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THEDIALOGUE

FEATURED Q&A

Will Dominican Voters Keep Medina in Office?

In office since 2012, President Danilo Medina is seeking another term in the country's May 15 election. // File Photo: Dominican Government.

Q The Dominican Republic is scheduled on May 15 to have its presidential election, the first since a constitutional reform passed last year that allows the country's presidents to serve for two consecutive terms. Which candidates are the top contenders to win the election? What issues are Dominican voters prioritizing when choosing their next president? Have recent allegations that President Danilo Medina, currently seeking re-election, received campaign money through corrupt Brazilian advisors and companies, hurt his standing in the polls?

A Bernardo Vega, president of the Fundación Cultural Dominicana and former ambassador of the Dominican Republic to the United States: "During the last 60 days, four international polling firms have given President Danilo Medina a substantial lead of around 15 to 30 points over PRM candidate Luis Abinader. With two months until the election, it seems Medina will get the 50 percent of votes required to win re-election and avoid a runoff, with Abinader getting around 35 percent. None of the other candidates individually polled at a significant percentage. Polls show Medina getting between 51 and 57 percent. Medina of the PLD also has the support of the PRD and some of the Reformista voters, while Abinader has the support of the part of the PRD that shifted to the PRM, plus the Balaguer Reformistas. Good economic performance, plus successes in education and healthcare, help Medina. However, he is perceived as weak in fighting crime and corruption. His Brazilian advisor admitted that Odebrecht-financed campaigns

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TODAY'S NEWS

POLITICAL

Trudeau, Obama Announce Joint Climate Efforts

Canadian Prime Minister Justin Trudeau, during his state visit to Washington, and U.S. President Barack Obama agreed Thursday to joint efforts to cut methane emissions.

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BUSINESS

Colombia's Cerrejón Mine Counters Offer to Miners

The owners of Colombia's Cerrejón coal mine make a counteroffer to miners who voted last week to strike.

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POLITICAL

Brazilian Prosecutors Seek Lula's Arrest

The former president stands charged with crimes including money laundering in connection with the massive corruption scandal at state-run oil company Petrobras.

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Lula // File Photo: Lula Institute.

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POLITICAL NEWS

Trudeau, Obama Announce Joint Effort on Climate Change

U.S. Barack Obama hosted Canadian Prime Minister Justin Trudeau at a state visit to Washington where the two leaders announced new joint efforts to fight climate change and vowed to work together on other issues including trade, Reuters reported. The United States and Canada long have been close allies, but relations had grown cool during the government of Trudeau's predecessor, Stephen Harper, who pressed the White House in a failed effort to win approval for the Keystone XL oil pipeline. To fight global warming, the two countries agreed to cut methane emissions by 40 to 45 percent below 2012 levels by 2025. They also agreed to help foster environmentally friendly technologies and combat climate change in the Arctic. Along with the announcement, U.S. officials said they would seek to regulate current oil and gas facilities' methane emissions, though achieving that before Obama's term expires next January is unlikely, The New York Times reported. "The president and I agree on many things, including, of paramount importance, the direction we want to take our countries in to ensure a clean and prosperous future," said Trudeau. "Canada and the U.S. will stand side by side to confront the pressing needs that face not only our two countries, but the entire planet." During their meeting at the White House, Obama and Trudeau also discussed military cooperation, anti-terrorism efforts and trade. They also agreed to keep working toward a final agreement to allow travelers between the two countries to be pre-cleared through immigration and customs. Obama and Trudeau did leave some issues unresolved, including a long-running dispute over softwood lumber exports from Canada, which U.S. officials say Canada unfairly subsidizes, an assertion Ottawa rejects.

Trudeau met with Obama Thursday at the White House. // Photo: Canadian Government.

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in Venezuela, Panama and Angola, but so far has not confirmed the Dominican case. However, it is public knowledge that this Brazilian advisor designed the 2012 and 2016 Medina campaigns and that Medina has used Odebrecht for the most important public works. No polling has been done since the scandal broke, but other polls unfortunately show that voters do not see corruption as an important issue. No foreign issues or ideological concerns have been part of the campaign."

Mary Fernández, founding partner at Headrick Rizik Alvarez & Fernández: "There are two main contenders in the general elections scheduled for May 15. The first is incumbent President Danilo Medina, the candidate of the ruling Dominican Liberation Party (PLD) and 13 other smaller parties. The second candidate is Luis Abinader, a first-time presidential candidate from the recently created Modern Revolutionary Party (PRM), but which is an offshoot of the majority of the members of the Dominican Revolutionary Party (PRD), traditionally the largest party in the country. However, in this electoral cycle, the PRD's leadership formed an alliance with its traditional opponent, the PLD, leaving no alternative to its leaders opposed to such an alliance except for the formation of a new political party. Polls to date give the incumbent president the upper hand in the race, with probabilities of winning without having to go to a second voting round, for which he will need to win by more than 50 percent of the total votes

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NEWS BRIEFS

Brazilian Prosecutors Seeking Lula's Arrest

Brazilian state prosecutors are seeking to arrest former President Luiz Inácio Lula da Silva on charges of money laundering and identity fraud for allegedly concealing his ownership of a beach front apartment, his foundation said Thursday, Reuters reported. The foundation called the effort to arrest Lula "more proof of the partiality" of São Paulo state prosecutor Cassio Conserino. Lula has denied wrongdoing.

U.S. Republican Presidential Candidates Debate Immigration

The four U.S. Republican candidates for president debated immigration Thursday night at the University of Miami. Billionaire businessman Donald Trump said he would do away with H-1B visas for foreign workers because they are bad for U.S. workers, Fox News Latino reported. Sen. Marco Rubio said the process for giving out green cards and temporary worker visas should be changed to a more merit-based system. Sen. Ted Cruz said he wants to toughen immigration controls, and Ohio Gov. John Kasich said he would allow immigrants in the United States illegally to have an opportunity to remain, though not obtain citizenship.

OAS to Send Election Observers to Peru

The Organization of American States on Thursday voiced concern over the disqualifications of Peruvian presidential candidates, including frontrunner Keiko Fujimori's main rival Julio Guzmán, and will be sending an observer mission to the election, the Associated Press reported. Peru's electoral board barred Guzmán and César Acuña from the race on Wednesday, just one month before the April 10 election. The mission will meet with election officials, political organizations and representatives of civic groups.

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ECONOMIC NEWS

Brazil Needs Structural Reforms: Central Bank

Brazil's central bank said in the minutes from its last monetary policy meeting, published Thursday, that the country's government must devise and implement structural reforms to reduce the federal budget and deficit and help control inflation, The Wall Street Journal reported. The bank is struggling to control inflation amid an economic contraction. The consumer-price index rose 10.4 percent in the past 12 months to February 2016. The bank has found it harder to keep tightening fiscal measures as the economy continues to falter, after raising the benchmark interest rate to 14.25 percent from 7.25 percent between April 2013 and July 2015. In the minutes, the bank said it would continue to be vigilant and monitor Brazil's economic situation, and take the necessary measures to control inflation. The central bank has said its goal is to have inflation between 2.5 and 6.5 percent by the end of the year, but experts in a weekly central-bank poll published on Monday forecast 7.6 percent inflation by the end of the year. The bank also called to attention the health of the global economy, highlighting China's economic slowdown in particular.

BUSINESS NEWS

Colombia's Cerrejón Counters With Offer to Miners

The owners of Colombia's largest coal mine, Cerrejón, have offered a counter-proposal to workers in an effort to end a dispute over pay and benefits, Platts reported Thursday. The mine has offered workers a 7 percent salary increase in addition to a bonus; workers, who voted to strike on March 4, have been seeking a 10.1 percent pay hike.

IN PROFILE

Jamaica's Minister of Finance & Public Service

Name:
Audley Fitz-Albert Shaw

Shaw // File Photo: audleyshaw.com.

In the News:
Newly elected Jamaican Prime Minister Andrew Holness swore in Audley Fitz-Albert Shaw as the country's minister of finance and public service on Monday. Shaw previously served in the post from 2007-2012. He is succeeding Peter Philips, who served in this position from 2012-2016.

Background:
Shaw, 63, was born in Manchester, Jamaica. He graduated from Northern Illinois University in 1981 and joined the Jamaican government later that year. He joined the Jamaica Labour Party in 1987 after resigning from his position in the government in 1986. He was appointed to the Senate in 1989 by the leader of the opposition where he served as shadow minister of information and culture, shadow minister of public utilities and transport, and shadow minister of industry and commerce. In March 1993 he was elected member of parliament for North East Manchester. In 1995, Shaw was appointed chairman of the public accounts committee. He had been re-elected three more times to serve in parliament under North East Manchester's constituency between 1997 and 2007. He was the general secretary of the JLP from 1999 to 2007 and was appointed minister of finance and public service in 2007. During his first appointment as finance minister, he implemented the Jamaica Debt Exchange—a debt management strategy—during the global recession of 2008. He also introduced a fiscal responsibility framework for Jamaica to promote accountability and transparency. Following the JLP's loss in the 2011 general elections, Shaw was appointed shadow minister for finance, planning, growth and economic development in January 2012.

Of Note:
Shaw has faced some criticism in Jamaica for his performance during the recession, though supporters have lauded his work engaging the World Bank, Inter-American Development Bank and other multilateral institutions. On Monday, the same day as his swearing-in, Shaw confirmed that the JLP government will honor its election promise to eliminate income tax for people earning below 1.5 million Jamaican dollars ($12,340) per year. Upon reviewing the tax data, Shaw said the loss to the government would only be about $90 million, rather than the previously estimated $102.8 million.

A team from the IMF will travel to Jamaica in May to conduct a review of the program the island has with the Washington-based institution, called the Extended Fund Facility, which began in 2013. The IMF delegation during a visit to Jamaica last month applauded the JLP's continued commitment to implementing the reform program, saying the program had "thus far been successful in restoring macroeconomic stability and reducing public debt."

*Editor's note: See coverage of Jamaica in the **March 1** and **March 7** issues of the Advisor.*

Sources: Jamaica Gleaner; audleyshaw.com; Jamaica Observer; The Daily Observer

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cast. Polls show that the main issues that concern the electorate are citizen security and corruption, although these issues do not seem to be affecting the president's chances of winning re-election. It is yet to be seen whether the allegations that Medina has received campaign money through Brazilian advisors and companies that are accused of corruption and other crimes, or the accusations that his Brazilian advisors have been paid with government money, will affect his numbers."

Rafael Cox Alomar, assistant professor of law at the David A. Clarke School of Law at the University of the District of Columbia: "The structural challenges besieging the Dominican jigsaw puzzle will remain the same regardless of whether Danilo Medina or Luis Abinader is elected president on May 15. Although the Medina administration has been able to maintain growth at around 5.4 percent per year, while stabilizing public debt to approximately 48.5 percent of GDP, it is no secret that whoever is elected will immediately face a multitude of formidable challenges: high poverty levels surpassing 40 percent of the population (according to World Bank metrics); chronic budget deficits due in no small measure to revenue deficiencies stemming from tax evasion and uncontrolled spending; low levels of government savings (less than 10 percent of GDP); the complete meltdown of public services in seminal areas such as the electricity sector, public education (including higher education), health care and public safety; and an ever contracting manufacturing sector, which in turn has led to a diminution in real wages and higher unemployment. If seen from a purely political perspective, this election cycle has brought to the fore the acute infirmities afflicting the Dominican Revolutionary Party (PRD), which in turn led to the emergence of the Modern Revolutionary Party (PRM) as a spinoff of the PRD, and the apparent unrivaled ascendancy of President Medina's Dominican Liberation Party (PLD). Although it remains to be seen whether the Dominican Republic's political opposition parties will gain any significant ground on May 15, it is safe to conclude that the Dominican Republic's institutional repertoire (and its legitimacy) would greatly benefit from a more robust and coherent political opposition."

> **"It is no secret that whoever is elected will immediately face a multitude of formidable challenges."**
>
> **— Rafael Cox Alomar**

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

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