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FEATURED Q&A

Will Guatemala's Stalemate Over CICIG Continue?



Iván Velásquez, the head of the U.N.-backed International Commission Against Impunity in Guatemala (CICIG), was banned from re-entering the country by its president, who is defying a court order to re-admit him. // File Photo: U.S. State Department.

Q Thousands of Guatemalans have taken to the streets in recent days to protest President Jimmy Morales' decision not to renew the mandate of the International Commission Against Impunity in Guatemala, or CICIG, and to bar the U.N.-backed anti-corruption panel's leader, Iván Velásquez, from returning to Guatemala. The situation has intensified as Morales has defied an order from Guatemala's Constitutional Court that Velásquez be allowed to return. Will Guatemala's political situation worsen? Has Morales made the moves to neutralize a commission that has investigated him, or has the panel overstepped its bounds? Is Morales' government more threatened by CICIG's investigations or by the popular backlash against his government's moves against it?

A Mario Polanco, director of Grupo de Apoyo Mútuo in Guatemala City: "The political crisis that Guatemala is currently going through was brought on by Jimmy Morales, who aims to weaken CICIG to thwart an investigation into his alleged involvement in illicit campaign financing when he was a presidential candidate. He may be ill-advised or perhaps acting on impulse. It must be noted that he has gained sympathy among people and sectors that encourage impunity, especially since his maneuvers have been gradual, with several days in between announcements of new measures that weaken justice, thus avoiding a generalized social backlash. The actions of the president and those who surround him have gone beyond trying to expel CICIG and are aimed at weakening the country's institutions and encouraging a series of initiatives that could roll back decades of demo-

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Peru's Congress Renews Confidence in Cabinet

Peru's Congress renewed its confidence in President Martín Vizcarra's cabinet, averting a political crisis that would have led to new legislative elections.

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ECONOMIC

Argentina's Economy Shrinks 4.2 Percent in Q2

The country's worst drought in 40 years slashed agricultural output, particularly corn and soybean production, two of the country's chief exports.

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POLITICAL

Colombia's Coca Cultivation at All-Time High

The amount of land under coca cultivation in Colombia grew 17 percent last year to its highest level ever. President Iván Duque has said he wants to slash the amount of coca plantings during his term.

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Duque // File Photo: Colombian Government.

POLITICAL NEWS

Colombia's Coca Plantings at All-Time High: United Nations

Colombia's amount of land under cultivation of coca, the main ingredient of cocaine, increased to its highest level ever last year, the United Nations Office on Drugs and Crime said in a report released Wednesday. According to the report, 171,000 hectares of land were under coca cultivation in the South American country in 2017, a 17 percent increase as compared to 2016. Colombia's total production of cocaine has a value of \$2.7 billion, according to the Coca Cultivation Survey Report. "There are concerns that this capital, derived from the drug economy, could undermine peacebuilding efforts, weaken the culture of lawfulness, strengthen armed groups and delegitimize democratic institutions through corruption and illicit financial flows," the U.N. office said in releasing the study. The departments of Antioquia, Putumayo, Norte de Santander and Cauca showed the largest increase in coca crop cultivation, the report said. At the same time, the greatest reduction in the amount of land under coca cultivation occurred in Guaviare Department, where the figure dropped last year by 1,915 hectares as compared to the previous year. The survey also concluded that 80 percent of Colombia's coca is being grown in the same areas as it has been for the past decade. Additionally, 33 percent of the area under coca cultivation in Colombia is located more than 10 kilometers away from populated areas, 16 percent is less than 10 kilometers away from a border and crops are currently producing 33 percent more coca leaf than they were in 2012. The amount of cocaine seized in Colombia last year increased by 20 percent, while the prices of fresh coca leaf, paste and cocaine hydrochloride declined by 28 percent, 14 percent and 11 percent, respectively, the report said. The cultivation is increasing despite the peace deal that former President Juan Manuel Santos' government signed with the Revolutionary Armed Forces of Colombia,

or FARC, rebels in November 2016. The peace deal included provisions intended to help poor farmers switch from growing coca to other crops, such as coffee and cacao. However, other armed groups, including dissident leftist rebels and right-wing militias, have pressured farmers to continue growing coca, The Guardian reported. Current Colombian President Iván Duque said last week that he wants to reduce coca cultivation by 140,000 hectares during his four-year term. "It is not easy, but that is the goal that we want to set," he said.

Peru's Congress Renews Confidence in Vizcarra's Cabinet

Peru's Congress on Wednesday voted to renew its confidence in President Martín Vizcarra's cabinet, averting the ouster of his government ministers and new legislative elections, El Comercio reported. The 82-22 vote marked a victory for Vizcarra over the opposition Popular Force party and commits lawmakers to putting a referendum Vizcarra is pushing on anti-corruption measures before voters, the Associated Press reported. A public vote on the measures, which would require changing the country's Constitution, would be scheduled for December. Vizcarra is pushing the anti-graft measures following corruption scandals in recent years. He took office in March after his predecessor, Pedro Pablo Kuczynski, resigned amid corruption allegations.

ECONOMIC NEWS

Argentina's Economy Shrinks 4.2% in Second Quarter

Argentina's economy shrank by 4.2 percent in the second quarter, as compared to the same period last year, as the country's worst drought in 40 years slashed agricultural production, according to data released Wednesday by Ar-

NEWS BRIEFS

United Nations to Send Assistant to Guatemala as Velásquez Still Banned

The United Nations said Wednesday that it will send an assistant director to Guatemala to lead its anti-corruption mission as the panel's director remains banned from re-entering the country, Reuters reported. President Jimmy Morales is defying an order from the country's Constitutional Court to readmit Iván Velásquez, the head of the International Commission Against Impunity in Guatemala, or CICIG.

Poll Shows Growing Lead for Brazil's Bolsonaro

A new Datafolha poll released Thursday shows far-right presidential candidate Jair Bolsonaro with a growing lead ahead of Brazil's Oct. 7 election with 28 percent support, up two percentage points from last week's survey, Folha de S.Paulo reported. Workers' Party's candidate Fernando Haddad came in second with 16 percent of support, a three-percentage point jump, but he is statistically tied with center-left candidate Ciro Gomes, who remains at 13 percent.

Demonstrators Protest Celebrity Chef Following Maduro's Lavish Meal

Protesters gathered Wednesday outside Turkish chef Nusret Gökçe's restaurant in Miami after he hosted Venezuelan President Nicolás Maduro at his Istanbul location earlier this week, the Miami Herald reported. Gökçe, whose viral videos on the Internet have made him known as "Salt Bae," posted a video of Maduro enjoying a bountiful meal and puffing on a cigar on social media. About 100 protesters in Miami yelled chants including "ignorant chef, you support a fraud!" Reports say roughly one-third of Venezuelans go without food at least once a day, the newspaper reported.

gentine statistics agency Indec. The economy contracted by 4 percent as compared to the previous quarter. The figure marked the sharpest fall in the second quarter since 2012, and it's in line with the country's gross domestic product during the fourth quarter of 2015 when President Mauricio Macri came into office, La Nación reported. The severe drought earlier this year hit soybean and corn production, both key exports, shriveling economic growth even before a selloff of the peso in May sparked a currency crisis that prompted Macri to request a \$50 billion standby loan from the International Monetary Fund. The weaker peso also drove up inflation, increasing prices and in turn hitting domestic demand. Macri's government has said it expects GDP to drop 2.4 percent this year as the country struggles with a fiscal crisis that has forced it to cut spending, The Wall Street Journal reported. The president asked the IMF this month for early disbursements of the standby loan to help control the fiscal problems. [Editor's Note: See related Q&A in the Sept. 12 issue of the Advisor.]

BUSINESS NEWS

Telecom Italia Eyeing Bid for Nextel Telecomunicações

Telecom Italia's unit in Brazil may bid for Nextel Telecomunicações, according to people familiar with the matter, Bloomberg News reported Wednesday. Telecom Italia's chief executive, Amos Genish, reportedly may bring up the proposal at the company's next board meeting Sept. 24, the people said, who asked to remain anonymous due to the private nature of the information. Brazil made up 23 percent of Telecom Italia's total revenue last year. The move would boost Telecom Italia's market share and presence in Brazilian cities, the sources added. Nextel Telecomunicações is Brazil's fifth-largest wireless carrier. The carrier's Brazil unit, which is majority-owned by NII Holdings, closed this year's second quarter with 3.1 million subscribers.

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cratic advancement, including the possible dismissal of the ombudsman and judges in the constitutional court and the electoral tribunal. The population has taken to the streets, demonstrating their discontent, but—apart from a march organized for Sept. 20—at present there are no other acts of rejection planned, which heightens the fear that democratic regression will occur.”

A **Donald J. Planty, senior advisor to Albright Stonebridge Group in Washington and former U.S. ambassador to Guatemala:**

“There are obviously groups in Guatemala that would like to see the Morales government fail. While the internal situation is complicated, and Morales is not a good communicator, it is unlikely that the government will collapse. While CICIG has

“ **Guatemalans are quick to point out that Jimmy Morales was duly elected in a free and fair democratic process on a non-corruption platform...**

— Donald J. Planty

opened an investigation of Morales related to illegal campaign contributions, Morales' moves against CICIG are not fueled by this investigation but rather by an outcry from Guatemalan political, economic and social leaders against what is seen as CICIG's high-handed tactics and its tendency to assume a supra-national role that trumps Guatemalan sovereignty. CICIG's arrest and imprisonment of a Russian émigré family (the Bitkovs) and the seizure of their children is an example that has enraged Guatemalans. Guatemalans are quick to point out that Jimmy Morales was duly elected in a free and fair democratic process on a non-corruption platform and, despite his lack of political ex-

perience and governing acumen, has sworn to defend Guatemala's democratic constitution. CICIG's mandate in Guatemala was twofold: to dismantle illegal security groups and clandestine security organizations and to reform Guatemala's rule of law institutions. Unfortunately, CICIG in its current manifestation has strayed from this mandate and has improved rule of law institutions only on the margins, especially in the police and the public prosecutor's office. CICIG's actions have produced a backlash among powerful segments of the Guatemalan population, and Morales is responding to the attendant political pressure.”

A **Adriana Beltrán, director for citizen security at the Washington Office on Latin America:**

“Since its inception, CICIG has assisted in the prosecution of more than 680 individuals including former presidents, senior government officials, influential elites and traffickers. The commission's work, particularly under Iván Velásquez's leadership, has exposed criminal and corrupt networks that have co-opted the Guatemalan state. Thanks in large part to CICIG, Guatemala's impunity rate for homicides decreased almost 10 percent in less than 10 years. Homicides themselves have also declined. Due to these unprecedented results, CICIG is praised internationally as one of the most effective anti-corruption mechanisms and has the support of 70 percent of Guatemalans. However, its effectiveness has also sparked intensifying attacks and mounting pressure from powerful sectors, seeking to avoid justice. Over the last two years, President Morales and his allies have tried to undermine the commission through lobbying efforts, smear campaigns, legislation aimed at limiting anti-corruption work and a failed attempt to declare the commissioner persona non grata, among other actions. President Morales' most recent move to end CICIG's mandate, declare the commissioner a ‘threat to public order,’ and bar his re-entry into the

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country, is an attempt to obstruct justice and avoid accountability for himself, his family and his allies in the face of ongoing investigations. More troublesome, Morales' refusal to comply with the Constitutional Court ruling that reversed his decision to bar Velásquez from the country and ordered the government to solve disputes through negotiations with the United Nations, would constitute a serious constitutional breach. Fallout from this action threatens regional security and democracy in Guatemala."

A Helen Mack, founder and executive director of the Myrna Mack Foundation: "Morales' decision may have a negative effect on the country's political situation. The decision derails possibilities for a change in course that would allow for an improvement in the country's development. Although CICIG is not a universal panacea for all of Guatemala's ills, the agency constitutes a beacon

“The threat of prosecution and the possibility of imprisonment are the real reasons behind Morales' decisions.”

— Helen Mack

of hope in the fight against corruption and impunity that prevails in the very structure of the state. The president's decisions have aroused suspicion, given that Morales had advocated the fight against corruption at the beginning of his term, and in fact supported CICIG's work. After pretrial motions were filed against him and after accusations against members of his family, Morales' position seems to have turned 180 degrees. The threat of persecution and the possibility of imprisonment are the real reasons behind Morales' decisions. Other measures bear a dangerous resemblance to actions that have

been observed in other countries such as in Venezuela and Nicaragua. However, the public is making its rejection heard through popular movements."

A Michael E. Allison, professor and chair of the Department of Political Science at the University of Scranton: "CICIG has established itself as an indispensable instrument in the fight against corruption and impunity in Guatemala. Hundreds of individuals, including several members of the political and economic elite, are awaiting trial or have already been convicted on various corruption charges. Those currently under investigation include President Jimmy Morales and members of his family and political party. As a result, Morales and his allies have launched an all-out assault on CICIG. There is no reason to believe that Morales' actions have been made in the best interests of the Guatemalan people. After Morales declared CICIG Commissioner Iván Velásquez persona non grata and expelled him from the country in 2017, the Constitutional Court (CC) ruled the order unconstitutional. Officials in favor of CICIG, including the police chief, security minister and chief tax inspector have been unceremoniously removed from their positions. CICIG support personnel have been reassigned. After accusing CICIG of intimidating and terrorizing the Guatemalan people, Morales announced that CICIG's mandate would not be renewed and that its resources should be transferred to local authorities. He made his outrageous allegations surrounded by dozens of police and military officials, moments after U.S.-supplied military jeeps took up positions outside CICIG's offices. Morales has refused to allow Velásquez to re-enter the country for 'reasons of order and public security,' in violation of the CC's recent ruling. Morales' attacks against CICIG and the rule of law are likely to escalate as he seems intent on risking all that Guatemala has recently gained in order to save himself."

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