

LATIN AMERICA ADVISOR

A DAILY PUBLICATION OF THE DIALOGUE

www.thedialogue.org

Wednesday, April 13, 2022

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FEATURED Q&A

How Much Does Sunday's Vote Strengthen AMLO?



On Sunday, Mexican President Andrés Manuel López Obrador handily won a referendum on his presidency, but few Mexicans voted. // File Photo: Mexican Government.

Q More than 90 percent of Mexicans who cast ballots on Sunday voted to allow President Andrés Manuel López Obrador finish his term in a recall election pushed by the president himself. However, less than 18 percent of the electorate participated in the vote, which a majority of respondents in a recent poll said was unnecessary. What is the significance of the results and turnout from Sunday's vote? How much do the results strengthen López Obrador, and in what ways will he seek to capitalize on the vote? What does the outcome say about Mexicans' support of López Obrador and his agenda?

A Pamela Starr and Juan Casillas, senior advisors at Monarch Global Strategies: "Sunday's referendum was far from the significant victory AMLO and his party, Morena, desired. Although the pro-AMLO vote was overwhelming as expected—topping 90 percent—the truly relevant figure was the less than 18 percent turnout despite Morena having brazenly exceeded legal campaign limits. The result suggests that much of the support AMLO has repeatedly demonstrated in national polls is softer than he would hope, and the capacity of Morena's get-out-the-vote efforts is weaker than needed to ensure a 2024 victory for AMLO's chosen successor. Many Morena governors' get-out-the-vote efforts fell short, including those of Mexico City Mayor Claudia Sheinbaum, who many see as AMLO's heir apparent. They blamed the shortfall on the National Electoral Institute (INE), which set up a third as many voting booths as in the 2018 presidential election

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TODAY'S NEWS

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Salvadoran Police Officers Face Arrest Quotas: Union

Some commanders of El Salvador's National Civilian Police are pressuring officers to meet arrest quotas amid the government's crackdown on gangs, a police union official said.

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Peru's Congress Waives Taxes on Some Food Items

Peruvian lawmakers approved legislation waiving taxes on some essential food items such as bread and chicken in order to lessen the impact of rising prices.

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Drug Trafficking the 'Greatest Enemy' to Peace: Colombia's Duque

Drug trafficking is the "greatest enemy" to achieving peace, outgoing Colombian President Iván Duque told the U.N. Security Council on Tuesday.

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Duque // Photo: United Nations.

POLITICAL NEWS

Salvadoran Police Officers Face Arrest Quotas: Union

Some commanders of El Salvador's National Civilian Police are pressuring their officers to meet daily arrest quotas amid the government's crackdown on gangs, a police union said Tuesday, the Associated Press reported. Commanders are instructing officers to make "false statements" against people who are arrested but are unconnected to gangs, and some officers have been threatened with transfers if they fail to follow those orders, said Marvin Reyes, a representative of the Salvadoran Police Workers Union, the wire service reported. In the remote town of Cinquera in central El Salvador, police were told to make 30 arrests, said Reyes. "They're doing it, knowing perfectly well that there are no gangs in Cinquera," said Reyes. He added that the union has filed formal complaints in an effort to halt the "irregularities." Reyes' accusations followed the declaration of a state of emergency that Salvadoran President Nayib Bukele requested and received from the country's Legislative Assembly that allows police officers to arrest people without providing a reason, hold suspects for 15 days without charges and refuse to provide access to a lawyer. Since their approval March 27 of the 30-day state of emergency, lawmakers have passed other measures, including tougher prison sentences, the AP reported. Bukele tweeted today that authorities have made more than 10,000 arrests in the past 18 days. The crackdown has followed a surge in killings and other violent crime in the Central American country. "The rise of violence in El Salvador must be addressed, and reducing homicides is essential for improving security, but Bukele's methods are insufficient," Leonor Arteaga, program director at the Due Process of Law Foundation, told the Advisor in a **Q&A** published Tuesday. "Many experts highlight that exclusively relying on homicide statistics as security indicators does not address the underlying issue of gangs' stronghold," she

said. Arteaga added that hundreds of people have "sought information about detained loved ones, with little luck."

ECONOMIC NEWS

Peru's Congress Waives Taxes on Essential Food Items

Peru's Congress on Tuesday approved legislation backed by President Pedro Castillo that waives taxes on foods deemed to be essential in an effort to lessen the sting of rising prices, Reuters reported. The tax exemption will last eight months, and its estimated cost in lost revenue is approximately 3.8 billion soles (\$1 billion). The list of foods that will be exempt



Castillo // File Photo: Peruvian Government.

includes bread, sugar, pasta and chicken, a pared down listing following objections by Castillo's administration that lawmakers were attempting to exempt food items that were not essential, the wire service reported. The legislation comes a week after Peruvian Finance Minister Oscar Graham announced food and fuel tax cuts following intensifying farmer and trucker protests, Bloomberg News reported. Former Finance Minister Pedro Francke told the Advisor in a **Q&A** published Monday that the "demand for a response to economic pain caused by inflation is at the forefront," adding that this has been exacerbated by "the pandemic that impoverished many families." Francke added, "The late, clumsy and erratic response of the Castillo government to the recent wave of protests has greatly weakened its legitimacy." Peru's central bank does not

NEWS BRIEFS

Drug Trafficking the 'Greatest Enemy' to Peace: Colombia's Duque

Drug trafficking is the "greatest enemy" to achieving peace in Colombia, outgoing President Iván Duque told the U.N. Security Council on Tuesday, the Associated Press reported. Duque also touted his administration's efforts at reintegrating former rebels into society. More than 8,600 former rebels are now involved in productive activities, he said.

Lula Vows to Reverse Measures Affecting Indigenous Brazilians

Former Brazilian President Luiz Inácio Lula da Silva, the front-runner ahead of the country's October presidential election, pledged on Tuesday to revoke current President Jair Bolsonaro's decisions affecting Indigenous people if he wins the presidency, the Associated Press reported. During a gathering with 7,000 Indigenous groups in Brasília, Lula promised to name an Indigenous person as minister for Indigenous affairs, and that he would revoke government decisions that promote mining on Indigenous lands.

Sweden's Maha Energy Still Interested in Brazil Oil Field Stake

Stockholm-based Maha Energy is still interested in buying Brazilian state-owned oil company Petrobras' stake in the Tartaruga oil field, situated in northeastern Brazil, following a failed first attempt to buy the asset, Reuters reported, citing a Tuesday email from Victoria Berg, Maha's investor relations officer. Maha already controls 75 percent of the Tartaruga field, and Petrobras announced in 2020 that it was seeking to sell its 25 percent stake in the project. Earlier this week, talks between Maha and Petrobras failed because of "financial/contractual" reasons, according to Berg's email.

expect annual inflation to return to its target range of between 1 and 3 percent until early 2023, Reuters reported.

BUSINESS NEWS

Citgo Ousts Giusti Lugo as Chair After Less Than a Year

U.S. oil refiner Citgo Petroleum has ousted its chairman, Luis Giusti Lugo, after less than a year in the position, Bloomberg News reported Monday. "Citgo Holding's board unanimously agreed two weeks ago to ask for his resignation," said Horacio Medina, chief of the ad-hoc

Giusti Lugo had been appointed chairman of the oil refiner last year.

board, Reuters reported. Citgo used to be the property of Venezuela's state-run oil company, PDVSA, but it has been under the control of Venezuela's opposition for three years. Giusti Lugo, a 24-year veteran of the oil industry and son of a former PDVSA president, was formally dismissed last Friday. He was appointed chairman of the oil refiner last year, according to Bloomberg News. Giusti Lugo's dismissal comes as Citgo struggles with lawsuits seeking its sale to pay down debts. The oil refiner has seen several board reshuffles since 2019, when the Venezuelan opposition took over the Houston-based company following escalating U.S. sanctions against the regime of Venezuelan President Nicolás Maduro, Bloomberg News reported. Citgo's changing hands that year sparked a legal battle with creditors, including Crystalex International, which sought compensation for a gold mine that Venezuela's socialist government seized a decade ago. The U.S. government has been shielding Citgo from creditors by banning transactions of a key bond that's backed by Citgo's shares.

Nationality Won't Decide Citibanamex Sale: Executive

Nationality will not be the factor that determines who purchases Citibanamex, Citigroup's Mexico unit, a bank executive told *El Financiero* in an interview published Tuesday. Mexican President Andrés Manuel López Obrador has said Citibanamex should be sold to a Mexican buyer, such as Banco Azteca's Ricardo Salinas or Banorte's Carlos Hank González, Reuters

reported. Banco Azteca and Banorte have demonstrated interest in acquiring Citibanamex, as has Spain's Santander, Bloomberg Línea reported. Paco Ybarra, the chief executive of Citi's institutional clients group, told *El Financiero* that "It's completely reasonable that the government has a vision of who is the best manager for one of the country's largest financial entities." He added that while nationality is a factor in the decision process, it is "not something that we consider to be decisive, and it is open to as many options as possible," Reuters reported. Citibanamex could sell for \$4 billion to \$8 billion, analysts estimate.

SUBSCRIBER NOTICE

Merike Blofield Joins the Latin America Advisor's Board

We are pleased to announce that [Merike Blofield](#) has joined the Latin America Advisor's board of advisors.

Blofield is director of the Institute for Latin American Studies at the German Institute for Global and Area Studies (GIGA), and professor of political science at the University of Hamburg. She has published widely on policy areas that intersect social, labor, health, gender and family policy, with a focus on Latin America. Aside from two monographs and edited volumes, her publications include articles in Comparative Politics, Lancet Global Health, Social Politics, Latin American Research Review and Current Sociology.



Blofield // Photo: merikeblofield.com.

Before Hamburg, she was professor of political science and director of gender and sexuality studies at the University of Miami, where she received the 2019 May Brunson Award for doing the most to improve the status of women.

She is currently working on three collaborative, inter-disciplinary research projects: first, on the politics of social protections; second, she is conducting survey research on public opinion toward social protection; and third, measuring policy efforts on domestic violence in Latin America. Blofield also engages extensively with multilateral organizations, policy officials and advocates to promote evidence-based and equitable policies.

RELATED RESOURCES:

[What Will Reverse the Rise in Gender-Based Violence?](#)

[Policy expansion in compressed time: Assessing the speed, breadth and sufficiency of post-COVID-19 social protection measures in 10 Latin American countries](#)

FEATURED Q&A / Continued from page 1

due to insufficient funds appropriated by the Morena-dominated Congress. Nevertheless, AMLO and Morena are using the low turnout to discredit the INE, accusing it of being controlled by the 'mafia del poder' and thus incapable of overseeing fair elections. Polls showing 64 percent support for INE among Mexicans, however, will complicate any effort to emasculate Mexico's electoral referee. While AMLO touts the referendum results as proof of popular support for his 'Fourth Transformation' government, he must realize the foundation of that support is shaky. This will lead to more polarizing rhetoric and a dismissive attitude toward campaign limitations in the weeks and months ahead. Nevertheless, AMLO benefits from a weak, discredited and disorganized opposition such that his soft popular support may not matter."

A **Lila Abed, deputy director of the Mexico Institute at the Wilson Center:** "President Andrés Manuel López Obrador received nearly 92 percent of the 16 million votes cast to complete his six-year term. The governing party, Morena, celebrated the outcome as a triumph. Yet, the result fell short of the 40 percent threshold required for the recall to be binding. AMLO delivered on his 2018 campaign promise to hold a recall election. He used it as a political tool to show his opponents that despite their criticism, he retains overwhelming support. AMLO's objective was not necessarily to reach the threshold, but rather to shore up support for himself and his political party, and to show the power of his electoral base prior to the 2024 presidential election. However, his vote totals have decreased from 30 million to win the presidency to only about half that total now. The opposition argued that the referendum was pure political theater to attack yet another democratic institution, the National Electoral Institute (INE), and to distract from serious problems. AMLO has touted 'republican austerity' while his oppo-

nents criticized the \$77 million cost of the referendum. The INE warned that it was less than half the amount needed to effectively hold the recall and cautioned that AMLO could blame the electoral authority for a low turnout. While Morena and the president argued that the recall strengthens direct democracy, a dangerous precedent has been set for future elections that could pose a threat to the peaceful transfer of power. The fact that the recall was not called by the people but by the president showcases how popular leaders can quickly concentrate power. AMLO will likely use the momentum to push his proposed constitutional reforms through Congress."

A **Charles Seville, senior director of Americas sovereigns at Fitch Ratings:** "The result of this exercise was never in doubt. Ninety-one percent of voters backed the president to stay in office, albeit on a low turnout of only 17.8 percent—the opposition had told supporters to stay away, and the INE opened fewer polling places than for a typical election. The president remains one of the most popular leaders in the hemisphere. The recall vote gave Morena an opportunity to test its messaging and its ability to mobilize voters, and it was a way of boosting the president's political capital midway through a six-year term. With this result, the president can appeal directly to public opinion to get backing for his policies, including the electricity reform, which looks unlikely to pass Congress in its current form and has been held up by the courts. The president's accusations of bias against the electoral authority, the INE, during the process are somewhat concerning. Mexico's governance levels are weaker than those of most investment-grade sovereigns."

[Editor's note: The Advisor requested a commentary for this issue from Mexico's embassy in Washington but received no response.]

LATIN AMERICA ADVISOR
is published every business day by the
Inter-American Dialogue ISSN 2163-7962

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Latin America Advisor is published every business day, except for major U.S. holidays, by the Inter-American Dialogue at 1155 15th Street NW, Suite 800 Washington, DC 20005

www.thedialogue.org

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