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THEDIALOGUE

FEATURED Q&A

What Will Trudeau and the Liberals Bring to Canada?

The Liberal Party, led by Justin Trudeau, on Monday won a definitive victory in Canada's Parliamentary elections, putting an end to nearly a decade of Conservative rule. // File Photo: Liberal Party of Canada.

Q Canada's Liberal Party, led by Justin Trudeau, on Monday swept to victory in the country's general election, ending nearly a decade of Conservative Party rule. The Liberals' victory was unexpectedly decisive, with the party winning 184 of the 338 seats in Parliament. To what can the Liberal Party attribute its victory? What are the biggest changes Canadians can expect in terms of domestic policy and foreign policy, including relations with Latin America and the Caribbean? What do the results mean for businesses in Canada, and which sectors will be most affected?

A Kenneth Frankel, president of the Canadian Council for the Americas (CCA) and adjunct professor of law at American University Washington College of Law: "Prime Minister-elect Trudeau promises a significant change in tone, style and substance in Canada's domestic and international portfolios. The Conservative government made deepening political and business relations with Latin America and the Caribbean a pillar of its foreign policy. It championed regional bilateral and multilateral trade deals and gradually learned that it should engage with governments and leaders that it adjudged offside with 'Canadian values.' Despite its distaste for multilateralism, it generously supported multilateral regional institutions, only recently reducing its funding of the OAS after several years of growing disillusionment—a sentiment shared by the Liberals. The Liberal platform did not mention LAC. Mr. Trudeau's only campaign reference to LAC was a call to strengthen NAFTA. The party is on record, however, on a number of issues relevant to the hemisphere. Mr. Trudeau supports the Trans-Pacific

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TODAY'S NEWS

ECONOMIC

Brazil Withdraws From Venezuela Observation Mission

Brazil's government announced that it is pulling out of Unasur mission to observe Venezuela's Dec. 6 legislative elections because of Venezuela's rejection of the mission's head.

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BUSINESS

Pimco Sues Petrobras Over Graft Scandal

Pacific Investment Management Co. alleged in the lawsuit that the Brazilian state oil company's executives were aware of the corruption scheme.

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Peru's Justice Minister Resigns

Peruvian Justice Minister Gustavo Adrianzén resigned Tuesday after he defended President Ollanta Humala's decision to fire a prosecutor who had been probing allegations of wrongdoing by the country's first lady.

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Adrianzén // File Photo: TV Perú.

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POLITICAL NEWS

Brazil Quits Venezuela Election Observation Mission

Brazil's government announced Tuesday that it has pulled out of a mission to observe Venezuela's Dec. 6 legislative elections, saying that the Andean country rejected the Brazilian official chosen to lead the mission, The Wall Street Journal reported. Brazil's top electoral body said it had been trying to organize an observation mission under the auspices of the Union of South American Nations, or Unasur.

Jobim // Photo: Brazilian Government.

The 12-nation bloc gave broad support to the selection of former Brazilian Defense Minister and Judge Nelson Jobim to head the mission, but Venezuela vetoed his selection, the newspaper reported. Brazil's electoral board said in a statement that Venezuela's lack of response "did not allow the mission to accompany the auditing of the electronic voting system, nor start assessing the fairness of the electoral contest, which, less than two months from the election, prevents a fair observation," The Wall Street Journal reported. Venezuelan President Nicolás Maduro has refused to allow other groups, including the Organization of American States, to send observers to the December elections in Venezuela, in which polls suggest Maduro's ruling Socialist Party could lose its majority in the National Assembly. Maduro did say on Oct. 1 that he wanted former U.S. President Jimmy Carter to serve as an election observer, but that statement came five months after the former president's Carter Center closed its election observation office in Caracas, which had been open for 13 years. Venezuela's December legislative elections will be happening as the country grapples with economic problems including a high rate of inflation and shortages of food, other basic goods and dollars to pay for imports. Without Brazil's participation, it is unclear whether the regional bloc would send election observers to Venezuela at all. In recent years, Venezuela has allowed only so-called "accompaniment" election observation missions that have little access to actual voting data.

Pastrana Calls for Probe of Bogotá Plane Crash

Former Colombian President Andrés Pastrana has called for an investigation into whether the crash of a small plane in Bogotá on Sunday may have been an attempt on his life, BBC News reported Tuesday. Six people died in the crash, which happened just after the plane took off. The plane was supposed to pick up Pastrana and former Defense Minister Marta Lucía Ramírez in the town of Guaymaral. The two canceled their plans to board the flight just two hours before the crash, which occurred at around 4:20 p.m. local time. "We were going to go on that plane, the flight plan from 10:00 had us down to board it. I was on stand-by until 14:00 (2:00 p.m.) when I finally decided not to go on it," the former president told the EFE news agency. On Monday, Pastrana demanded that President Juan Manuel Santos launch a formal investigation into the crash. Forensic experts did not find any traces of explosives on the victims. Pastrana recently resigned from

> **"We were going to go on that plane..."**
>
> **— Andrés Pastrana**

NEWS BRIEFS

'El Chapo' Guzmán Injured While Fleeing From Mexican Marines

Sinaloa cartel drug kingpin and fugitive Joaquín "El Chapo" Guzmán fell off a small cliff while evading the Mexican Marines on Oct. 9, an unnamed Mexican official told CNN. Guzmán broke his leg and injured his face during the fall, but his bodyguards were able to rescue him at the bottom of the cliff and escape from sight into a dense forest. The Mexican Marines spotted Guzmán near Cosala, a town in Sinaloa state. Guzmán escaped from Mexico's maximum-security Altiplano prison in July.

Peru's Justice Minister Resigns After Defending Prosecutor's Firing

Peruvian Justice Minister Gustavo Adrianzén resigned Tuesday amid widespread criticism following the government's dismissal of public prosecutor Julia Principe, who had been investigating a corruption scandal linked to the first lady, Reuters reported. Lawmakers said that the move to fire Principe was politically motivated. Adrianzén told reporters that the motivation for sacking Principe was that she spoke to the media without permission. However, Principe, a money laundering specialist, said at a news conference that she believes she was dismissed because her investigations made the government "uncomfortable."

Venezuela Expecting 85% Inflation This Year

Venezuela's government said Tuesday that it expects the country's rate of inflation, the world's highest, to reach 85 percent this year before decreasing to 60 percent next year, Reuters reported. The estimates are lower than those forecast by outside organizations including Moody's Investors Service that believe inflation in the Andean country is already in triple digits.

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Partnership in principle but is withholding support pending his review of the text. He'll relax the Conservatives' strict visa rules that became an abrasion for the business community and an open wound with the Mexican government. Changes in domestic policy will lead to substantive changes in Canadian hemispheric policy in at least two areas: drugs and the environment. Mr. Trudeau supports the legalization of marijuana. He won't rag the puck on hemispheric efforts to collectively consider alternatives to current drug policies, nor on changing Canada's slack record on environmental stewardship. Canadian diplomats will have leeway to craft more nuanced policy on a broader range of hemispheric issues with a wider range of players. We might expect Canada to publicly re-enforce its support for the Colombian peace process and to deepen its diplomatic profile in Cuba, a country whose retired revolutionary leader was an honorary pallbearer at the funeral of Mr. Trudeau's father."

Arturo Sarukhan, board member of the Inter-American Dialogue and former Mexican ambassador to the United States: "In recent years, Canada has been punching below its weight in the Americas and has had a complete lack of appetite and vision for widening the North American agenda. Ottawa has offered few contributions to the global debate on climate change or peacekeeping, or solutions to an issue near and dear to Mexico, the imposition of visas for Mexican travelers. For those reasons, Monday's electoral results are to be welcomed by those of us who believe in a Canada committed to its North American partners and to being a key builder of a 21st Century rules-based international system. Few governments can stay in power for as long as Prime Minister Stephen Harper's without voter backlash and discontent. The election in many ways became something of a referendum on Mr. Harper's approach to government, which has often focused on issues important to core Conservative supporters, mostly in the West, rather than to the majority of the population. For those of us in North America who believe in a strong and committed Canadian partner, many of the steps that the Harper administration took on regional and global issues sadly took the country backwards. The proof, as always, will be in the pudding, but Justin Trudeau has a unique opportunity to rejuvenate Canadian foreign policy and re-engage with Canada's partners in the Americas and elsewhere."

Carlo Dade, director of the Centre for Trade and Investment Policy at the Canada West Foundation and non-resident senior associate in the Americas Program at CSIS: "The liberal party sweep was a rebalancing of Canadian politics. The Conservatives, who are a distinct minority in Canada, had governed for a decade thanks to vote splitting on the left by the Liberals and the NDP and to a lesser degree the Greens. On Monday, that ended as the electorate on the left decided to unite behind the Liberals. We can expect three major changes that will affect this hemisphere. First, there will be a completely different style of Canadian government. The Harper government was essentially a one-man show. With only one superstar in the defense minister, two or three strong members of cabinet and the rest of the caucus needing to be kept on a short leash lest they embarrass or derail the government, micromanagement by the prime minister was good and necessary. This micromanagement in turn prevented the Conservatives from attracting strong candidates. Trudeau on the other hand comes to office with a strong slate of candidates for his cabinet. Second, those who deal with the Canadian bureaucracy will notice a distinct improvement in mood as, rightly or wrongly, they see their 10 years in purgatory under the Conservatives ending. But the biggest change will be in Canada's relations with its neighbors in North America. Trudeau was

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Santos' advisory commission on the peace negotiations between the government and the FARC, saying that he had doubts about the agreement reached between the two groups. Pastrana has also been the target of previous attacks; he was kidnapped and held hostage by the Medellín cartel in 1988. The cartel wanted to pressure the then-senator into opposing extradition of cartel leader Pablo Escobar to the United States.

BUSINESS NEWS

Pimco Sues Petrobras Over Graft Scandal

U.S.-based investment firm Pacific Investment Management Co. has sued Brazilian state oil company Petrobras over the company's massive corruption scandal, The Wall Street Journal reported Tuesday. In the lawsuit, Pimco alleges Petrobras misled investors about the scale of the graft scandal, which in June led the company to write off $17 billion of corruption-related losses. The state oil company is currently planning to sell $58 billion in assets through 2018 in order to raise cash. Pimco, based in Newport Beach, Calif., alleges in the lawsuit that Petrobras executives were aware of the graft scheme, "which ultimately calls into question the integrity of the company as a whole." The suit was filed last Friday in federal court for the Southern District of New York. Representatives for Petrobras and Pimco declined to comment to The Wall Street Journal about the lawsuit. So far, U.S. investors who bought Petrobras' American depositary receipts have filed more than a dozen cases against the company. They include the Gates Foundation Trust and public pension funds.

CORRECTION

A commentary on page 1 of Tuesday's Advisor referred to 34 state and federal jurisdictions being affected by Mexico's court reforms. In fact, the reforms affect Mexico's 31 states and the Federal District.

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the only leadership candidate to offer a major policy address on North America during the campaign in which he also emphasized the importance of the relationship with Mexico—not an everyday occurrence in Canada. This was a clear signal to our neighbors to the south and should be taken as such. An international calendar that is more than full with a G20, APEC and commonwealth summit in addition to the Paris climate change talks will mean the 'three amigos' meeting probably gets pushed back. However, when the new prime minister does engage, we should expect to see new ideas and new energy for North America."

Paul Durand, former Canadian ambassador to the Organization of American States, Chile and Costa Rica: "The Canadian election produced a stunning result —a massive defeat for Stephen Harper and his Conservative Party. But observers shouldn't be surprised; the Conservatives' nine-year rule under Harper was simply out of sync with Canadian instincts and values. That it lasted so long is attributable to the split of the progressive vote between the Liberal and New Democratic parties; the Liberals' decisive victory under Justin Trudeau (the son of former Prime Minister Pierre Trudeau) has put an end to that. Domestically, Harper led a government focused on division rather than unity, pitting Canadians against each other through ideological rigidity, vindictiveness and the cynical promotion of 'wedge' issues. He undermined democratic institutions, imposed rigid controls on government agencies, and, in a breathtaking act of arrogance, impugned the integrity of the Supreme Court Chief Justice. As a result of these and other excesses, the prime minister was found in contempt of Parliament—a first in Canadian history. Internationally, Harper reduced Canada from a position of respect and constructive engagement to international insignificance, unrecognized and then ignored by its former friends and allies. In the Americas, he was unable to get along with the major leaders, including those of the United States, Mexico and Brazil. He spurned multilateral institutions and distorted Canada's foreign policy through 'diaspora' politics, pandering to the narrow interests of immigrant groups. Here, too, there were consequences—for the first time, Canada's bid for a seat on the U.N. Security Council was massively rejected by member nations. Canada and Canadians can now begin to repair their international image, and work toward playing a positive role once again in world affairs. The Americas should be among the first beneficiaries of this positive approach, and the Caribbean, in particular, should get renewed attention after years of neglect."

Maxwell A. Cameron, director of the Centre for the Study of Democratic Institutions at the University of British Columbia: "The election result was a clear repudiation of Stephen Harper's Conservative government and an expression of a desire for change that Justin Trudeau of the Liberal Party channeled better than the New Democratic Party's Tom Mulcair. The collapse of the vote for the NDP and the growth of the Liberals in the second half of the campaign were two sides of the same coin: the collective decision of the electorate to rally behind the party best able to unseat Harper. The new Liberal government is likely to approve the Trans-Pacific Partnership and to place more emphasis on North America. It will extricate Canada from a military role in Syria, and attend COP21 in Paris with promises of action on climate change. It will be less beholden to oil and gas and more focused on public, green and social infrastructure."

The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta at gkuleta@thedialogue.org.

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