more sophisticated than the mere creation of totally state-owned media. This means that, by tyrannizing the country's communications, the government can co-exist, at least for now, with opposition media whose reach, as much through TV as through the written press, is much more limited. These media will certainly be the object of judicial or tax harassment, but will not necessarily be closed ... at least for now."

A Guest Comment: Bernardo Alvarez: "The decision not to renew RCTV's license will not have an impact on Venezuela's commitment to freedom of expression, freedom of the press, and freedom of information. First, RCTV will continue to broadcast on cable and satellite, both of which are widely available in Venezuela. Second, Venezuela's media landscape will remain vibrant and overwhelmingly in private hands. Of the 81 television stations, 709 radio broadcasters, and 118 newspapers throughout Venezuela, 79, 706 and 118, respectively, are privately owned and operated. Third, the space RCTV occupied

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PHOTO OF THE DAY



OAS Secretary General Jose Miguel Insulza on Thursday lamented the lack of clear rules for the OAS to respond to violations of democratic rule in the Hemisphere. See [story](#) on page 2.

Photo: OAS.

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NEWS BRIEFS

Moody's Puts Brazil Ratings on Review for Possible Upgrade

Moody's Investors Service said Thursday it has put Brazil's ratings on review for a possible upgrade, according to Agence France Presse. The ratings agency indicated that a sustained improvement in the government's overall debt profile on better macroeconomic, external, and fiscal prospects has prompted the review. **Standard & Poor's** and **Fitch Ratings** earlier this month raised their ratings for Brazil to one level below investment grade.

Colombian Peso Strengthens Despite New Capital Controls

Despite government-imposed capital controls designed to rein in a strengthening currency, the Colombian peso on Thursday rose about 0.5 percent to 1,954.65 pesos per dollar, after falling 0.2 percent earlier in the day, Reuters reported. After markets closed on Wednesday night, the economy ministry introduced a mandatory 40 percent, six-month deposit requirement on short-term foreign portfolio investment. The government is worried that currency appreciation will make the country's exports less competitive.

Mexican Human Rights Body Urges Probe of Abuses in Oaxaca

Mexico's National Commission for Human Rights on Thursday urged the government to investigate its [findings](#) that federal police tortured citizens and that the state judiciary did not respond to rights abuses during unrest in Oaxaca last year. A teacher strike that began a year ago stretched on for months and often turned violent, as protesters seeking the removal of Oaxaca state Governor Ulises Pin clashed with opponents.

Political News

Insulza Laments Lack of Clear Rules for OAS to Protect Democracy

Just three days before Venezuelan television station **RCTV** is set to stop broadcasting when its license expires Sunday night, Organization of American States Secretary General Jose Miguel Insulza, a vocal critic of Venezuelan President Hugo Chavez's decision not to renew RCTV's license, on

lations of rights, such as freedom of expression, Insulza said. He said relationships between Latin American nations today are characterized by a lack of trust, effectively discouraging countries from taking joint action in the OAS or elsewhere. If presented with the six year-old Inter-American Democratic Charter to ratify today, OAS member countries probably would not sign it because of this mistrust, he said. On Venezuela's threats to exit the OAS, Insulza said that he is trying

If presented with the six year-old Inter-American Democratic Charter to ratify today, OAS member countries probably would not sign it because of mistrust, Insulza said.

Thursday lamented the lack of clear rules for the OAS to respond to violations of democratic rule. "What enables the [OAS' Permanent] Council to act?" Insulza asked during a discussion hosted by the Inter-American Dialogue. "Is it the closing of a television station? Is it the censoring of a newspaper?" The secretary general said the OAS does not "have a clear rule of ... when to decide if there has been a violation, so the Council goes case by case," adding that "this is a matter that should be defined." Governments should take the lead in requesting OAS action when they see vio-

to keep things as peaceful as possible. "We're here to put out the fires, not raise the fires," he said. "I think we need to cool things down."

Economic News

Nicaragua's Ortega: Union Fenosa Offering to Sell Assets Back to State

Spanish power company **Union Fenosa** has offered to sell its assets back to the Nicaraguan government, Nicaraguan

US is Working with Latin America on Posada-Carriles Case—Shannon

The US' top diplomat for Latin America, Thomas Shannon, said Thursday that his government is working with countries in Latin America that have criticized the US after a judge freed ex-CIA operative Luis Posada Carriles, who is wanted in Cuba and Venezuela for masterminding the 1976 bombing of a Cuban airliner that killed 73 people.

Venezuela on Wednesday proposed a draft resolution in the Organization of American States (OAS) to request that Posada Carriles be extradited for a trial in the South American country.

"We are talking with all members of the OAS, including Venezuela, to see if we can build a consensus within the OAS," Shannon told reporters, speaking on the sidelines of an event at the Inter-American Dialogue.

The US is working "in good faith, recognizing our laws and our obligations under international laws," said Shannon.



Shannon
Photo: OAS.

President Daniel Ortega said Thursday, according to Reuters. "Their most recent proposal is ... to sell it back to the Nicaraguan state," Ortega was quoted as telling reporters. Union Fenosa, which since 2000 has enjoyed a virtual monopoly in power distribution in Nicaragua, has been faced with threats of intervention since Ortega took office in January. Ortega warned in March that the government could "intervene" in Fenosa's local operations if it did not put a stop to daily blackouts. The government, which blames Union Fenosa for the blackouts, accuses the Spanish company of not investing enough in the country's power system. The company retorts that the government will not let it raise prices in step with higher fuel costs. Cesar Zamora, general manager of the Nicaraguan unit of US power company **Ashmore Energy**, told the weekly *Latin America Energy Advisor* in January that Nicaragua's power sector has suffered from a lack of investment. Zamora said \$250 million was needed to be invested over the next year and a half to end electricity rationing, and that \$500 million should be invested over the next five years to restructure the Central American nation's energy sector [Editor's note: see related Q&A in the January 17, 2007 [issue](#) of the *Energy Advisor*.]

Venezuela Bans Exports of Basic Foodstuffs Amid Domestic Shortages

The Venezuelan government announced Thursday that food producers would be prohibited from exporting basic foodstuffs amid domestic shortages, Bloomberg News reported. Exporters must get a "Certificate of Satisfied Internal Demand" every six months from the food ministry before they can export products, the government said, according to the report. The announcement comes amid four years of price controls that have stunted investments in local agriculture and led to shortages of basic foodstuffs. In March, President Hugo Chavez issued a decree establishing jail terms of up to six years for store owners and producers found guilty of "price speculation or hoarding." Food shortages have helped fuel a surge in consumer prices, with annual inflation at 19.4 percent in April.

Special Advisor Report

Colombian VP Defends Proposed Deal on Testimony About Paramilitaries

By Elisabeth Burgess

WASHINGTON, DC—Colombian Vice President Francisco Santos on Thursday defended a government proposal that would lighten jail sentences for officials accused of ties to illegal right-wing paramilitary groups if they confess their role in the Andean nation's growing "para-politico" scandal.

"Those not involved in violent crimes, if they tell the truth ... would not go to jail," Santos told an audience at an event Thursday hosted by the Inter-American Dialogue. But those officials would "get political death [and] have to do some kind of alternative sentence," he said of the proposal, which was announced Tuesday by President Alvaro Uribe.

The Uribe administration has come under increasing criticism in recent months with the arrest of 12 pro-government lawmakers on suspicion of links to the violent paramilitary groups. A jailed paramilitary warlord last week even accused Santos of such a connection, an accusation he denies.

Santos, in Washington to lobby the US Congress to ratify a coveted free trade agreement the two countries signed last year, defended his record and said he has been more than willing to see judicial authorities investigate the accusations against him.

In his remarks Thursday, Santos touted the many improvements Colombia has seen during Uribe's five years in power, including work to improve the justice system.

US congressional Democrats have expressed concerns about the para-politico scandal and earlier this month wrote in a letter to US Trade Representative Susan Schwab that they want to see the Colombian attorney general's office strengthened to prosecute crimes committed by paramilitaries.

Uribe's proposal to lighten sentencing for cooperative officials tried for paramilitary connections is not new. Santos said that he himself suggested the idea a month ago but that it "got a lot of heat." Indeed, some opposition lawmakers have blasted the plan, according to local media reports.

The vice president said that the proposal is still developing. "I guarantee you this will be a public discussion," Santos said.

In a phone interview Thursday evening, Jose Miguel Vivanco, executive director of Human Rights Watch's Americas division, questioned Uribe's proposal.

"If the commitment is to get to the bottom of this one, to reduce impunity, to dismantle the links, to strengthen the rule of law, the government should not interfere in the judicial process," Vivanco said. "What [Uribe] is proposing now is in direct contradiction with his assurances, with what he has assured in Washington."

Santos said at Thursday's event that Colombia has come a long way in the peace process under Uribe.

"It's been an imperfect process, but they all are," the vice president stated.

Featured Q&A*Continued from page 1*

will be used for the country's first public service television station. Set to launch on May 28, the station, TVes, will feature programming by independent national producers, thus offering the Venezuelan people a diverse range of options for news, opinion, culture, and entertainment. The creation of TVes is a huge step in the democratization of the media, allowing more voices into the marketplace of ideas. The concentration of media ownership has long been recognized as a threat to freedom of expression, and TVes will serve to turn passive viewers into engaged creators, much to the benefit of Venezuela's democracy."

A Guest Comment: Andrés Cañizález: "The end of RCTV's spectrum concession symbolizes, for several reasons, the end of an era in Venezuela's media system. The channel is the country's oldest and in recent years has had the biggest viewing audience. With the end of its broadcasts, starting on May 28, there will be no television program of national reach that is openly critical of or questions the government. The European Union's final report analyzing the 2006 election coverage showed that the other two private, national channels, Televen and especially Venevisión, have taken a 180-degree turn in their editorial positions. Today their programming is favorable to the government. We are facing the consolidation of a government media hegemony. In less than six months, between December 2006 and May 2007, two private television broadcasters have been lost: CMT and RCTV. The former was bought and became the local signal for Telesur, while channel 2, for 30 years used by RCTV, will be sub-

stituted by state-run TVes. The result for viewers ends up being the same: private and independent spaces are lost and are substituted by proposals that come from the state. To see fully the magnitude of the change we are experiencing from frequencies operated by private companies

“With the end of [RCTV's] broadcasts ... there will be no television program of national reach that is openly critical of or questions the government.”

— *Andrés Cañizález*

to [being operated by the state] ... we should add the reorientation of Venevisión's and Televen's news, together with the appearance in the last three years of new, openly biased media such as Vive, Avila TV, and National Assembly TV. The 'red, really red' wave that the Bolivarian revolution has caused has also covered Venezuelan TV."

Teodoro Petkoff is Director of Tal Cual in Venezuela and was a candidate in the country's 2006 presidential election.

Bernardo Alvarez is Venezuela's Ambassador to the United States.

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