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FEATURED Q&A

What Issues Are Shaping the Dominican Presidential Race?

Q A poll released by the Spanish firm Insight on April 16 showed that ruling PLD candidate Danilo Medina would have 49.2 percent of the vote to PRD candidate Hipólito Mejía's 42.4 percent in the Dominican Republic's May 20 presidential race. What are the candidates' main ideological differences and how would their presidencies differ? Which issues are shaping the race? Is it likely that one candidate could cross the 50 percent threshold to avoid a runoff?

A Bernardo Vega, president of Fundación Cultural Dominicana and former ambassador of the Dominican Republic to the United States: "Most serious polls (Penn & Schoen, Gallup, Benenson, Insight) show Danilo Medina of the PLD with a 2 to 8 percentage point lead over Hipólito Mejía of the PRD. The race is very polarized with both parties adding up to 97 percent of the total vote. With four small parties adding up to only 3 percent, it is likely that the winner will get the 50 percent needed to win in the first round. Overseas voters have not been polled and represent 5 percent of total voters. If the 2008 preferences hold (PLD at 61 percent, PRD at 36 percent), this would represent an additional 1 percent for Medina. The undecided are around 2 to 7 percent and absenteeism in the past has been around 30 percent. Therefore, both major parties are trying to win the absentee vote. Balaguer's Reformista Party started the campaign with 6 percent of the vote but its hierarchy decided to officially back Medina in the ballot. However, its most popular leader, Amable Aristy, is backing Mejía, so the vote will split. The reformistas thus have no candidate in the ballot. There are no major ideological differences between Mejía and Medina, who were the two candidates in the 2000 race. Both back an IMF program and privatization of the three electrical distribution companies. The PRD has only

Continued on page 2

Drug Legalization Not the Answer: Mexico's Peña Nieto

Enrique Peña Nieto, the leading candidate to succeed Mexican President Felipe Calderón, said Monday that legalizing drugs is not the way to fight drug-related violence. Calderón and other leaders have called for a debate on the topic. See story on page 2.

Photo: Peña Nieto campaign.

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NEWS BRIEFS

Flow of Immigrants From Mexico to U.S. May Have Reversed

Mexican immigration to the United States has come to a standstill and may have even reversed, according to a study released Monday by the Pew Hispanic Center, Reuters reported. An estimated 12 million Mexicans have immigrated to the United States since the 1970s, half of them illegally. But factors including weaker job and home construction markets, tougher border enforcement and a higher number of deportations have curtailed the flow of immigrants, the report said.

Brazilian Legislators to Vote on Forest Code Changes

The lower house of Brazil's Congress is set to vote on changes to the country's Forest Code today, the Associated Press reported. The Senate approved the bill in December and it is expected to pass the lower house, despite warnings from environmentalists that it would reverse historic gains. The country's agricultural lobby argues that the changes are necessary to fix an overly strict law. Nonetheless, President Dilma Rousseff has promised to use line-item veto powers to modify the legislation.

Brazil's Usiminas Reports First Quarter Loss of $19.6 Million

Brazilian steelmaker **Usinas Siderurgicas de Minas Gerais**, or Usiminas, on Monday posted a net loss of $36.8 million reais in the first quarter, compared to a gain of 16 million reais during the same period last year, Bloomberg News reported. The company attributed the loss to a rise in net financial costs, foreign exchange losses and a decline in sales. "The scenario now is of recovery, but the world economy still faces severe risks," Usiminas said.

Political News

Mexico's Leading Presidential Candidate Against Drug Legalization

Enrique Peña Nieto, the frontrunner in the race to succeed Mexican President Felipe Calderón, said Monday that he is against legalizing drugs, the Associated Press reported. Calderón and other Latin American presidents, including Colombia's Juan Manuel Santos and Guatemala's Otto Pérez Molina, have called for a discussion on legalizing drugs amid a mounting death toll from drug related violence in Latin America and continued strong consumption in the United States. But Peña Nieto, of the Institutional Revolutionary Party, told the AP in an interview that allowing drugs such as marijuana would only pave the way for abuse of harder narcotics. "So far no one has convinced me that this is the solution," he told the wire service. "It seems to be the answer for those who don't see another way to reduce violence. But I favor a debate and evaluating the arguments people are making about the subject in different parts of the world." Peña Nieto, who focused on public works as governor of Mexico State, said that he would work as president to lower Mexico's level of drug-related violence. The candidate said he would create a single state police force and crack down on money laundering, which are among the same tactics Calderón has used. Peña Nieto said Calderón's strategy hasn't worked, but he was unable to name one major difference between his plan and Calderón's. Josefina Vázquez Mota, of Calderón's National Action Party, is trailing Peña Nieto by double digits ahead of the July 1 election. More than 47,500 people are estimated to have been killed in drug-related violence in Mexico since Calderón took office in December 2006.

> "So far no one has convinced me that this is the solution."
>
> — *Enrique Peña Nieto*

Featured Q&A

Continued from page 1

one senator, so it would have more difficulties in passing legislation. The main issues are corruption, drugs and violence, education, unemployment and inflation. The international financial crisis has not affected the Dominican Republic much. The OAS observation team will be headed by the former president of Uruguay, Tabaré Vázquez. So far it will not observe the overseas vote."

A Rosario Espinal, professor of sociology at Temple University in Philadelphia: "Polls released in the Dominican Republic in the past two months differ considerably in their results. This makes it hard to predict the outcome of the May 20 presidential elections based on them. There are no major ideological differences between the main contending parties or their candidates. The campaign has unfolded around who is worse: the governing Dominican Liberation Party (PLD) or the opposition Dominican Revolutionary Party (PRD). No other party is well-positioned to win or get a sizeable segment of the electorate. As in previous elections, the PLD is constantly reminding voters of the 2003-2004 economic crisis during the PRD administration and the erratic nature of then-President Hipólito Mejía, who is running again. The PRD, in turn, claims that the PLD government is the most corrupt in Dominican history. Within this overall campaign strategy, each party makes specific accusations against the other, which generate wide media coverage and capture public attention. To avoid a runoff election, one of the two main parties has to gather momentum. This has not hap-

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Economic News

Cuba to Move Nearly Half of Economy to 'Non-State' Sector

Cuba is planning to move almost half of its economy to the "non-state" sector, according to a top Communist Party official, Reuters reported Monday. "Today, almost 95 percent of gross domestic product is produced by the state. Within four or five years between 40 percent and 45 percent will result from different forms of non-state production," Esteban Lazo Hernández, a longtime member of the party's political bureau, said over the weekend in a speech to city leaders in Havana. In moving toward a mixed economy, Cuba would take steps similar to those of China and Vietnam in the final decades of the 20th century. In April 2011, party leaders approved a plan to revamp its economy in part through reducing the state workforce by a million workers.

Lazo Hernández

File Photo: Juventúd Rebelde.

Company News

Repsol Threatens Lawsuits Against Companies Helping Argentina

Repsol on Monday threatened to sue companies or other investors that develop Argentine oil fields that the Spanish company had planned to exploit before the South American country's government seized control last week of Repsol subsidiary **YPF**, the Associated Press reported Monday. Repsol discovered large deposits of shale oil and gas in the Vaca Muerta basin in Argentina's Neuquén province. Since President Cristina Fernández de Kirchner announced the takeover, government officials have met with leaders of oil companies including France's **Total Austral** and Brazil's **Petrobras**, which both announced they would expand operations in Argentina.

Research Alert

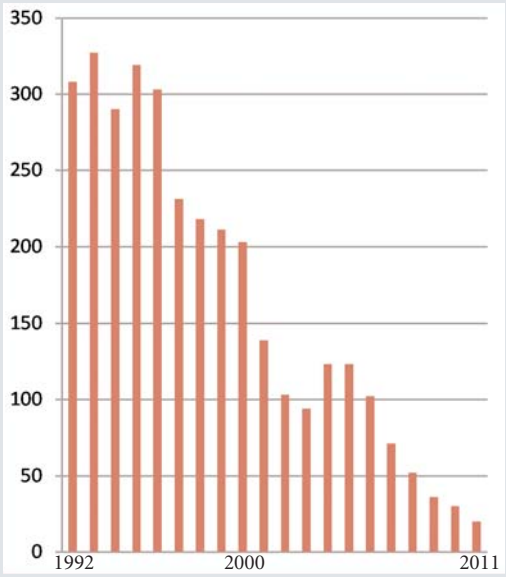
U.S. Should Not Increase Spending on Border Security: Report

By Rachel Sadon

WASHINGTON—Calls for increasing U.S. forces and spending along the border with Mexico don't reflect the reality of the security situation and should not be heeded, a report released on Thursday concluded. Lacking a clear strategy, the historic border buildup has resulted in huge costs, overlapping agencies, a growing humanitarian crisis and a limited impact on security, found the authors of the report, which was published by the Washington Office on Latin America (WOLA) and Mexico's College of the Northern Border.

There is a disconnect between public perception of the situation on the border and the reality on the ground, said Adam Isacson, a WOLA analyst and one of the study's authors.

Migrant Apprehensions per Border Patrol Agent, 1992-2011



Source: U.S. Border Patrol

Despite sensational headlines, the insecurity and violence on the Mexican side of the border has not spilled over into the United States. In fact, the level of violent crime on the border region is lower than the U.S. average, as well as the averages of all four border states, the report found. It also notes that in spite of the widely-feared threat that terrorists could cross the 'porous' Mexican border, there have been no such detected incidents.

A further increase of security forces, funds and barriers "will yield diminishing returns and could even be counterproductive," said Isacson. For example, the size of the U.S. Border Patrol has doubled since 2005 and quintupled since 1992. But whereas there were 200 apprehensions for each border agent in 2000, there are only 20 today—suggesting that increased spending will yield progressively smaller results.

Moreover, the study found that border security policies are putting migrants in increasingly dangerous situations, exposing them to abuses at the hands of both organized crime and authorities. While the level of migrant apprehensions has decreased dramatically—falling 61 percent since 2005—the number of deaths per apprehension has risen as migrants seek out ever more inhospitable territory, pointed out Maureen Meyer, a co-author of the report. As drug traffickers have also become increasingly involved in human trafficking, incidences of extortion, kidnapping and other abuses continue to rise.

"Decency demands more humanitarian measures along the border and policies that don't put migrants at risk," said Meyer.

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Featured Q&A

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pened yet due to the accusations and counter-accusations between the PLD and the PRD, and also because while many are tired of the PLD government, many do not have much enthusiasm for the PRD either. The 2012 presidential campaign is a fierce confrontation between two big clienteles: those who wish to retain government benefits granted by the PLD and those who aspire to have them if the PRD wins."

Christopher Mitchell, professor emeritus of politics at New York University: "Few differences between the main Dominican presidential candidates are ideological. The PLD and PRD are both patronage-based mass parties, staging their appeals as 'ins' versus 'outs.' The PLD has modernized the allotment of government largesse in order to win votes, and the PRD might well simply adopt those practices if it prevails in the forthcoming election. Nonetheless, a Mejía presidency is somewhat more likely to spend more on education than Medina would and to favor political decentralization. The PRD's promise to move toward spending 4 percent of GDP on primary and secondary education (a legal requirement since the 1990s) is more credible than Medina's (also pro-education) policy stance; the PLD has not met the expenditure target during the past eight years in office. Neither major party has strong motives to comply with another law that earmarks 10 percent of government spending for municipal governments (They presently receive about 6 percent.) However, the PRD is traditionally more oriented toward local administration, and mayors and town councilors are a vocal interest group within that party. The race has borne out predictions that it would be close. The incumbent Fernández administration (PLD) is unpopular after eight years in power, but many voters are wary of Hipólito Mejía's record of mismanagement during his 2000-2004 term. The PRD asserts that the ruling party has sheltered corruption, while the PLD campaign relies heavily on state resources. Victory in the first round is certainly possible, especially because this election will very likely mark the nation's return (for the first time since 1982) to a system in which only two major parties dominate the electoral field."

The Advisor *welcomes reactions to the Q&A above. Readers can write editor Gene Kuleta at gkuleta@thedialogue.org with comments.*

Research Alert

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Despite the reduction in immigration, though, the flow of drugs into the United States has continued to rise. Notwithstanding the significant increase of "boots on the ground," seizures of marijuana rose 49 percent, methamphetamine by 54 percent, heroin by 297 percent and MDMA (ecstasy) by 839 percent between 2005 and 2010. Cocaine, which is not produced in Mexico, was the only drug to have a decline in seizures.

One of the study's suggestions is that more funding should be directed at ports of entry, where the majority of drugs cross, rather than the U.S. Border Patrol or expensive new technologies.

Indeed, as the already extremely high costs continue to rise, Isacson sees budget constraints as one area where advocates can lobby against policies that seek to escalate the buildup. In a period of "flat budgets … spending can't keep going up," he said.

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