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FEATURED Q&A

Has Bolsonaro's First Year Been a Success or Failure?



Brazil's controversial president, Jair Bolsonaro, on Wednesday marked one year in office. // File Photo: Brazilian Government.

Brazilian President Jair Bolsonaro on Wednesday completed his first year in office, one marked by international controversy over the Amazon, a slight economic recovery, political spats within his own party, as well as some significant legislative wins, including comprehensive pension reform. How well has Bolsonaro fared in his first year as Brazil's president, and has he met voters' expectations of change? How well is his government handling economic matters, and what should it focus on in the year ahead? To what extent has Bolsonaro's confrontational political style helped or hindered his effectiveness in working with Brazil's Congress?

Peter Hakim, member of the Advisor board and president emeritus of the Inter-American Dialogue: "After long, gradual decline, Bolsonaro's poll numbers have stabilized at about 40 percent approval, due mostly to the slow but continuing improvements in Brazil's economy. Especially encouraging has been Congress' surprisingly smooth passage of a substantial pension reform, reinforced by modest upticks in growth and employment. Still, many other, more complex reforms-including new tax and labor policies, reduced government spending, trade openings and increased infrastructure investment-are needed to sustain Brazil's recovery from recession. While business leaders and foreign investors appear increasingly confident that economic revival is in sight, many prominent analysts paint a darker picture. Homicides and other violent crimes, according to official statistics, have fallen dramatically this year, but there has also been a steep rise in murders by police. Nonetheless, Bolsonaro's hardline approach to crime has Continued on page 3

Thursday, January 2, 2020

TODAY'S NEWS

POLITICAL

At Least 16 Inmates Killed in Mexico Prison Riot

The riot between members of the rival Sinaloa and Gulf cartels broke out at a prison in the town of Cieneguillas in Mexico's Zacatecas state.

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ECONOMIC

Chile's Economic Activity Declines 3.3% in November

The South American country's economic activity, as measured by the IMACEC index, fell as anti-government protests raged. The mining sector led the decline.

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POLITICAL

Spain Expels Three Bolivian Diplomats in Tit-for-Tat

Spain announced that it was expelling the Bolivian envoys following a move by the government of interim Bolivian President Jeanine Áñez to kick Mexico's ambassador and two Spanish envoys out of the Andean nation

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Áñez // File Photo: Bolivian Government.

POLITICAL NEWS

Spain Expels Three Bolivian Diplomats in Tit-for-Tat

Spain's government announced that it would expel three Bolivian diplomats, a move that followed a decision by Bolivia's interim president to kick Mexico's ambassador and two Spanish diplomats out of the South American country, El Pais reported today. Spain made its decision after the government of interim Bolivian President Jeanine Áñez accused the Spanish envoys of trying to infiltrate Mexico's embassy in La Paz, along with security personnel who had covered their faces, in order to extract asylees including a former aide to ex-Bolivian President Evo Morales, who resigned and fled the country in November amid violent protests over his disputed re-election. The incident at the Mexican embassy, which happened last Friday, "confirms the attitude on the part of the Mexican government and its ambassador to interfere in internal Bolivian affairs, whose behavior is raising tension in the relations between the two countries," Bolivia's government said in a statement. The Wall Street Journal reported. Spain's Foreign Ministry said its chargé d'affaires, one of the envoys whom Bolivia later expelled, had been carrying out a courtesy visit to the Mexican ambassador in La Paz. The Spanish Foreign Ministry also expressed its "outright denial that this could have been to facilitate the departure of those individuals who have taken refuge in the embassy." Áñez gave the Mexican and Spanish diplomats 72 hours to leave the country when she announced their expulsions on Monday, New Europe reported. "This group of representatives of the governments of Mexico and Spain have gravely injured the sovereignty and dignity of the Bolivian people and its constitutional government," she said. Bolivian officials have said, however, that the expulsions do not represent a break in diplomatic relations between the Andean nation and Mexico or Spain, The Wall Street Journal reported. Relations between Bolivia and Mexico began to sour after Mexico granted asylum to Morales, who faced violent protests following his disputed re-election. Morales later flew to Argentina after new President Alberto Fernández took office. Bolivia's government last month issued a warrant for Morales' arrest, accusing him of "sedition, terrorism and the financing of terrorism."

At Least 16 Inmates Killed as Rival Gangs Riot in Mexico Prison

At least 16 inmates were killed Tuesday after a riot broke out at a prison in the town of Cieneguillas in Mexico's Zacatecas state, El Universal reported. Zacatecas state security secretary Ismael Camberos Hernández told reporters that fighting broke out around 2 p.m. between rival Sinaloa and Gulf drug cartel gang members. Five others were injured. The prison was swept for weapons just days before, and the guns were likely smuggled into the facility



López Obrador // File Photo: Mexican Government.

during visiting hours this week. No guards or police were wounded in the riot. While overcrowding is a common feature of prison violence, the Cieneguillas prison population is only at 90 percent of capacity, according to the report. Mexico saw a record number of murders in 2019, but in a video message Wednesday, President Andrés Manuel López Obrador touted his success fighting organized crime, saying imprisoned drug kingpin Joaquín "El Chapo" Guzmán Loera once had the same power as the country's president. "There was a time when Guzmán had the same power or had the influence that the then president had ... because there had been a conspiracy and that made it difficult to punish those who commit-

NEWS BRIEFS

Colombia Ends 2019 With Lowest Level of Kidnappings in Decades

Colombia last year recorded its lowest number of kidnappings in the last two decades, El Tiempo reported Wednesday. In the year 2000, 10 people were kidnapped daily in the Andean nation, while 2019 closed with 88 kidnappings in total, 49 percent less than in 2018, when 173 cases of kidnapping were registered. However, the country's medical examiner's office said this week that homicides in Colombia went up 2.34 percent between January and November 2019 as compared to the same period the year before, according to Colombia Reports.

Uruguayan Authorities Seize 6,000 Kilos of Cocaine Valued at \$1.3 Bn

Authorities in Uruguay in the final days of 2019 seized a record 6,000 kilos of cocaine worth some \$1.3 billion on the street, El Pais reported. Customs officers said the bulk of the drugs were found in Montevideo's port hidden in soy flour containers destined for the west African nation of Togo. Criminal organizations have increasingly used Uruguay as a transit point because its main port has cut costs in recent years, weakening control systems there while other ports in the region have cracked down on smuggling, according to the report.

Chile's Economic Activity Falls 3.3 Percent as Mining Activity Declines

Chile's level of economic activity declined 3.3 percent in November as mining activity declined, the country's central bank announced today, Reuters reported. The IMACEC index, which registered the decline, includes some 90 percent of the economy's gross domestic product. The decline came amid continuing protests in Chile, which have left at least 26 people dead over the past two months. ted crimes. That has already become history, gone to the garbage dump of history," López Obrador said.

BUSINESS NEWS

Venezuela's PDVSA Touts Successful Gasoline Deliveries

Venezuelan state oil company PDVSA on Tuesday touted successful gasoline deliveries on social media amid acute shortages of fuel in the oil-rich nation's capital of Caracas, Reuters reported. "That's how to end the year," the company tweeted, using a bicep emoji, alongside a picture of a fuel truck filling up in eastern Anzoátegui state. Caracas has been largely insulated from long service station lines and power blackouts afflicting much of the rest of the nation. But the country's economic collapse, exacerbated by U.S. sanctions, have led to days-long waits for gasoline in some areas. Fuel refineries have reduced operations and output due to underinvestment. Fuel imports fell to 135,000 barrels-per-day (bpd) in November from 210,000 bpd in October, according to tanker tracking data from Refinitiv Eikon. In related news, neighboring Curacao's government in recent days ended PDVSA's contract to operate its 335,000-barrel-per-day Isla refinery, which expired on Dec. 31, despite an earlier agreement to extend the contract by a year, according to Reuters. Prime Minister Eugene Rhuggenaath said PDVSA had not agreed to proposals that it continue to operate the refinery for three to six months, rather than one year. "There will be no transition with PDVSA," Rhuggenaath told reporters Sunday. "We have not received a reasonable proposal from PDVSA." The Dutch Caribbean island's state-run Refineria di Korsou (RdK) on Dec. 22 said it had selected Switzerland-based Klesch Group to begin operating the refinery in the second guarter of 2020, the Curacao Chronicle reported.

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the support of many Brazilians, fed up with unbridled violence. Despite revelations of Sérgio Moro's questionable tactics against corruption, the country's most admired graft fighter and now a senior government minister is today Brazil's most popular political figure. Many Brazilians oppose Bolsonaro for his extreme, confrontational agenda on ideological and cultural issues, but these have attracted the loyalty of most of Brazil's evangelicals, some 30 percent of all Brazilians. Bolsonaro's denial of climate change and indifference to Amazon deforestation have provoked particularly harsh criticism, much of it from abroad. But neither the environment nor foreign policy are priority concerns for Brazilians. And Bolsonaro has managed to maintain solid economic ties with his two largest commercial partners, China and the United States, although relations with several other key partners are more problematic. Municipal elections this fall will offer a good measure of Bolsonaro's standing nationally, and they will begin to reveal the breadth of Lula's political influence. That polls show Lula (who cannot run for office) as the only serious challenge to Bolsonaro indicates the frailty of the president's opposition. Despite his many critics and detractors and a record of poor judgment and offensive, uninformed statements, Bolsonaro today stands as a strong contender for re-election in 2022, with his prospects mainly tied to the ups and downs of the economy."

Nerea R. García, political scientist and a member of the Public Opinion, Political Marketing and Electoral Behavior group at the Federal University of Minas Gerais:

"President Jair Bolsonaro's first year in office was marked by a slow economic recovery and numerous controversies. Bolsonaro is characterized by not being conciliatory, preferring to dialogue only with his electoral base. So it is not surprising that his approval ratings have been the lowest for any modern president during his first year, with only 30 percent approval. Among his supporters, 58 percent are satisfied, with 31 percent describing his government as average, and 10 percent as negative. However, stronger economic growth seems to have stemmed the decline in popularity that Bolsonaro had been experiencing, with his disapproval rating holding at about 36 percent in December. Economic indicators show small advances

President Jair Bolsonaro's first year in office was marked by a slow economic recovery and numerous controversies."

– Nerea R. García

after the approval of the pension reform. The Brazilian Institute of Geography and Statistics (IGBE) released data showing that the economy has grown 0.6 percent. This has had an impact on citizens' perceptions. They are a little more confident in an economic recovery than they had been in previous months. Maintaining economic growth and reducing unemployment and public debt will be the government's main economic challenges. Another important challenge for Bolsonaro will be governing a country that is characterized by coalition-presidentialism. That is, the president needs Congress' support to pass his agenda. However, the president's aggressive style, laid bare in his recent exit from the PSL party, means that his relationship with Congress will be a key challenge for the rest of his term."

> Jorge Zaverucha, professor of political science at the Federal University of Pernambuco in Brazil: "Analyzing the Bolson-

aro government's 12 months in office is no easy task. As Popper said, it depends on where the spotlight is placed. In short, the government is made up of two sides of the **Continued on page 4**

FEATURED Q&A / Continued from page 3

same coin. There is a virtuous side and a dark side. The government ended the year with economic results superior to those of preceding governments. Interest rates are at their lowest level ever, inflation continues to fall, and job creation has improved. The minister of infrastructure is, probably, the best in the government. Roads have been paved. Airports and railways have been built. The government, with the support of Congress, approved the social security reform and the economic freedom act. To date, Bolsonaro has not been charged with corruption. Even so, however, he ended the year with declining popularity. The president has made a series of insulting and inconsistent statements. It seems that he feels good when dealing with conflict situations-so much that, if none exist, he creates them. Bolsonaro has appointed several military personnel to his ministries and to other government positions. The move has had the support of the population, which is angered by corruption and the collusion of political parties. The president declared that the armed forces are the anchor of his government. So anyone who wants him out of power must defeat first the men in uniform. Yet there are still social scientists and journalists who write that Brazilian democracy remains consolidated."

Fábio Kerche, professor at UNIRIO and IESP-UERJ in Rio de Janeiro: "Corruption scandals surround Bolsonaro's family, as do allegations related to the murder of a leftwing Rio de Janeiro city councilwoman. The economy has not recovered significantly, and the lives of the poorest have not improved. The president's statements are offensive and politically incorrect. On the international scene, Brazil's image is especially eroded by the government's neglect of the Amazon. Bolsonaro attacks the press and journalists, who tend to criticize his government but not its ultra-conservative economic policy. Congress has never turned down as many initiatives by a president as in this government. Bolsonaro has left his party, and his congressional support is fluid and unpredictable. Reforms that cut rights and promise improvements in public fiscal accounts

The economy has not recovered significantly, and the lives of the poorest have not improved."

– Fábio Kerche

have been passed, but not with Bolsonaro's leadership and in spite of his government. Rodrigo Maia, the president of the Chamber of Deputies, has assumed the unplanned role of prime minister in a kind of informal parliamentarism. In this scenario of destruction, Bolsonaro incredibly still holds the support of his most fanatical followers and the economic elite. If the government has so far been a disaster, the future is uncertain. On the one hand, the idea of impeachment has begun to appear in public debate, and former President Luiz Inácio Lula da Silva, now out of jail, has tried to organize an opposition that is not quite sure what to do with the buffoon-president. On the other hand, analysts see Bolsonaro as able to win re-election, especially if he runs with his minister of justice and Lula's persecutor, Sérgio Moro, as vice president, and if the economy grows more than in recent years. In this confusing scenario that escapes political science textbooks, next year's municipal elections may point more clearly to what the future holds for Bolsonaro and his government."

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

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