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THEDIALOGUE

FEATURED Q&A

Will a New Anti-Graft Team Work in Honduras?

The government of Honduran President Juan Orlando Hernández and the Organization of American States are expected to finish an agreement this month to establish a new anti-corruption commission. // File Photo: Honduran Government.

Q Honduran President Juan Orlando Hernández's government and the Organization of American States are in the final stages of negotiations to create an anticorruption team, led by foreign investigators and judges, to teach Honduran officials how to prosecute complex corruption cases. Honduran civic leaders have pressed for such a partnership after seeing Guatemala's success with a similar model, which brought down President Otto Pérez Molina. Will a Honduran government-OAS partnership be as successful as the International Commission against Impunity in Guatemala (CICIG) was? What aspects of CICIG should Honduras' anticorruption team adopt? Will the OAS' involvement, rather than that of the United Nations, change the nature of the model? What mistakes of CICIG's should the Honduran panel seek to avoid?

A José Rodolfo Zelaya, advisor to Honduran President Juan Orlando Hernández and former chairman of Honduras' National Committee for Defense and Security: "In Honduras, we are creating a petition, supported by the OAS, to institutionally strengthen the public prosecutor's office, the Supreme Court and its judges, together with a group of researchers, to train all those who work in these institutions or organizations and so certify that all enforcers of justice will work in and uphold permanently strengthened institutions. The proposed commission would even investigate the private sector, because if corruption exists, naturally there is someone committing the corrupt act. The country is no longer in a position to continue enduring corruption. President Juan Orlando Hernández from the beginning of his

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TODAY'S NEWS

ECONOMIC

Argentina to Make Offer to 'Holdout' Bondholders

After a day of negotiating with hedge fund representatives in New York, Argentina's Finance Ministry said the government would make an offer to the creditors, who have been demanding full repayment on defaulted bonds.

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BUSINESS

Colombia Sells Isagen Stake for $1.99 Billion

The government sold its majority stake in the power generator to Brookfield Asset Management.

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POLITICAL

Banned Venezuelan MPs Step Down

Three Venezuelan opposition lawmakers, including Julio Haron Ygarza, who were sworn in last week in defiance of a Supreme Court ruling banning them from taking office, stepped down Wednesday.

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Ygarza // File Photo: Twitter.

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POLITICAL NEWS

Legislators Banned by Venezuela's High Court Step Down

Three Venezuelan opposition legislators who were banned from taking office by the country's Supreme Court but were sworn in anyway in defiance of the court's ruling stepped down Wednesday while authorities investigate alleged irregularities surrounding their election, BBC News reported. The lawmakers' decision to give up their seats could leave the opposition without its powerful two-thirds supermajority in the legislative body. The lawmakers,

> **"I want to state for the record that we have complied, respected and obeyed the Supreme Court ruling."**
>
> **— Henry Ramos Allup**

Julio Haron Ygarza, Nirma Guarulla and Romel Guzamana, all from the sparsely populated state of Amazonas, stood down after the Supreme Court on Monday declared all of the National Assembly's actions void until the lawmakers left office. "I want to state for the record that we have complied, respected and obeyed the Supreme Court ruling," National Assembly President Henry Ramos Allup said in a shift from his defiant tone last week when he vowed that all 112 opposition legislators would be seated, The Wall Street Journal reported. The opposition now has 109 legislators in the 167-seat National Assembly. That total falls short of a two-thirds supermajority based on the assembly's total number of seats. However, the opposition Democratic Unity Roundtable, or MUD, coalition, argued that the opposition still maintains two-thirds control, arguing the ratio is based on the number of lawmakers participating in a session, the newspaper reported. The opposition legislators' decision to step aside seemed to lower political tensions at least somewhat. Former National Assembly President Diosdado Cabello, a main ally of President Nicolás Maduro, said he was pleased by the opposition legislators' move to step down and said Maduro, who had considered delivering his state of the nation speech outside of the National Assembly on Friday, will now address the legislative body instead. Other pro-Maduro legislators also were pleased by the development. "We applaud this move," said ruling party legislator Héctor Rodríguez, BBC News reported. [Editor's note: See related **Q&A** in Tuesday's Advisor.]

Cuban Migrants Cross Into Mexico on Way to United States

The first of nearly 8,000 Cuban migrants stranded in Costa Rica on their way to seek asylum in the United States crossed into southern Mexico on Wednesday, The Wall Street Journal reported. In a "trial run" of a process that will allow migrants to bypass Nicaragua's closed border to Cuban nationals, 180 men and women were flown to El Salvador from Costa Rica, then were driven 13 hours by bus through Guatemala and across the Suchiate River at Mexico's southern border. Many Cubans have expressed concern that as relations between the United States and Cuba begin to thaw, the United States may soon decide to end a nearly 50-year-old program that all but guarantees that any Cuban who touches U.S. soil and applies for a permanent residency will receive it. As the rapprochement between the two countries continues, thousands of Cubans have streamed into Central America as they journey to the United States, putting pressure on Colombia, Central America and Mexico to handle the influx in migrants. Costa Rican officials called the trial run a success, indicating that thousands more Cuban migrants are soon to follow. "We expect it to become a more stable mechanism," Manuel González, Costa Rica's foreign minister, told reporters in San José.

NEWS BRIEFS

Morales to Take Office Today as Guatemala's President

Former comedian and political newcomer Jimmy Morales is to be sworn in today as Guatemala's president. Morales was elected in October amid a backlash against traditional politicians following the resignation of President Otto Pérez Molina, who had been implicated in a corruption scandal. Since his election, Morales has said little about what policies he will pursue.

Ecuador Vows to Cooperate With Sweden on Assange Questioning

Ecuador said Wednesday it will cooperate with Swedish prosecutors after receiving a formal request to interrogate WikiLeaks founder Julian Assange at the Ecuadorean embassy in London, where Assange has taken refuge since 2012, Agence France-Presse reported. Assange is facing a rape allegation in Sweden, but he has repeatedly refused to travel there to face charges, for fear that he might be extradited from Sweden to the United States over the leaking of hundreds of classified U.S. military and diplomatic documents in 2010. Ecuadorean Foreign Minister Ricardo Patiño said that Ecuadorean prosecutors would carry out the questioning, but that Swedish prosecutors could be present, as well.

Brazil's Mobile Phone Market Declines for Sixth Straight Month

Brazil's mobile phone sector marked six straight months of decline in subscriptions in November as the country's economy continues to falter, The Wall Street Journal reported Wednesday. The number of active mobile phone users in Brazil fell to 269.59 million, from 273.79 million the month before.

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presidency denounced corruption and fought it at all levels, so that once the MACCIH is installed, the real change may begin. Corruption is fought on every front, against drug trafficking at all levels, against the corrupt members of all political parties and against those working in the justice sector who are linked to organized crime. We have a long way to go. The hope is that MACCIH's efforts will serve alongside the justice sector, so that everything has a set, uniform process. I think what is sought is a process of morality for the justice sector. I think the commission will cause potential perpetrators to think twice before committing illegal acts, because now they know there is an increased possibility that they will be caught."

Guillermo Peña Panting, executive director of the Eleutera Foundation in Tegucigalpa, Honduras: "Any new entity created as an independent body to counteract impunity must have immediate credibility, multilateral backing, the independence to investigate, sustainability and it must deliver prompt results. CICIG took too long too to deliver, and it was questioned for that. The new body, in whichever form it will exist, needs to fulfill those requirements. Another problem the commission needs to avoid is that it should not give the impression that it will stay funded by international aid and foreign governments; this type of reliance on outside forces would feed into the dependency cycle from which Honduras is already suffering. A multi-level judicial system is needed, both in the case of local regional courts (for local supervision and inclusion) and supranational courts, moving away from the single, nationally controlled system. In general, Hondurans see the OAS as a lesser institution to the United Nations, not only because of its scope, but also because of the credibility it lost after the 2009 political crisis in Honduras. It would have been better if the commission was U.N.-backed. That was an issue that CICIG did not have to deal with."

> **"In general, Hondurans see the OAS as a lesser institution to the United Nations...."**
>
> **— Guillermo Peña Panting**

Christine Wade, associate professor of political science and international studies at Washington College in Chestertown, Md.: "After months of anti-corruption protests, Honduran President Juan Orlando Hernández recently announced he will sign the agreement with the Organization of American States to create the Mission to Support the Fight Against Corruption and Impunity in Honduras (MACCIH). Honduran protesters, collectively referred to as the 'indignados,' have been demanding the creation of an anti-impunity body based on the International Commission against Impunity in Guatemala (CICIG) since last spring when it was revealed that funds from the $300 million social security scandal had purportedly benefited the ruling National Party, including President Juan Orlando Hernández. There is little reason to believe that MACCIH will have any meaningful impact on corruption and impunity in Honduras. Unlike CICIG, MACCIH provides only a limited advisory role for international specialists. It lacks the key investigative and prosecutorial powers of CICIG. MACCIH investigators will propose judicial reforms, but there is no mechanism to compel the Honduran government to adopt them. This is likely to be a mere duplication of work done by other organizations that have proposed reforms—very few of which have been implemented. The Honduran government already knows what it needs to do, it simply lacks the will to do

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ECONOMIC NEWS

Argentina to Make Offer to 'Holdout' Bondholders

Argentina's Finance Ministry announced late Wednesday that it would make an offer to U.S.-based hedge funds who have pressed for full repayment of defaulted bonds, The Wall Street Journal reported. The ministry said the government would make an offer the last week of January. The announcement came after Argentine officials met in New York with hedge funds that sued for full repayment. Earlier Wednesday, Finance Minister Alfonso Prat-Gay criticized former President Cristina Fernández de Kirchner, saying her refusal to negotiate with the bondholders added $6 billion in interest to the $2.9 billion that the creditors were originally owed.

Prat-Gay // File Photo: Argentine Government.

BUSINESS NEWS

Colombia Sells Isagen Stake to Brookfield

Colombia's government on Wednesday announced that it had sold its controlling stake in Isagen to Canada-based Brookfield Asset Management for $1.99 billion, Reuters reported. The sale of the 57.6 percent stake in the power generator was sold at a minimum price of 6.49 trillion Colombian pesos and marks the country's largest privatization in a decade.

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it. Moreover, neither the opposition nor civil society support MACCIH; both were sidelined in the deliberations about the creation of the body. It's also worth noting that many groups in civil society are deeply skeptical of the Organization of American States, which they see as toothless. After all, the Honduran government has shown contempt for the Inter-American system throughout discussions on the proposed MACCIH, skipping hearings on corruption and the judiciary at the IACHR."

Maria Velez de Berliner, president of Latin Intelligence Corporation: "Let's remember that CICIG's survival was often hanging in the balance under budgetary constraints at the United Nations and political pressure at home, prior to the anti-corruption protests that began in Guatemala in 2014. Given that corruption and impunity are the stem cells of Honduran culture, it is imperative that Honduras establish the Mission to Support the Fight Against Corruption and Impunity in Honduras (MACCIH). The goal should not be to create new laws, but rather to change the culture in which existing laws are trampled across the board. For MACCIH to succeed, it must rest on CICIG's hallmarks: impartiality, transparency, independence, accountability, permanency and widespread domestic public support. To this end, five conditions must be satisfied, or MACCIH will run the risk of being perceived as one more politically driven Band-Aid, undercutting the public's necessary trust in it: First, an honest, Honduran jurist must lead MACCIH, supported by his or her foreign counterparts, as in CICIG. Second, MACCIH must be permanent. Any trial period will undercut MACCIH's authority from the beginning. Third, a permanent funding mechanism, other than the OAS, which is strapped for money, must be found. Submitting MACCIH to the vagaries of the OAS' funding puts it on shaky ground and would make it subject to the country-centric politics of the OAS. Fourth, there must be impartial enforcement of existing laws, of which Honduras has plenty, is needed. New laws will detract from enforcement of the current docket. Finally, the commission must establish credibility from the beginning. It should make sure MACCIH's first cases hold without a hitch. The need for MACCIH is imperative. It must be established as a permanent institution. It cannot be seen as one more institution created to help a criminal-beleaguered government pacify a national wave of anti-impunity protests."

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> **— Maria Velez de Berliner**

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