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FEATURED Q&A

Will Protests Bring an End to Moïse's Gov't in Haiti?



For months, protesters in Haiti have demanded the resignation of President Jovenel Moïse. A demonstration last February in the central Haitian city of Hinche is pictured above. // Photo: Voice of America.

Q Haitian President Jovenel Moïse canceled his scheduled appearance before the U.N. General Assembly to address political turmoil at home, a day after Senator Jean Marie Ralph Féthière drew a gun and shot two people, leaving them with non-life threatening wounds, outside the country's parliament. The incident came as the Senate met to discuss the nomination of Fritz-Willem Michel as prime minister, a proposal that has escalated months of protests. How significant are the latest events in Haiti, and what impact have they had on the country's politics? Why is Michel's nomination so controversial, and how likely is he to be approved as Haiti's prime minister? Is there an end in sight for the protests and citizen discontent, or will they continue into the foreseeable future?

A Raymond Joseph, former Haitian ambassador to the United States: "Canceling his trip to the U.N. General Assembly, President Moïse also played hooky with the Haitian people. His announced speech to the nation was finally delivered at 2 a.m. last Wednesday. He called for an end to violence and proposed a 'unity government.' Most people dismissed him, saying he was addressing 'zombies' at such an hour. Thus, on Friday, Haiti knew the largest demonstrations ever since they began, intermittently, in July of last year. In some cities, police stations were overrun and ransacked, and businesses looted and set afire. The protesters say they won't stop until Moïse resigns or is physically evicted. Still playing hooky, the president hasn't been seen nor heard from since that last speech. The Port-au-Prince attorney general resigned when higher-ups forbade the arrest and prosecution of Senator

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TODAY'S NEWS

ECONOMIC

Ecuador to Leave OPEC in January: Energy Ministry

Ecuador plans to leave the Organization of the Petroleum Exporting Countries in an effort to boost its revenue from crude oil sales, the Energy Ministry announced.

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BUSINESS

GE to Pay \$2.7 Mn to Settle Alleged Violations of Cuba Sanctions

General Electric is settling allegations that subsidiaries violated economic sanctions on Cuba through a former customer.

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POLITICAL

Peruvian Vice President Steps Down Amid Political Crisis

Peruvian Vice President Mercedes Aráoz resigned, expressing hopes that the move would help pave the way for fresh elections. Her resignation came amid a power struggle between President Martín Vizcarra and Congress.

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Aráoz // File Photo: TV Perú.

POLITICAL NEWS

Peruvian VP Aráoz Resigns Amid Constitutional Crisis

Peruvian Vice President Mercedes Aráoz, whom lawmakers had sworn in as the country's disputed acting president a day earlier, resigned Tuesday. "The fundamental reason for my resignation is that the constitutional order has been broken in Peru," Aráoz wrote in her resignation letter, which she posted to Twitter.

“The fundamental reason for my resignation is that the constitutional order has been broken in Peru.”

— Mercedes Aráoz

On Monday, President Martín Vizcarra invoked a provision in the Constitution to dissolve Congress, a move that he said was necessary to break a political impasse. Questions remain, however, as to whether the conditions were met for the president to take that action. Vizcarra has tried to push through reforms including anti-corruption measures, only to see them stall in Congress. Lawmakers responded by suspending Vizcarra's powers and swearing in Aráoz as acting president. However, it was unclear whether that action had any effect as it happened after Vizcarra dissolved Congress. In stepping down on Tuesday, Aráoz cited a statement by the Organization of American States earlier in the day that said only Peru's Constitutional Tribunal should decide on the legality of Vizcarra's dissolution of Congress. Aráoz said there were not "the minimum conditions to exercise the charge given to me by the Congress of the Republic." She added, "For my entire life and political career, I have always preferred the defense of my principles and legality before by personal interests or my popularity as a politician. I am convinced that

in Peru we have millions of citizens who want to construct solid and independent institutions, and the manner to do so is by defending them." Aráoz added that she hoped her resignation would lead to a general election as soon as possible. Shortly after ordering the dissolution of Congress, Vizcarra received the support of the leaders of Peru's armed forces and police, BBC News reported. Some 2,000 Peruvians took to the streets in Lima and other cities in a show of support for Vizcarra. The standoff may last for several more days. Congress plans to meet again on Friday to consider a motion to dismiss Vizcarra altogether. Meantime, Vizcarra issued a decree, setting Jan. 26 as the date for fresh legislative elections. Lawmakers elected on that date would serve out the five-year term of the dissolved Congress, which lasts until 2021. Until then a congressional commission comprised of 27 lawmakers is to handle legislative duties.

ECONOMIC NEWS

Ecuador to Leave OPEC in January: Energy Ministry

Ecuador will leave the Organization of the Petroleum Exporting Countries, or OPEC, in January in a bid to increase its revenue from crude oil sales, the country's Energy Ministry said Tuesday. The Andean nation has not been complying with OPEC quotas as it looks to boost crude oil production, which has been around 530,000 barrels per day (bpd) for the past year, Bloomberg News reported. In September, Ecuador's output was ahead of only the Republic of Congo, Gabon and Equatorial Guinea in the 14-member group. Since January, OPEC, Russia and other producers have implemented an agreement to reduce output by 1.2 million bpd, a pact that OPEC+ renewed in July until March 2020. "The decision is based on the issues and internal challenges that the country must take on related to fiscal sustainability," the ministry said in a statement, without providing further details, Reuters reported. "This measure is

NEWS BRIEFS

USAID to Provide Additional \$7.5 Mn for Bahamas Hurricane Relief

U.S. Agency for International Development, or USAID, Administrator Mark Green announced Tuesday that the United States will provide \$7.5 million in additional humanitarian assistance to The Bahamas in an effort to help those affected when Hurricane Dorian hit the archipelago last month. The additional funds bring the U.S. government's total aid for this response to nearly \$34 million, USAID said in the statement. The money will be used to support a field hospital on Grand Bahama Island, as well as for transitional shelters and the removal of debris from homes.

Brazil's BRF Admits to Bribing Food Inspectors

Brazilian meatpacker BRF has admitted to bribing food inspectors with bank deposits and health benefits, police said Tuesday, Reuters reported. The fourth phase of the investigation into corruption at the company involves evidence of bribes totaling some 19 million reais (\$4.56 million) until 2017, when BRF shuffled its management, police said. BRF said none of its offices or production sites were raided in the latest phase of the probe.

Carrefour Acquires 49% Stake in Brazilian Fintech Ewally

French multinational corporation Carrefour Group announced today that it has acquired a 49 percent stake in Brazilian fintech start-up Ewally. The acquisition will allow Ewally "to expand its payment and digital product and service distribution ecosystem in Brazil, in line with its digital transformation strategy," Carrefour said. Under the deal, Carrefour would acquire a controlling stake in the start-up after three years. Ewally focuses on customers who lack formal financial accounts.

in line with the government's plan to reduce public spending and generate new income," the statement added. The government of President Lenín Moreno is struggling with tight liquidity due to a large fiscal deficit and foreign debt load, according to the report. Ecuador joined OPEC in 1973. In 1992, it suspended its membership, which it later resumed in 2007, El Comercio reported. The country will "continue to support all efforts that seek to stabilize the world oil market," the ministry said, Bloomberg News reported.

BUSINESS NEWS

GE to Pay \$2.7 Mn to Settle Violations of Cuba Sanctions

General Electric has agreed to pay more than \$2.7 million to settle alleged violations of U.S. sanctions on Cuba through a former customer, the U.S. Treasury Department said Tuesday in a statement. Three of GE's current and former subsidiaries are accused of receiving 289 checks of more than \$8 million in total directly from a Cuban entity, Cobalt Refinery, or Corefco, which is on the United States' blacklist, according to the settlement agreement, The Wall Street Journal reported. Corefco was a joint venture between a GE customer in Canada and the Cuban government, the U.S. Treasury said, adding that it has been blacklisted since 1995. A GE spokeswoman said the Canadian customer was Sherritt International, and that the Boston-based conglomerate has terminated the relationship. The Treasury said GE discovered the alleged violations when testing and auditing its compliance program, and it disclosed the violations to the Office of Foreign Assets Control. OFAC applauded GE for implementing remedial measures, such as using the alleged violations as a case study in a training video for employees. The Treasury said GE's subsidiaries maintained relationships with its Canadian customer despite knowing the customer's strong ties to Cuba's mining industry, The Wall Street Journal reported.

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Féthière, while insisting on a crackdown on demonstrators. At the root of the protests is corruption, which has robbed the country of more than \$4 billion of the Petrocaribe Fund. The fund was intended for development projects with the profits from the sale of Venezuelan petroleum products. When Prime Minister Jean-Henry Céant began to target the dilapidators of the fund, he was toppled in a vote by the parliamentarians of the lower house, egged on by President Moïse. Nearly seven months later, the country is still without a legitimate government. Two prime ministers whom Moïse has named failed to obtain parliamentary approval. The latest, Fritz-William Michel, is accused of high-scale corruption. A mid-level government functionary, Michel owns a \$2 million mansion while the average citizen lives on less than \$2 a day. When a senator denounced Michel for distributing \$500,000 in bribes to five senators of the ruling PHTK party to get their vote for his ratification, all hell broke loose. With no change in sight, the exasperated citizens have vowed to get rid of President Moïse. Forget Michel as prime minister. A public rift between former President Michel Joseph Martelly and his hand-picked successor, Moïse, augurs more trouble. It's a matter of time before the government collapses."

A Daniel Erikson, managing director at Blue Star Strategies: "The recent protests in Haiti mark the culmination of more than a year's worth of economic and political frustration. Throughout President Jovenel Moïse's tenure, beginning in February 2017, the country has suffered serious energy and power shortages as well as rising inflation and a growing national debt. Opposition leaders have increased their calls for Moïse to resign, citing his mishandling of the economy, unfulfilled campaign promises and numerous allegations of corruption. So far, Moïse has resolved to stay in office. The persistent violence and outrage in response to his nomination of Fritz-William Michel as

his fourth prime minister in less than two years, though, suggests that Haiti is nearing a political tipping point. Opposition leaders have demonstrated no interest in Moïse's offer to form a unity government, particularly as Michel's integrity has come under the

“ Haiti is nearing a political tipping point.”

— Daniel Erikson

microscope and led to a series of unflattering allegations. The official confirmation vote has been delayed, with no new vote on the schedule. The return of many Haitians to the streets suggests that the government has entered a crisis of credibility that will be hard to repair absent a political truce and restored economic growth. While the international community pushes for both sides to engage in a dialogue, Haitian politics seems to be veering ever further away from compromise solutions."

A Cécile Accilien, director of the Institute of Haitian Studies at the University of Kansas: "The latest events in Haiti reflect the country's division over government accountability and transparency. As is often the case in Haitian politics, it is important to remember the Haitian proverb, 'tande ak wè se de,' which means, 'seeing and believing are two different things.' This could lead us to think that a group of people may protest until they get a satisfactory solution from the government; others may be coerced by the opposition or influenced by other powers, including the United States, while some may want to block Michel's nomination because he is Moïse's choice. Instability puts Haiti in a very vulnerable position, with a history of covert exploitation by other powers with their own agendas. The riots and unrest reflect growing dissatisfaction

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with the government. Corruption scandals have increased distrust. Economic hardship and instability are rampant. People are disappointed by the lack of leadership, lack of transparency and corruption. Gasoline suppliers have stopped delivering gas, and many stations in Haiti, especially in Port-au-Prince, continue to be closed. People are stuck. When people are hungry, their children cannot go to school, their businesses are burned and pillaged, and they feel helpless. It is hard for them to have faith in President Jovenel Moïse's demand for dialogue, unity and 'courage to unite.' When you don't have basic necessities covered, such as gas, food, transportation and education, how can there be stability? And again, we must remember the likely possibility of outside actors, as another Haitian proverb stipulates, 'tout kòd gen de bout,' or 'every rope has two ends.' "

A **Georges Fauriol, senior associate in the Americas Program at the Center for Strategic and International Studies (CSIS):** "The issue facing Haiti is not so much whether the Moïse government will survive politically but whether it has any credibility left to govern. The country is essentially rudderless. Coming into office in early 2017, Moïse was never able to acquire a secure political footing. A cascade of events points toward a dysfunctional, ineffective and arguably incompetent presidential leadership. This has enabled a disjointed political opposition and an increasingly violent popular reaction from the street to paralyze the government, and by extension the economy. Last week's protests further ratcheted Moïse's problems

when his political opposition and the street demonstrations in effect merged—collectively calling for more mass demonstrations and the president's ouster. There are no easy paths out of this mess. Many of Moïse's political opponents do not inspire confidence.

“**Many of Moïse's political opponents do not inspire confidence.**”

— **Georges Fauriol**

The street demonstrators lack structure, although a subset calling for transparency and accountability regarding the misuse of Petrocaribe and other public expenditures extends into organized civil society. The latter overlaps with frustrated youth, betrayed by political leadership that promises but never delivers. A too-often maligned private sector is seeing investments (and jobs) moving away and is itself split among differing constituencies depending on how much they benefit from the government's administrative inefficiencies (such as corruption). Meanwhile, inflation, fuel shortages and insecurity are ruining small business owners. Calls for national dialogues and crisis management have not triggered results. A total breakdown is therefore a distinct possibility. The international community is engaged, notably the United States, but the latter's Caribbean Basin policy is distracted elsewhere.”

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