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FEATURED Q&A

What Will a New President Bring to Guatemala?



Conservative Alejandro Giammattei was elected Guatemala's president on Sunday in the country's presidential runoff. // File Photo: Giammattei Campaign.

Q Amid low turnout on Sunday, conservative candidate Alejandro Giammattei won Guatemala's presidential runoff election, defeating former First Lady Sandra Torres. Giammattei, who opposes gay marriage and backs the death penalty, succeeded in being elected president on his fourth attempt. To what can Giammattei attribute his victory, and how strong is his mandate? What policies can Guatemalans expect during his presidency? To what extent will Giammattei address corruption and protect human rights? What does his election mean for Guatemala's relations with the United States?

A Mario Polanco, director of Grupo de Apoyo Mútuo in Guatemala City: "Abstentionism won. The crossroads where the population found itself during the electoral process meant that neither of the candidates fulfilled expectations, but legally it was necessary to choose one of them. One might think that the population was more inclined to support the more conservative candidate, though it is also possible that the vote was in opposition of Sandra Torres, who had generated disapproval over the past 12 years, especially as the then-wife of former President Álvaro Colom, whose performance was far from transparent. Looking at the results, it can be said that the big winner was abstentionism, which reached 57 percent. However, in a democratic system, even if few vote, it is they who will choose. For better or for worse, Alejandro Giammattei won on his fourth attempt to become president. The president-elect has had a conservative stance on every social issue. However, this doesn't generate as much fear as do the

Continued on page 4

TODAY'S NEWS

ECONOMIC

Argentine Stocks, Peso Plunge After Peronists' Victory

Argentina's Merval stock index suffered its steepest drop in decades, and the peso plummeted more than 30 percent against the U.S. dollar, a day after the opposition Peronists dealt a stunning defeat to President Mauricio Macri.

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BUSINESS

Colombia to Fine Uber \$629,000

The country's commerce regulator said it would fine the ride-hailing company, in part saying it obstructed a regulatory visit.

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POLITICAL

Pro-Maduro Lawmakers Eye Early Elections in Venezuela

Venezuela's powerful Constituent Assembly, which is aligned with President Nicolás Maduro, created a panel to evaluate moving up legislative elections, which could allow Maduro supporters to regain control of the National Assembly.

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Maduro // File Photo: Venezuelan Government.

POLITICAL NEWS

Venezuela Pro-Gov't Assembly Eyes Early Legislative Elections

Venezuela's pro-government Constituent Assembly on Monday said it would create a commission to consider moving up the date of legislative elections planned for next year, a move that could give President Nicolás Maduro's government an opportunity to regain control of the country's opposition-led National Assembly, Reuters reported. The move came a day after opposition leader Juan Guaidó, whom dozens of countries recognize as Venezuela's legitimate president, warned that the Constituent Assembly would seek to disband the elected National Assembly and move up elections following Maduro's call for a "new offensive." Maduro's government created the powerful Constituent Assembly in 2017 and filled it with loyalists. On Monday, the Constituent Assembly's leader, Diosdado Cabello, dismissed Guaidó's comments, saying there was no need to dissolve the National Assembly, saying it "didn't work" and "had eliminated itself on its own," Reuters reported. The new commission would study when to schedule legislative elections "in accordance with the law, the Constitution and the political situation," said Cabello. He also issued a warning to opposition lawmakers, saying, "Don't go on vacation because we are going to make life impossible for you over the next month." Venezuela's congressional elections are scheduled to be held every five years, with the next vote due in December 2020. In 2015, the opposition trounced Maduro's party to take control of the National Assembly. Maduro responded by refusing to recognize its actions, and the country's Supreme Court, which Maduro stacked with supporters, has overruled all of the elected legislature's decisions. Also on Monday, the Constituent Assembly, which functions with no checks on its power, stripped the legislative immunity of four opposition lawmakers amid allegations of treason, the Associated Press reported. Cabello oversaw the unanimous vote

that brought to 18 the number of politicians Maduro's government has threatened to prosecute this year. The four lawmakers are José Guerra, Rafael Guzmán, Tomás Guanipa and Juan Pablo García Canales, the AP reported. In a video posted online, Guerra called the charges "absurd." He added, "You're the ones who are traitors, who have left this country in misery and ruin." The National Assembly's vice president, Édgar Zambrano, remains jailed after he was accused of taking part in a failed military uprising against Maduro's government on April 30. Authorities towed away his car while he was still in it. Other legislators who fear prosecution have fled the country or sought refuge in foreign embassies in Caracas.

ECONOMIC NEWS

Argentine Stocks, Peso Plunge After Peronists' Win

Argentine stocks plunged on Monday following President Mauricio Macri's crushing defeat in the country's primary election the day before, The Wall Street Journal reported. The Merval index in Buenos Aires closed 38 percent lower on Monday, its steepest fall in decades, as investors worry over the possible return of a populist Peronist government, which advocates for greater state intervention in the economy and opposes a landmark trade deal with the European Union. The Argentine market's fall was the second-largest one-day rout on any of the 94 stock exchanges that Bloomberg has tracked since 1950. The Argentine peso also plummeted by more than 30 percent against the U.S. dollar before recovering some ground after the country's central bank took action on Monday, auctioning off \$50 million to try to support the peso, The Wall Street Journal reported. The bank's benchmark interest rate was up to 74.8 percent, from 63.7 percent on Friday. Stocks had jumped 7.7 percent on Friday on expectations that Macri would come in a close second to his opponent, Peronist candidate Alberto Fernández, whose running mate is for-

NEWS BRIEFS

Brazilian Prosecutors Seek to Block Bolsonaro From Naming Son Envoy

Brazilian prosecutors on Monday asked a court in Brasília to bar the appointment of President Jair Bolsonaro's son as ambassador to the United States amid concerns over nepotism, the Financial Times reported. The president last month nominated his son Eduardo, who currently represents Rio de Janeiro in the Chamber of Deputies, to take the top diplomatic post in Washington, sparking controversy. Prosecutors argue the position requires at least three years' experience serving Brazil abroad. The Senate would still need to approve Eduardo Bolsonaro's nomination.

Mexico Won't Cancel or Grant Any Mining Concessions: President

Mexico's government will not cancel any current mining concessions, but it also will not grant any new ones, President Andrés Manuel López Obrador said Monday, Reuters reported. "We're going to keep the current concessions and not hand out new concessions because they aren't needed," he said. Mexico is the world's top silver producer and one of the largest producers of copper and gold. The mining sector makes up around 4 percent of Mexico's gross domestic product.

Puerto Rico's Governor Suspends Contract for Power Grid Project

Puerto Rico Governor Wanda Vázquez said Monday that she was suspending a \$450,000 contract that had been pending with Canada-based consulting firm Stantec, which is part of a project to rebuild the island's power grid following Hurricane Maria in 2017, the Associated Press reported. Vázquez said her administration is evaluating all contracts and that transparency is a priority.

mer President Cristina Fernández de Kirchner. Macri lost Sunday's nationwide vote, which had no practical effects but served as a sort of national poll ahead of the October presidential election, by more than 15 percentage points. The wider-than-expected loss has largely reduced the chances of Macri being re-elected, analysts say, The Wall Street Journal reported.

BUSINESS NEWS

Colombia Commerce Regulator to Fine Uber \$629,000

Colombia's commerce regulator announced Monday that it will fine ride-hailing company Uber more than \$629,000, saying it obstructed a regulatory visit two years ago and failed to comply with the regulator's orders and instructions, Portafolio reported. Uber services are common but illegal in Colombia, where the government has not specifically regulated such transportation services but has vowed to suspend drivers' licenses for 25 years if caught working for the platform, Reuters reported. The Superintendency of Industry and Commerce's fine said Uber encourages workers not to give information to regulators and to block access to company computers, policies the regulator said were implemented during an October 2017 administrative visit, the wire service reported. "The company presented a disrespectful and obstructive attitude in the face of different information requirements on the part of officials," the regulators said, Reuters reported. Uber said in a statement it had not been officially notified of the fine, adding that it would examine it once it has been informed. The fine also mentions three Uber staffers by name, individually fining them between \$1,469 and \$7,344. The fine comes as Uber stock prices hit a record low on Monday, falling more than 7 percent to close at \$37.01, Business Insider reported. The company last week posted second-quarter earnings that did not meet investors' expectations, including its largest-ever loss, of \$5.2 billion, and its slowest-ever revenue growth, The New York Times reported.

HEALTH BRIEFS

Dengue Cases on the Rise in Costa Rica

There has been a sharp rise in the number of dengue cases reported in Costa Rica, especially in the North Central and Huetar Caribbean regions, where more than 2,000 new cases of the mosquito-borne disease have been reported in recent weeks, according to the country's Health Ministry, the Tico Times reported Aug. 6. So far this year, Costa Rica has registered a 160 percent increase in cases as compared to last year, said Rodrigo Marín, the director of



Marín // Photo: @rodrigmar via Twitter. health surveillance. "Central America is suffering a significant rise of dengue cases, and our country is not far behind," he added. Guatemala, El Salvador and Honduras have also reported a spike in new cases, including dozens of deaths, Marín said. The Health Ministry also said there has been a reduction in the cases of other mosquito-borne illnesses such as Chikungunya and Zika, with the latter dropping from 295 cases in the first seven months of last year to 89 cases over the same period this year, the Tico Times reported.

Mexican State Oil Company Offering 'Health Bonus' for Workers Meeting Weight Standards

Mexican state oil company Pemex is now offering bonuses as a "health incentive" to workers who maintain certain weights, Bloomberg News reported Aug. 2. Under the company's new collective bargaining contract with its union, employees who have a body mass index, or BMI, of no more than 25 or a maximum waist circumference of 90 centimeters for men and 80 centimeters for women will receive 5,545.40 pesos, or \$287, per year. The so-called health bonus is a 4.6 percent increase from the last union contract, according to the report. Pemex workers who are overweight or obese and decrease their weight by 10 percent annually also qualify for the bonus. Critics have said the policy goes against recommendations by health experts, who say BMI and other biometric markers also depend on genetics and environmental factors. The measure "is inconsistent with the science of what we know about body weight regulation, and it's tone deaf to progress being made in societal perceptions around obesity," Scott Kahan, director of the National Center for Weight and Wellness in Washington, told Bloomberg News.

USNS Comfort Crew Sees Spike in Number of Venezuelan Patients Seeking Treatment

Medical staff aboard the USNS Comfort, the U.S. navy's hospital ship, have seen a spike in the number of Venezuelan patients on recent port stops in Ecuador, Peru, Costa Rica and Panama, McClatchy reported Aug. 8. "I would say 25 to 30 percent of the patients I see in these primary clinics are Venezuelan migrants," said Navy Lieutenant Commander Jean Fortunado, a nurse practitioner. Several of the cases treated are for chronic diseases, such as blood pressure, Lieutenant Commander César Mojica Vásquez, a family physician, told McClatchy. The U.S. Navy deployed the USNS Comfort to nations in Central and South America in June.

FEATURED Q&A / Continued from page 1

people who surround Giammattei, who are the same ones who have been at current President Jimmy Morales' side over the past four years. They are promoters of impunity and defenders of corruption, and some have links to organized crime. It is unknown what will occur in Guatemala, but we are possibly seeing the beginning of a new four-year setback."

A Salvador Paiz, president of FUNSEPA and board member of FUNDESA in Guatemala City: "With a spread of more than 16 percent, President-elect Giammattei obtained a solid endorsement from Guatemalan voters. However, he does face as his most immediate challenge a growing sense of unrest and impatience among Guatemalan citizens (as evidenced by the 57 percent of abstention of registered voters in the second round of the election), the slow progress on social indicators and the frustration toward politicians and the 'vieja política' (the

“**The country must stand behind its new elected leader and embrace a process of necessary structural reforms.**”

— Salvador Paiz

old way of politics). The machine we know as government is broken. We cannot delay any longer. The country must stand behind its new elected leader and embrace a process of necessary structural reforms, such as: 1.) procurement in a way that improves efficiencies while preserving transparency, 2.) infrastructure in a way that precludes corruption, 3.) unclogging the courts while strengthening their independence and 4.) civil service reform, to mention just a few. These reforms should lead to accelerated job creation and hence reductions

in irregular migration. The international community would do well to stand behind President-elect Giammattei and redirect its collaboration toward these priorities. President-elect Giammattei is aware of the depth of the relationships with the international community and especially with the United States, as our main trading partner. As such, he will be forced to address the controversial issue of the safe third country agreement. He has already met with Acting U.S. Homeland Security Secretary Kevin McAleenan. However, the details of that meeting, as everything else that is related to this agreement, are still not public."

A James Meyer, partner at Harper Meyer in Miami: "Populism on the left, populism on the right. With the very low voter turnout on Sunday, Guatemalans demonstrated that they have had enough of both. The outcome also reflects that the people of Guatemala still palpably yearn for a government without rampant corruption, and President-elect Alejandro Giammattei probably seemed like the candidate somewhat less likely to let that happen once again. He was also the candidate who was most likely to re-engage the private sector, create some economic stability and somewhat normalize relations with the United States, with his promise to renegotiate the controversial third country asylum agreement. With that collective understanding and a realization of what the alternative might have been, most Guatemalans are probably breathing a sigh of relief that their country seems to have yet another opportunity to pull itself away from the weak institutions of the past. The next four years will be floating on such high hopes while being anchored to historically merited low expectations."

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