FEATURED Q&A

Has Venezuela’s Maduro Defeated the Opposition?

Venezuelan President Nicolás Maduro this month reached the midpoint of his term, meaning that his vice president would take over if he is removed from power. // File Photo: Venezuelan Government.

Q The Venezuelan political opposition on Jan. 10 officially ran out of time to hold a recall referendum against President Nicolás Maduro before the midpoint of his presidency, meaning any vote to recall him, held from now until the end of his term, will only result in Maduro's hand-picked vice president taking power. What does this mean for Venezuela’s opposition Democratic Unity Roundtable, or MUD, coalition moving forward? What strategies might they attempt in order to diminish Maduro’s power? What is the outlook for Venezuela’s political climate in the year ahead? What significance do the recent arrests of legislator Gilber Caro and other critics of Maduro’s government have for the opposition?

A David Smilde, professor of sociology at Tulane University and Senior Fellow at the Washington Office on Latin America: “The MUD deserves credit for pushing for a recall referendum in 2016, despite the series of ludicrous obstacles put in their path by the National Electoral Council. While the referendum push ‘failed,’ it obliged the government to inelegantly postpone it, thereby exposing to the world the Maduro administration’s lack of commitment to electoral democracy. The MUD’s weaknesses were also on display last year. The aspirations of three or four leaders of the opposition, all with approximately the same amount of support, led to a lack of coherence and strategy. This was evident in their inability to capitalize upon the massive marches of Sept. 1 and Oct. 23, and their stumble into dialogue with the government in November and December. This year, conditions are such that a unified leadership and clear strategy would be unstoppable. The

Continued on page 3
Presiding Justice in Petrobras Case Killed in Plane Crash

The Brazilian Supreme Court justice who was presiding over the massive corruption case at state oil company Petrobras was killed Thursday when the small plane that was carrying him crashed into the Atlantic Ocean near Rio de Janeiro. The death of Teori Zavascki, 68, left politicians and the country’s justice system scrambling to understand what effect it would have on the case. Zavascki was on vacation, traveling to the coastal resort town of Paraty when the Hawker Beechcraft turboprop plane plunged into the ocean as heavy rain was falling just before 2:30 p.m. local time, The Wall Street Journal reported, citing the Brazilian Air Force. A witness to the crash, Lauro Koehler, who was on a nearby boat when the plane went down, told television station GloboNews that visibility at the time was near zero due to the rain and that he saw the aircraft bank sharply before the tip of the right wing clipped the water and the plane’s nose plunged into the ocean “with an incredible blow,” Reuters reported. Federal prosecutors, police and aviation authorities said they would immediately open an investigation of the crash. At least two others were also killed in the crash. Luxury hotel chain Emiliano, which owns the aircraft’s license, confirmed the deaths of the pilot, Osmar Rodrigues and Carlos Alberto Fernandes Filgueiras, the hotel chain’s owner. Zavascki’s son, Francisco Prehn Zavascki, confirmed his father’s death in a posting on his Facebook page. In a statement, Sergio Moro, the lower court judge who had overseen most of the ar-

Without him, there would never have been Operation Car Wash.”
— Sérgio Moro

ests in the Petrobras case, also known as the “Car Wash” investigation, was among those offering condolences. “Teori Zavascki was a great judge and a Brazilian hero,” said Moro, The Wall Street Journal reported. “Without him, there would never have been Operation Car Wash.” In a televised address, Brazilian President Michel Temer declared three days of national mourning. “Teori was a good man and a source of pride for Brazilians,” said Temer. Petrobras’ chief executive officer, Pedro Parente, who said he was “deeply saddened” by the death of the justice, who he said had handled the graft case “in a serious, firm and fair manner.” He added, “This is a great loss for justice and for Brazil.” Zavascki’s death came as he was preparing to review testimony from 77 Odebrecht employees and executives in relation to a leniency deal that the construction conglomerate signed last month with authorities in Brazil, the United States and Switzerland. The testimony, which the Supreme Court has not yet formally accepted, is expected to implicate more than 100 politicians in the scandal, including members of Temer’s administration, The Wall Street Journal reported, citing sources close to Odebrecht.

Mexico’s ‘El Chapo’ Extradited to U.S.

Joaquín “El Chapo” Guzmán, Mexico’s most notorious drug cartel leader, was extradited Thursday to the United States, where he is to be arraigned this morning in federal court in Brooklyn, CBS News and the Associated Press reported. Guzmán, who twice escaped from prison in Mexico and spent years on the run, was flown from Ciudad Juárez to Long Island MacArthur Airport in Ronkonkoma, N.Y. and arrived Thursday night after a four-hour flight. He was accompanied by agents of the U.S. Drug Enforcement Administration, medics and mechanics, CBS News reported. New York is among several jurisdictions in the United States where Guzmán faces charges. Most recently, the U.S. Department of Justice indicted Guzmán in Brooklyn on a new set of 16 drug-related charges last May. He faces several U.S. charges, including drug trafficking,

NEWS BRIEFS

Trump Taking Office Today as U.S. President

Republican Donald Trump, who made tough talk about immigration and U.S.-Mexico relations a centerpiece of his campaign, takes office today as the 45th president of the United States. Trump is to take the oath of office at a noon ceremony at the U.S. Capitol, in the presence of dignitaries including outgoing President Barack Obama. Tens of thousands of protesters are expected in Washington today and tomorrow. Trump is taking office as the least popular U.S. president in 40 years, according to a Washington Post/ABC News poll.

Chile’s Central Bank Cuts Benchmark Interest Rate

Chile’s central bank cut its overnight rate for the first time since 2014, as economic growth lagged and the inflation rate fell to its lowest level in three years, Bloomberg News reported Thursday. The central bank lowered its benchmark rate by a quarter-point to 3.25 percent. Economic activity declined in the fourth quarter, falling on an annual basis in October for the first time in the last seven years. Consumer prices rose 2.7 percent in December year-over-year, which was the smallest increase since November 2013 and lower than the 3 percent target for a third month in a row.

Argentina Approves $25 Mn Purchase of Upgraded Helicopters

The Argentine Ministry of Security approved a $25.47 million purchase from Airbus Helicopters to upgrade three AS365N2 helicopters that are operated by Argentina’s coast guard, IHS Jane’s 360 reported today. The purchase will upgrade the three helicopters to the AS365N3+ model, which includes an overhaul of the airframe, new engines, new four-axis automatic pilot and an improved all-weather day/night digital electronics suite.
money laundering and homicide. “The Justice Department extends its gratitude to the Government of Mexico for their extensive cooperation and assistance in securing the extradition of Guzmán Loera to the United States,” the Department of Justice said in a statement.

Guzmán’s extradition came a day before U.S. President Barack Obama leaves office and happened as the cartel boss’ lawyers were still fighting his extradition. He was extradited a day before Donald Trump was to be sworn into office as U.S. president as a “goodwill gesture,” to the outgoing and incoming U.S. presidential administrations, CBS News reported, citing diplomatic sources.

Honduras–Based Ficohsa Acquires Seguros Alianza

Honduras-based bank Grupo Financiero Ficohsa, through its subsidiary Interamericana Holding Group, announced that it acquired a 100 percent stake in Seguros Alianza, an insurer for Guatemala’s financial system, Honduran newspaper La Tribuna reported Wednesday. The transaction was authorized by both the Guatemalan and Panamanian bank regulators, the Superintendency of Guatemalan Banks and the Superintendency of Panama. The move is part of Grupo Financiero Ficohsa’s strategy to expand throughout Central America, through Ficohsa Seguros. “We are pleased with the regulator’s decision, and we thank them for having the confidence in our group to give us the approval to purchase Seguros Alianza,” said Camilo Atala, the president of Grupo Financiero Ficohsa. “With this expansion, we continue investing in Guatemala, Central America’s largest economy. Today, we reaffirm our promise to continue contributing to the country’s development,” he said. The bank is the primary shareholder in Ficohsa Seguros, the largest insurance provider in Honduras and the fifth-largest in Central America. Ficohsa Seguros’ Guatemala office will be led by Enrique Rodríguez, the CEO of the Ficohsa bank in Guatemala. Rodríguez also contributes to operations at Ficohsa Seguros in Honduras.

FEATURED Q&A / Continued from page 1

Marc Becker, professor of history at Truman State University: “Ever since President Hugo Chávez took office in 1999, Venezuela’s traditional political class, together with its international allies, have had a visceral reaction against the government’s progressive redistributive policies. Ongoing media attempts to paint President Nicolás Maduro as an illegitimate president are part of that endeavor. One only needs to compare media treatments of Maduro with Colombia’s conservative President Juan Manuel Santos or Mexico’s President Enrique Peña Nieto, who have similar dismal approval ratings, to see this hypocrisy. Even U.S. President George W. Bush had approval ratings in the range of Maduro’s at the end of his term in office, but yet we did not witness such a concerted campaign against his administration as we have seen in Venezuela for the last 15 years. The failure of the MUD to organize a recall referendum highlights the ideological incoherence of the coalition. Other than opposing Maduro’s government, they have no positive program or serious proposals to address Venezuela’s long-term structural problems. A return to the previous....”

Roger Noriega, visiting fellow at the American Enterprise Institute: “The economic and political collapse of Venezuela might have been avoided if the United States and other key countries had used tools available under the OAS’ Inter-American Democratic Charter, as Secretary General Luis Almagro advocated. Instead, the feeble response has emboldened hardliners within the regime and discredited neoliberal policies of the privatization of social services and upward redistribution of wealth would only harm the majority of the country’s population. That would be a disaster for Venezuela. The ability of the Maduro administration to maintain control of the country under very difficult conditions, including falling commodity prices and continual political assaults, betrays an underlying bedrock of support that does not get reported. While it is always dangerous to predict the future, the predictions of the collapse of his government appear to be exaggerated.”

"The failure of the MUD to organize a recall referendum highlights the ideological incoherence of the coalition.”
— Marc Becker

PAGE 3
to become more defiant and dangerous; clearly, the appointment of reputed drug trafficker and Hezbollah ally Tareck el Aissami is a provocative move. Venezuela’s democratic opposition clearly represents the majority that wants a definitive change in the economic and political model in the country. Since the opposition’s congressional landslide in December 2015, the Maduro regime has behaved in a brazen dictator fashion. In response, the opposition has pursued responsible, constitutional and democratic remedies, which the regime has rebuffed. Tragically, instead of uniting the opposition, the United States divided its ranks by advocating a phony dialogue that Maduro dangled in order to buy time. If the United States divided its ranks by advocating a phony dialogue that Maduro dangled in order to buy time. If the United States divided its ranks by advocating a phony dialogue that Maduro dangled in order to buy time.

In response, the opposition has pursued responsible, constitutional and democratic remedies, which the regime has rebuffed. Tragically, instead of uniting the opposition, the United States divided its ranks by advocating a phony dialogue that Maduro dangled in order to buy time. If the United States divided its ranks by advocating a phony dialogue that Maduro dangled in order to buy time. If the United States divided its ranks by advocating a phony dialogue that Maduro dangled in order to buy time. If the United States divided its ranks by advocating a phony dialogue that Maduro dangled in order to buy time.

A tyrannical militarized narco-state will not yield power through elections.

— Diego Arria

A tyrannical militarized narco-state will not yield power through elections. It would be wrong to compare it to the Pinochet experience, because the Chilean armed forces acted institutionally and were not associated with drug cartels, as is the case in Venezuela. It is politically incorrect to affirm that Venezuela will not recover its freedom and democracy via the electoral process, but such is the case. Nevertheless, some countries, including the United States, continue to live in denial of the real and tragic situation of the country, even pushing the Vatican to join in a so-called dialogue that provided a lifeline to a regime facing a humanitarian tragedy and about 700 percent inflation. It should not be forgotten that the opposition won a two-thirds majority in the National Assembly elections in December 2015, but the regime’s Supreme Court invalidated all its initiatives and even negated the Assembly’s constitutional powers and rights. If the international community continues to live in denial, Venezuela is on its way to becoming another Cuba. About two million of its people have left the country, among them some of its most qualified professionals, including about 12,000 doctors.

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