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FEATURED Q&A

Why Is Colombia's Patience Wearing Thin With Duque?



Colombian President Iván Duque's popularity is sinking, and Colombians are planning a national strike on Thursday. // File Photo: Colombian Government.

Colombia is bracing for a national strike on Thursday that could cripple air traffic and result in the country's largest anti-government protests in years. Demonstrators in Colombia have blasted President Iván Duque's government over the massacres of social leaders, pension reform plans and other grievances. What is at the root of citizens' discontent in Colombia, and will the nation see the same sort of violence break out that has occurred in other countries of the region? Why has Duque's popularity, which in a recent Gallup poll sank to 26 percent, plummeted? What must he do in order to pacify the protests and address Colombians' concerns?

Cynthia J. Arnson, director of the Latin American Program at the Woodrow Wilson International Center for Scholars: "With social grievances exploding around the hemisphere, it has seemed only a matter of time until Colombia experienced a similar outpouring of discontent. The country's economy is growing at 3.3 percent—far above the regional average—and foreign investment, mostly in the mining and hydrocarbons sectors, is pouring in. But frustration with double-digit unemployment, labor sector informality at around 50 percent and a rising cost of living amid a deteriorating peso has grown. Inequality in Colombia is worse than in Chile, Peru and Ecuador (but better than in Brazil), such that any discourse that hints at lowering corporate tax rates, making labor markets more 'flexible' or privatizing public pension funds has galvanized a sense that the Duque government cares more about energizing the private sector than it does about average Colombians. Labor unions represent a tiny portion of Colombian workers, but the call last

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TODAY'S NEWS

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U.S., Guatemala Asylum Deal Takes Effect

The "safe third country" agreement allows the United States to send asylum seekers arriving at the country's southern border to Guatemala.

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ECONOMIC

Agusto Tapped as New Ecuadorean Energy Minister

Ecuador's president named José Agusto as the country's new energy minister, replacing Carlos Pérez, who resigned last week. Page 2

POLITICAL

Bolivia's Morales Offers to Sit Out Election to Finish Term

Former Bolivian President Evo Morales said he would be willing to sit out the country's next election as long as he can finish the last few months of his term and help name a new electoral authority to oversee it.

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Morales // File Photo: Bolivian Government.

POLITICAL NEWS

Morales Offers to Sit Out Bolivia Election to Finish Term

Former Bolivian President Evo Morales offered to sit out the country's next election as long as he can finish his term and also work with the opposition to name a new electoral authority to oversee it, The Wall Street Journal reported. "My great wish is to return quickly to Bolivia," he told the newspaper in an interview. "The mobilized people's resounding demand is that the dictatorship should step down," he added, referring to the interim government of President Jeanine Áñez. "That means we finish our term, and in exchange we won't be a candidate ... If it's a matter of peace, so no more lives are lost, no problem, I renounce" the candidacy. Morales said he wanted the compromise in order to end the country's political crisis, which erupted following its Oct. 20 election, in which Morales was named the winner, edging out rival Carlos Mesa by just enough votes to win in the first round. An Organization of American States team consisting of 36 election experts of 18 nationalities found "serious irregularities" and said a new vote should be held. Amid violent protests in the country and after then-armed forces head Gen. Williams Kaliman publicly suggested that Morales resign, Morales stepped down Nov. 10 and left for Mexico, which granted him asylum. Morales has called the episode a "coup" and has denied fraud, saying he won the election fairly, The Wall Street Journal reported. He called for a "truth commission" comprised of representatives from the United Nations, the Vatican and the U.S.-based Carter Center. Morales told the newspaper that an alliance between the United States and his right-wing opponents in Bolivia is preventing his return. "I have been told from people in a position to know that the Americans don't want me back in Bolivia," he told the newspaper. "Why do the gringos fear an Indian?" he added, laughing. Analysts said Bolivia's interim government and the country's military are unlikely to allow Morales to return

because they don't trust that he won't try to stay in power indefinitely. "It's interesting that he would say that [he won't be a candidate], but I don't think anyone in Bolivia will take it too seriously because they simply don't trust him," Bolivia expert Eduardo Gamarra of Florida International University told The Wall Street Journal. Morales, who had been in office since 2006, lost a referendum in 2016 in which voters denied him the ability to run for a fourth term. Morales ran anyway after the Supreme Court ruled that keeping him off the ballot would violate his human rights. Amid the country's political crisis, violent protests have continued. The Bolivian human rights ombudsman's office said 27 people have been killed since Oct. 30. At least five people were killed in El Alto in clashes outside a fuel depot that Morales supporters had blockaded for several days, The New York Times reported. Witnesses said the five men were killed when a military unit guarding the facility opened fire on protesters who had surrounded it for more than a week. The Morales supporters had cut off the main source of gasoline to La Paz by surrounding the plant, causing fuel shortages in the capital.

U.S. Asylum Deal With Guatemala Takes Effect

The U.S. asylum deal with Guatemala took effect on Tuesday, allowing the United States to send migrants who arrive at its southern border with Mexico to Guatemala instead, The Wall Street Journal reported. The U.S. Department of Homeland Security published the official procedure it will follow, starting as soon as this week, to send asylum seekers to "safe third countries" with which the administration of President Donald Trump reached asylum agreements, including Guatemala, El Salvador and Honduras. The latter two deals are yet to be implemented. The Trump administration has claimed that asylum seekers should first request protection in the countries through which migrants travel to get to the United States. A separate measure, issued earlier this year, bans migrants from seeking asylum in the

NEWS BRIEFS

Colombia Planning to Close Borders Ahead of Expected Mass Protests

Colombia's government has announced that it will close its borders as part of a series of exceptional measures it is planning to take to contain mass strikes and protests scheduled for Thursday amid social unrest elsewhere in South America, The Guardian reported today. Tens of thousands of Colombians are expected to protest against the government of President Iván Duque, whose popularity has plummeted since he took office last year. The government has also authorized riot-control measures ahead of the planned demonstrations.

Agusto Tapped as New Ecuadorean Energy Minister

Ecuadorean President Lenín Moreno on Tuesday appointed civil engineer and close ally José Agusto to replace Carlos Pérez as the country's new energy minister, Reuters reported. Pérez resigned last week for personal reasons. Agusto has previously served as an advisor to the president and the energy ministry and has also been on the board of state-owned oil companies Petroecuador and Petroamazonas.

Brazilian Fintech Start-up Neon Raises \$94 Million in Funding Round

Brazilian financial technology start-up Neon has raised 400 million reais (\$95 million) in a funding round led by Banco Votorantim and General Atlantic, O Estado de S.Paulo reported Monday. Neon, which operates a digital bank, is aiming to triple its number of customers by next year, according to the report. Neon plans to hire more employees, according to co-founder Pedro Conrade. The start-up plans to end this year with 600 employees, triple the number it had early this year.

United States at all if they did not first make a claim in other countries they transited. Valerie Boyd, DHS assistant secretary for international affairs, said at an immigration conference in California earlier this month that the United States had certified Guatemala's asylum system as "full and fair." However, the "safe third country" deals have drawn widespread criticism. "It is inconsolable to think Guatemalathe country that has one of the highest murder rates in the world ... could be a safe country for people from Venezuela, from Cuba and some countries that are in deep trouble," U.S. Rep. Norma Torres (D-Calif.) said in a statement following the deal's announcement back in July. "To think that [Guatemala] is a country that is going to accommodate asylum seekers from anywhere else in the world-that is ridiculous," she added. [Editor's note: See related Q&A in the Aug. 6 issue of the Advisor.]

BUSINESS NEWS

Opposition Reaches Deal With Holders of PDVSA Bond: Report

Venezuela's opposition has reached a deal with holders of a bond issued by state oil company PDVSA to prevent them from seizing U.S.-based refiner Citgo, the bond's collateral, until May, Reuters reported Tuesday, citing court filings and a source. The opposition-appointed PDVSA board, which the United States recognizes as the firm's legitimate representation, last month filed suit in New York to annul PDVSA's 2020 bonds. A deal to delay litigation in the case between PDVSA and the defendants-bond trustee MUFG Union Bank and collateral agent Glas Americas-outlined a schedule in which fact discovery would extend until Feb. 10, followed by a period of expert depositions before a hearing on May 5, Reuters reported. Judge Katherine Polka Failla, of the District Court for the Southern District of New York, agreed to the deal, known as a forbearance agreement, according to court filings. Without the arrangement, PDVSA would

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month for a general strike has galvanized multiple interests fed up with the slow pace of implementation of the peace agreement, the gap in quality between public and private education and health care, corruption and a host of other fairness issues. It is hard to imagine that Colombia will escape the acts of violence and vandalism that have marred other recent protests in the region. But the response to these criminal acts should not overshadow the broader message, not only of the demonstrations but also of Colombia's mid-term elections last month: Colombians are demanding broadly inclusive, clean government and an end to political extremism. Capturing those currents and delivering on them will strengthen Colombian democracy in the long run."

Erin McFee, postdoctoral teaching fellow at the University of Chicago and visiting fellow at the Latin America and **Caribbean Centre of the London School** of Economics: "Colombians mobilizing in Thursday's anti-government protests will be doing so for a variety of motives. And as much as their motives for protest are varied, so too are the many legitimate reasons for citizen discontent with the current administration. These include lackluster political will for implementing the peace accord and an inability to produce protection measures for social leaders under threat and demobilized FARC members who have complied with the accord. The government has also been unable to provide justice for hundreds who have already been assassinated and has seemingly interminable unwillingness to invest in quality infrastructure developments in the regions that need them the

have been at risk of losing Citgo after Jan. 22, when a U.S. Treasury measure blocking the transfer of shares in the refiner expires. The Venezuelan opposition has been fighting to retain control of Citgo, the South American country's most valuable foreign asset. At an most. The many socioeconomic and political challenges that Colombia currently faces are further undermined by a government whose legitimacy has been questionable since the election platform was based on the global trend of using polarizing discourse as a po-

The Duque government needs to take steps to address human rights issues in a way that demonstrates political will..."

- Erin McFee

litical strategy. Last month's local elections, in which the Democratic Center party lost ground, suggest citizens have grown tired of this strategy. The Duque government needs to take steps to address human rights issues in a way that demonstrates political will (such as through dedicated budgets) and sustainability (such as through programs institutionalized to the extent that they are able to weather the changing tides of political priorities that come with each administration). It is certainly a delicate situation in terms of public security, but last month's elections offer hope in terms of ending the pattern of using violence as a political tool in the country."

Maria Velez de Berliner, managing director of RTG-Red

Team Group, Inc.: "Colombians will demonstrate against valid grievances: insecurity and corruption; politically driven assassinations; and deficiencies in education, health care and pensions.

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event at the Inter-American Dialogue last month, Citgo Chairwoman Luisa Palacios said the U.S. administration's continued support has been crucial for the opposition to keep Citgo. [Editor's note: See related Q&A in the Oct. 11 issue of the Energy Advisor.]

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Colombians' proclivity to settle grievances, often murderously and destructively, heightens expectations of violent encounters among demonstrators and damage to private and public infrastructure. There is a slight correlation among recent strikes in Ecuador, Bolivia, Peru and Chile, but they are not direct causations of what might happen in Colombia. Each country is different from the others. Claims by respected analysts equating those strikes to a communist conspiracy led by the Forum of São Paulo add to the apprehension that permeates Colombia, hence the formation of groups such as Jaime Restrepo's 'El Patriota' Civil Resistance Against Disturbances in Medellín and similar groups in Bogotá. These groups claim they will act within the law, as adjuncts to military and police forces, should violent events overcome them. Whether all sides act within the law remains to be seen. Duque's government is trying to calm public anxiety by delegating to governors and mayors the level of security required in their respective states and municipalities. This nationwide strike will find a weakened President Duque countered by a united congressional opposition. A growing number of Colombians sees Duque as detached and incapable of governing a country overwhelmed by security and social issues, with high levels of youth

A growing number of Colombians sees Duque as detached and incapable of governing a country overwhelmed by security and social issues..."

unemployment and an expected economic downturn. Hopefully, for once, Colombians will protest peacefully, protected by the state monopoly of force. Otherwise, Colombia will become a democracy under siege, with possible and probable deleterious consequences in the 2022 elections, or sooner."

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

Advisor Video

5G and the Evolution of Smart Cities in Latin America and the Caribbean

An Inter-American Dialogue discussion with Ernesto Muyshondt, Mayor of San Salvador Eric Crabtree, International Finance Corporation Luis Fiallo, China Telecom Americas Ed Roach, SBA Communications Rachel Samrén, Millicom

View a webcast of the Nov. 14 discussion.



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