

SUMMARY

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In the second semester of this year, 2006, two tendencies have manifested themselves continuously and have proven to demonstrate their effects in Latin America for some time: the turn to leftists' tendencies in the political, sustained by an economical growth.

By Carlos Sabino

Latin American TENDENCIAS intends to offer the reader a balanced perspective concerning our region's reality: as a semester informative, it is not a typical bulletin of conjuncture, - due to the fact that it transcends the anecdotic to dive into the tendencies that go beyond the everyday habitual behavior- but this does not imply that we should take on another extreme, adopt a purely abstract perspective, disconnected of the various occurrences of the region. In addition, this equilibrium refers to the themes and subjects to be highlighted: the idea is to link the economical matters with the political and the social, in such manner as to present information that is not limited to a specific group of countries, but rather cover also incidents that on occasions can be overlooked or remain undetected.



The Challenges of Mercosur

On Tuesday July 18th, two days before the Summit of Mercosur that took place in the city of Cordoba, CADAL organized a conference at the Claridge Hotel in Buenos Aires, on “The challenges of the world trade and the future of Mercosur”. The speeches were in charge of Pedro Isern and Isidoro Hodara and the closure was made by Ricardo López Göttig. In the audience there were, among others, the diplomatic representatives of Germany, Austria, France, Chile, Norway, Slovenia, Japan, Ukraine, Taiwan, Armenia and Rumania.



More Red Areas for Freedom of the Press

On Friday, August 4, CADAL organized a Private Meeting in its headquarters to launch the fifth edition of the research report “Local Level Journalism and Democracy Indicators in Latin America”. The presentation was made by its author, Dr. Fernando Ruiz and the comments were in charge of National Representative Norma Morandini (Partido Nuevo, Córdoba) and journalists Fabián Bosoer (Clarín newspaper) and Fernando Laborda (La Nación newspaper). This publication is co-edited by CADAL, Konrad Adenauer Stiftung and the Communications College at Universidad Austral.



New Populisms and New Left in Latin America

On Friday, August 11, Carlos Gervasoni referred to “*New Populisms and New Left in Latin America*”, at a Private Meeting at CADAL’s office. Among the audience were academics, journalists and diplomats from Spain, Japan, Slovakia, Rumania, Norway, Czech Republic and European Union.



Lula, the Left on the Divan

On Wednesday, August 23, took place the presentation of the book "Lula, the Left on the Divan" by Ceferino Reato and published by CADAL and Editorial Catálogos, at Centro Cultural Borges.

The presentation of the book was in charge of Pacho O'Donnell, author of the prologue (second from the left); Jorge Castro, international policy analyst (third from the left); Ceferino Reato, author of the book (fourth from the left); and Ariel Palacios, correspondent of O Estado de Sao Paulo (first from the right). The speeches were coordinated by the journalist Nora Briozzo.



Chile: New Deal and Social Dialogue

On Monday, September 18 the International Conference “The Chilean experience reforming the government and the Business-Unions Dialogue” was organized at Universidad del CEMA. The lecture was in charge of Exequiel Silva and Rodolfo Seguel. Silva was a representative of Chile and is a former Vice-president of the Representatives Chamber and currently he serves as International Relations Secretary of the Christian Democratic Party. Seguel was representative of Chile and a leader of the copper union that organized the first big strike against Pinochet.

Presentation

This issue has two objectives: the first is to offer an analysis on contemporary Latin American politics and economy each semester; the second is to provide an Institutional Report of CADAL's most vital activities in such period. In this manner, the reader will encounter Carlos Sabino's sharp analysis, one of the most prestigious specialized academics on Latin American topics; and combine the understanding of regional political realities together with information of the chief CADAL events, including the participation of executives in this institute in international events.

In the meantime, this presentation column of LATIN AMERICAN 'TENDENCIAS' (trends/tendencies) will be accompanied by images of some of the most outstanding press releases in this upcoming semester, taking into account certain "newsworthy" outlooks on the analysis, investigations and events executed by CADAL represent an objective element of great importance to measure the published results of an NGO. For this reason, we draw attention to following publications: an article published by *El Cronista* about an excellent job (1) written by Mercedes Llano, Associated Investigator in topics of Political Party Modernization; the detailed journalistic coverage by *Infobae Profesional* over the seminar 'Negocios con la base de la piramide' ("Businesses with Pyramid Schemes") (2), dictated by Raúl Ferro; featuring Hernán Alberro, CADAL's Events Director, as speaker in the Liberty Forum held in Montevideo (3), in a picture of the *El País de Montevideo* newspaper; the article in *Ámbito Financiero* about the report "Indicadores de Periodismo y Democracia a Nivel Local en América Latina" ("Local Latin American Indicators of Journalism and Democracy") (4) narrated by Fernando Ruiz; and finally, my appearance in "CNN en Español" commenting an article published by *The Economist* (5).

Finally, I hope you enjoy Sabino's analysis and that you become enthusiastic with the CADAL's work, about to fulfill it's fourth year of existence promoting the strengthening of democracy, Rule of Law and Public Politics in countries of this region, that in turn favor both economical and institutional progress.

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- (1) http://www.cadal.org/documentos/nota.asp?id_nota=1444
- (2) http://www.cadal.org/eventos/nota2.asp?id_nota=1491
- (3) http://www.cadal.org/eventos/nota2.asp?id_nota=1568
- (4) http://www.cadal.org/informes/nota.asp?id_nota=1482
- (5) http://www.cadal.org/institucional/nota.asp?id_nota=1556

ECONOMÍA & POLÍTICA | Lunes 23 de septiembre de 2006 | EL CRONISTA

UN INFORME DEJA AL DESCUBIERTO LA RUTA DEL CLIENTELISMO

En las provincias pobres hay más afiliados políticos

CÓMO HACER NEGOCIOS CON LA BASE DE LA PIRÁMIDE

La competencia hace cada vez más difícil a las empresas crecer sin sacrificar ganancias. De a poco, el segmento de personas con menores ingresos se convierte en un territorio a conquistar. Siempre a condición de saber cómo ingresar.

MARTÍN BURRIDGE
mburridge@infobae.com

Montevideo, Martes 28 de noviembre de 2006 | EL PAÍS

Questionan la actitud del gobierno hacia los medios

Diagnóstico. "Leyes restrictivas y amenazas desde Estado"



Zonas de riesgo en Latinoamérica para ejercer la libertad de prensa

Zonas negras
La ley prohíbe el ejercicio de la libertad de prensa, y se la amenaza.

Zonas rojas
La ley protege el ejercicio de la libertad de prensa, pero el Estado no la protege frente al poder de que el periodismo sea un instrumento de riesgo físico. Todo caso en que las autoridades queden involucradas en un crimen de lesa vida o lesa integridad física. La zona más peligrosa para la vida del periodista que la zona roja. Los demócratas que no han podido controlar estados autoritarios, electores viciados, los libertades y los riesgos de una situación autoritaria.

Zonas marrones
La ley protege el ejercicio de la libertad de prensa pero existe un temor que comprometa al periodismo, aunque no existe un resultado negativo que quita la opinión.

Zonas blancas
No hay riesgo para ejercer el periodismo.

Fuente: Transparencia Global

I. TWO TENDENCIES THAT ARE MAINTAINED

In the second semester of this year, 2006, two tendencies have manifested themselves continuously and have proven to demonstrate their effects in Latin America for some time: the turn to leftists' tendencies in the political, sustained by an economical growth.

1.1. Three elections won by leftist governments.

The results of the elections in Nicaragua, Ecuador and Venezuela still prop up the turn towards leftist governments the countries of our region have presented amid a favorable economic situation that does not present signs of short term signs of change. A combination that, according to our judgment, – as we'll see later on- expresses the validity of certain ideals deeply rooted in Latin America concerning crucial subjects such as wealth, the role of the Estate, equality and liberty. Before considering these aspects, let us review what has occurred throughout this semester.

Daniel Ortega and FSLN's victory in Nicaragua this past November 5th was determined by two principal factors: the division of the center-right parties and the constitutional reforms that were made effective for such elections. Ortega's opposition remained divided behind two strong candidates, Montealegre y Rizo, who received more than half of the total votes and that – together- would have been able to win over the election easily, due to the fact that together they summed up 55, 4% of total votes. The FSLN did not reach even the 40% of the total votes (they barely reached 38%), much less than in previous occasions, but they were able to triumph over the cause of this division. This is also because the reformed constitution did not oblige a second round had the party achieved more than 35% of the votes and obtained more than a 5 point difference against its immediate successor. This curious disposition, approved previously in Congress with the sandinist votes and those of the PLC, were custom made for Ortega's return to power, which came about with no difficulty. The PLC, in practice, gave power to Ortega with the objective of getting a better deal (the greatest pardon achievable) for the

German ex president, pressed for charges of corruption and condemned to long term imprisonment.

Ortega has triumphed after this political paradox, but because of this same reason he has not much space for maneuvering. He has satisfied his wish to regain power, but now, he'll have to guard such power, keeping an eye on the opposition to prevent them from reuniting with his previous enemies and that Nicaragua should not abandon the path of growth it has begun to tread on these past few years. Because of this, and since now the leadering sandinism has little to do with what existed a quarter of a century ago, Ortega has demonstrated himself surprisingly (but not very likely committed) moderate in his electoral campaign and in the first declarations that he has given as leading delegate. There's no doubt that power returns to a man of leftist views, but to a man who is no longer a revolutionary, leading a party enriched by what is known as "La Piñata", the distribution of expropriated goods between the FSLN elite at the beginnings of the 1980's.

In **Ecuador**, a Chávez admirer, Rafael Correa, has imposed himself in the second round, defeating the 'bananero' magnate and heir to the largest fortune ever accumulated in his country, Alavaro Noboa. Correa had lost in the first electoral round against Noboa but retook the campaign with great resolve and managed to get plenty of votes from the centralist electorate, in part favored by the eccentricities of his contender, very prone to messianic attitudes. Before, the moderate leftist Roldós and Cinthya Viteri, more inclined towards the center-right political views, had been left behind. Correa's first declarations had awakened discomfort in the markets and augmented the reknown country risk. The new president talks not of canceling or negotiating part of the debt, but shows himself little able to impulse free commerce and, in general, maintains a pretty radical posture in all of his presentations.

His future, however, does not seem so clear. Ecuador was the country that initiated the way back to democracy in our region towards the end of the seventies, in 1978 precisely. After marking the path in this sense, and for some

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time, when it seemed as if a Rule of Law was being consolidated in the Estate, the country entered an instability cone that has prevailed to this date. For one reason or another, none of the last three elected presidents have been able to complete their mandate: because of this, the following leaders have fallen: the quaint Abdala Bucaran, the Social-Christian Jamil Mahuad – whom was believed to be more sensible – and the military “anti-Semite” Lucio Gutiérrez, all harassed by a variety of enemies that have been co-allies, for a moment, to defeat them. Ecuador, divided between a mountainous area of strong indigenous predominance centered in Quito – the capital- and a coast of greater economic relevance that revolves around Guayaquil, looks now decisively ungovernable. Not only because there are virtually two different countries within one territory, but also because besides the new agent chief executive, there is no political party that is backed up by Congress and it insists – at least for now- in calling a fundamental constituent assembly that leaders such as Chávez and Evo Morales have done in their time. Moreover, Ecuador’s destiny seems quite complex and will demand, from the new governor, a capability of summoning and a flexibility to provide alliances that – yet – he has not given explicit signs of possession.

In **Venezuela**, on the other hand, Hugo Chávez has achieved a foreseeable electoral victory on December 3rd, that enables him to continue for six more years (he has already fulfilled eight) at the head of the Estate. Even if some polls demonstrated a certain close competition between the actual president and Manuel Rosales, leader of the unified opposition, everything pointed towards the easy conservation of power with Congress, the National Electoral Council and the Judicial Power in his hands, using at his discretion all the resources that petroleum corporations in Venezuela dispose of, with a electronic voting system and a sophisticated yet impossible to inspect completely and with an electoral census in which it has been repeatedly signaled a multitude of irregularities, it was practically impossible that Chávez could lose his reelection. The hopes of the opposition were encouraged by the

multitudinary manifestations in support of Rosales that took place in the last weeks of the campaign, but could not complete themselves on the day of the elections: perhaps if there had been more time for voters to change their minds they could tip the scale to his favour – polls showed a Chávez with setbacks- or maybe it was simply impossible to triumph over an official candidate so little democratic and so powerful.

Chávez has promised now to advance towards a Bolivian Socialist Revolution but it is not clear in which way he will proceed with his government. Some fear that, without restrictions and many ruling years ahead, he will finally decide to emulate Fidel Castro, imposing a closed and totalitarian system; others think quite the contrary, and with an opposition that gives plenty of signs of moderation, it will stabilize the model government completely, favoring implicitly the wide sector of functionaries enriched by the beginning of the regime to maintain the dictatorship with the democratic façade that fits best with the “politically correct” ideas that predominate in international affairs.

To our understanding, it is more probable that this last probable course should continue, even though with an important restriction: what determines the quantity of petroleum revenue. If these remain firm, Chávez will proceed with his demagogical course, maintain his initial offerings open that consist of social plans and he will let many be enriched, while he still harasses his adversaries. But if the revenue should diminish – or, more precisely, when the moment should come that the petroleum funding will be insufficient to cover expenses, a deep crisis will be unfolded in Venezuela. It has happened before, and it will happen again. Even if the petroleum prices should skyrocket, they will never do so in the same speed as the government expenses and then we could expect – as it has happened in the past – the devaluations and a strong inflation, the most rigorous control over the international accounts and of currencies, and an incredibly recessive economical situation, similar to those of 1983 or 1989. If the difficulties are intense for Chávez, he will surely seize the opportunity to launch openly and immediately a totalitarian regime. If he manages to impose his purposes or if he will see himself smothered by a final

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critique that might contain some dose of violence is not so foreseeable for the time being. The only thing that remains clear for now is that this Venezuelan leader will not give up his control quite willingly (like any democratic governor would do), but rather, cling to his position of command desperately, employing all the imaginable resources within his reach.

1.2. A Non-Endogenous Growth

For the fourth consecutive year, the Latin American economies as a whole, have experimented a defined growth. The CEPAL has revised such ascent in previous projections, forecasting a 5% growth of the global product, superior to the average provided these past four years that comprehended a 4, 3 % for Brazil, Mexico, Costa Rica, Bolivia and Guatemala. It is expected that this year's cipher should reach –or merely surpass- this 4%. Larger rates of growth are to be presented in Colombia, Uruguay and Honduras, of approximately 5%, of Peru and Chile (between 5 and 6%) and even greater those of Panama (6, 5%), Argentina, Venezuela and Dominican Republic (between 7 and 8%).

This notable growth has been encouraged, as it is well known, by the good and maintained prices of all primary products that the region exports, that also come from a global economy that does not cease to grow, facilitated by the impressive expansion of the Chinese market, India's and other developing countries. However, these growth spurts or "bubbles of growth" as the IMF's Anoop Singh would say, have not been enough to achieve an economical take off. Singh has pointed out, quite accurately, that Latin America has been "the least successful region when it comes to sustaining these periods" of expansion, and that they "always end (these periods) before the other regions". When the time came for recession or for crisis – we point out in *Tendencias* – this region has plunged into its greatest depth and intensity, losing most part of the revenue accumulated in the years of 'bonanza'. These high rates of growth have been achieved – except in Venezuela's case – without the other part the inflation has returned to our continent. In these countries we observe quite the contrary:

cases of percentages quite close to the 5% annual, very close to the countries of most stability and development. In Venezuela, on the other hand, it is expected that the annual growth of the prices should border 20% for all 2006.

Mexico, like many countries of South America have done in the past year, has utilized the resources provided by exports to pay off the external debt it had with organizations such as the BID and the World Bank. After handing in 9.000 million dollars to these organizations – and continuing its regular pays – the Mexican nation has been reduced notably to its total debt. The same happens, it could be said, in the entire region: the **external debt** is no longer a serious problem as in the 1980's or 1990's, and instead there have been important favorable balances accumulated in all countries under the form of considerable international reserves.

What is it then that impedes our cycles of growth to be maintained in time and result finally in an overall augmentation of the general welfare of our nations?

Information over the valorization of Spanish investments in the exterior, provided by the Iberglobal and the Spanish Exporters Club, will result quite illustrative for this matter. The index of foreign valorization in the exterior that these organisms elaborate shows, in first place, Chile, with a score of 7, 02 over a possible maximum of 10. Mexico follows, with 6, 19; Brazil with 5, 96 and the rest of the countries of the region with values a little superior to 5, to close finally with Venezuela, that barely reaches 4, 4 and Bolivia that barely reaches 4, 1.

The valorization of the investments depends, according to what we could infer from these ciphers, the institutional stability of the countries, the guarantees that are offered to the private property and the international aperture that shows each economy. It is obvious that countries like Venezuela, Ecuador and Bolivia, that impose onerous renegotiations of contracts already signed to the companies that invest in their territories, have worse scores than Chile or Mexico, countries that are more secure for the investor under all possible perspective.

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If the growth, depends in the investment and formation of capital, and if this flees before the unmasked political interference in the economy or the continuous change in the rules of the game, we could find then good reasons to comprehend the phenomenon of our lack of continuity in such growth and, most importantly, of the slow way in which this affects the living conditions of the poor.

II. OTHER SIGNIFICANT OCCURRENCES

Apart from the three elections reviewed in this latest issue of *Tendencias* we should register some other facts that, occurred during this semester, could have certain repercussions later on. Among these we shall mention:

- **Venezuela's** attempt to obtain a temporary bench at the Counsel of Security of the United Nations. An intense and really costly campaign that has permitted Chávez's government to block the candidature of Guatemala, country supported by the United States. The Guatemalans obtained the majority of the votes, but not enough to triumph over the required two thirds. This meant the choosing of **Panama's** candidature that will occupy such position for two years, starting next January.
- **Venezuela** formal entry to **Mercosur** on July 21st. Chávez in the Latin American summit in Cochabamba, Bolivia on December, has commenced to criticize the pact that he had just entered, arguing that those who thought the incorporation of a petroleum based country would have little good to add to a regional understanding that were right, when in reality, his country has lost complete dynamism (in comparison to what it had a few years ago).
- In **Bolivia** the proposed constituent by Evo Morales is now stuck in a grueling stalemate. His party, the MAS, barely obtained a 51% in the elections for that assembly, much less than what had been announced in first instance. With his allies, president Morales has a scarce majority

in the assembly and is very far from controlling the two thirds that he needs, according to the summoning constituent law, made to approve resolutions of importance. The MAS has tried to make arrangements so the decisions should be approved by a simple majority, which has provoked a strong resistance by his opposition. As these lines are being written, there are more than 2.000 people involved in hunger strikes, claiming that the initial law should be respected, the same with which the Bolivians have gone to the urns. The political climate is, in Bolivia, quite rarefied: there have been civic strikes in various departments that reclaim their autonomy, voices that claim inclusively the independence of regions that feel crushed by the central power, manifestations of all kinds and even confrontations amongst workers that have had tragic tolls of approximately twenty deaths. The president has signed himself up successfully, last November, when he accomplished the approval of a Re-conduction of Agrarian Reform Law that states that "without proper indemnification, the use of the lands will harm the collective interest". But, in general, it is appreciated that Morales' radical project – that counts with the open support of Cuba and Venezuela – is suffering serious trips, it is affected by an opposition that does not wish to yield the sum of public powers and has therefore, has definitely not accomplished significant advances. All of the elements of the situation point towards a growing instability that can burst with violence in these months to come. The recent creation of the Autonomic Democratic Board (JADB) – that includes de autonomist departments of Santa Cruz, Beni, Pando and Tarija – demonstrates that the socialist project of Evo Morales can comprehend inclusively the total dismemberment of the country.

- In **Mexico**, the defeated candidate, López Obrador, continues with his radical, anti-Semitic opposition, challenging the result of the past July elections. After the blockade of the principal capital arteries, that lasted 47 days, the Members of Parliament of the PRD tried to impede the

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oath of the new agent chief executive, Felipe Calderón, that has nonetheless been able to assume his presidency the past December 1st in an act that was more brief than custom. López Obrador has constituted a “parallel government” and refuses to confirm the institutionalism of the Aztec Nation. The serious and prolonged disturbances of Oaxaca have also contributed to demonstrate the image of a country that, in spite of all of its recent economic success, it still does not seem to have found the firm path required for progress and the development of all its potential.

- In August, **Chile** has signed a Treaty of Free Commerce with china, the first Asian nation to sign with a country that does not belong to its same continent. In this manner, the southern nation is now considered the most integrate economy in the world, given that it has now signed TLC with countries that represent, all together, the 75% of world production. A new Treaty, this time with Japan, promises to continue with this tendency towards the commercial aperture that has reported so many benefits for the Chileans.
- On July 31st, it has been announced in **Cuba** that Fidel Castro, the most veteran of the dictators in the world, was retiring for a moment of power for healthcare reasons. Like the most traditional of monarchies, the communist chief has handed over his power to his brother, Raul that has resolved to adopt a low profile posture until this situation is well defined. Reliable sources, supported by images as well as the veteran’s absence, indicate that he suffers from a terminal cancer that will end his life in a few months. This initiates a complex process of transition that will have to cover the whole island, who’s economical regime now depends completely in the help that is provided by the Venezuelan Chávez, with annual ciphers superior to 3.000 million dollars (the cipher is now approaching already what the extinct USSR spent in maintaining it’s Cuban

ally). The Cuban Communism, that is propped up by the historical leadership of Fidel Castro, will have to renew itself, even though it is hard to predict now what could happened in next few months. The Cuban leadership, as is natural, has entered now phases of hard disputes over such leadership, in which both practical and ideological subjects are being debated and in which personal ambitions are crossed. We promise our readers a much more vast coverage on such situation in the next issue, when it is possible that we will no longer count with Fidel’s presence, even though nothing will be able to be confirmed until this leader abandons this world definitely. In ‘personalist’ regimes nothing of this type can be defined appropriately, until the dictator disappears completely of the scene.

- On December 10th, in Santiago de **Chile**, the general Augusto Pinochet passed away, closing an old chapter in Chilean history. The general was already 91 years old and still committed to a serious of trials that, for different motives, have been opened by his political enemies. It is hard to make out an accurate image of Pinochet’s figure, hated and admired by so many and a complete symbol of his time. However, in the future, the historian must take into account the following facts: Pinochet assumed power dictatorially, in a classic military coup that was very common in his time to overthrow the government of Salvador Allende. Chile was deeply divided and was approximating itself either to a civil war or communism; the general took on a repressive role that would annihilate both possibilities, leaving a toll of over 3.000 victims. He remained 17 years in power, time in which Chile stabilized itself and liberated its economy that was in full chaos by 1973. Unlike other dictators, however, Pinochet organized a process of transition towards democracy and stepped down from power voluntarily. His successors at the head of the Estate had the prudence of not changing the economic principles, at least not the essential ones, giving Chile the opportunity to remain in this path of growth in which it

still finds itself today, and that promises to incorporate in short term the richest and most dynamic economies on the planet.

III. REFLECTIONS ON DEMOCRACY

We stated at the beginning of this issue of *Tendencias* that the leftist wave that is covering Latin America obeys, among other factors, ideas deeply rooted in our nations concerning democracy, justice, the role of the Estate and wealth. Let us develop this concept somewhat more.

When the process of democratization ran throughout the region, starting in 1978, the chief objective was to end with the military dictatorships that governed great part of our countries. Except for Mexico, Costa Rica, Colombia and Venezuela, the other nations possessed military governments, some of them massively repressive. Cuba, meanwhile, lived under dictatorship too, even though this was another kind of dictatorship, the kind that is proper to totalitarian communist countries. In almost a decade, all countries of Latin America, except for Cuba, were able to provide democratic governments for themselves, which gave great satisfaction and tranquility amongst all citizens. However, soon enough new objectives and renewed claims would rise under the horizon of opinions that changed the attitude towards the newly elected governors.

Democracy and the Rule of Law were considered more and more, unfortunately, in a purely instrumental form: “democracy” was first demanded as a political system that should take on the impossible task of fighting and eliminating poverty. Democracy was given a confusing definition that was too vague and too restricted at the same time. Vague, because it accepted any decision taken and considered valid by the majority, without taking into account the regime of liberties that are useful for all and that requires equilibrium provided by counterbalances and guarantees that must escape the fluctuating state of public opinion regarding citizenship; restricted because democracy was considered purely as a system of popular election, leaving aside the principles of alternation of governors, minorities and the necessary safeguards against the concentration of power within the

Estate. In various countries the constitution was changed in order to permit the reelection of the agent chief executive (Argentina, Brazil, Peru and now Colombia) and everywhere the Constitutions were feebly revised to adapt them to the inconsistent expectations of a majority.

The result of this confusion is that the Latin American democracies started to derive, at the beginning of this century, through the perilous path that is known in political sciences as the “tyranny of the masses”. Populists that promise to resolve all of the problems taking away from the rich to give to the poor started to triumph in the region, taking over power and establishing from there – like Chávez – dictatorships with an electoral façade that they soon also learned to manipulate. In other cases – like that of Ecuador – the new populists were not successful in consolidating their power, but the countries enter a cycle of instability that lasts until today. The old peril that they enclose within themselves is that democracies can be captured – as Aristotle pointed out over two millenniums ago – by demagogic adventurers that convert the reign of popular will into their own personal domain, destroying all the promises that were made when they procured to reach such power.

Much more could be elaborated on these ideas, naturally, even though it does not seem like *Tendencias* is the appropriate place to do so. It is enough to mention that the new demagogies always propose coarse redistributionist policies that create an apparatus of domination that increases the vulnerability of citizen liberties, that their management of the economy never proportions richness to the poorer but to a group of entrepreneurs. In this manor, a new powerful economic sector that, once it is created into a dominant elite, repeats the cycle to rise again as new dominant group: the Nicaraguan case is by far the saddest and direct of possible examples.

Meanwhile, the new nations keep coercing their citizens into relinquishing their rights, according to the whims of the “saviors of the mother country”, while it is still considered that poverty will be able to disappear once the properties of the wealthy are distributed, while the basic rights of man are unacknowledged and sacrificed for the sake of a powerful Estate

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that appears as providing god of benefits in the fantasies of the daft dreamers, little is what can be done to constitute in our countries authentic Rules of Law. Political Crisis and Poverty will continue, and there will be little use for conjectural economic growth and the elections that are repeated regularly in a ritualistic fashion.

To many readers, these words might seem pessimistic, but they origin from the continuous register of our errors, from a

recent history that harshly shows the magnitude of our mistakes, blunders that we must not evade or deny as if they did not exist. Perhaps the nations could be enlightened by this experience little by little, learning slowly what is best for them. But the process will be long, plagued with difficulties and crises, in a tortuous march that leaves not much space – we believe – for the optimism that still some possess.

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Uruguay: Mercosur and United States



On Friday, September 29, CADAL organized a Private Meeting at its headquarters on “Uruguay: Mercosur and United States”, in charge of the journalist Nelson Fernández. On that same day, Uruguayan newspapers reported on the possible setback of the administration of Tabaré Vázquez on the Free Trade Agreement with United States.

Kirchner’s Political Economy



On Friday, October 6, CADAL and Proyectamérica organized at the latter’s office at Santiago de Chile, the conference “Kirchner’s political economy”, in charge of the journalist Néstor Scibona. In the picture, José Antonio Viera Gallo, Chairman of Proyectamérica; Ricardo Brodsky, Executive Secretary of Proyectamérica; and Néstor Scibona.

Business with the Base of the Pyramid



On Thursday, October 26, CADAL organized at its headquarters the seminar “Business with the base of the Pyramid” which was in charge of the journalist Raúl Ferro, Director of Contents Development of Business News Americas. The seminar was divided in two. The first part was dedicated to the concept of doing business with the base of the pyramid and the second part focused on the cases analysis like the one of Ajegroup that captured an important share of the market of Coca-Cola in Peru and even Mexico. Also the cases of Grupo Nueva, Cemex and Holcim were analyzed.

Competitiveness and Corporate Governmnet



On Friday, October 27 in the city of Montevideo CADAL, Instituto de Ciencia Política (Colombia), the Center for International Private Enterprise (CIPE, United States), Perspectiva Magazine and Cámara Nacional de Comercio y Servicios del Uruguay (CNCS) organized the seminar “Competitiveness and Corporate Government”.

The seminar took place at CNCS and the speakers were Tristán Rodríguez Loredó (economic journalist, Argentina), Marcela Prieto (Director of Instituto de Ciencia Política, Colombia), Andrés Cerisola (Ferrerres Abogados Associate, Uruguay), Ana Inés Zerbino (Manager of Inversiones de República AFAP S. A., Uruguay), Omar Cabral (PriceWaterhouseCoopers Associate, Uruguay) and María Dolores Benavente (Director of Cámara Nacional de Comercio y Servicios, Uruguay).

Conference on the Anniversary of the Fall of the Berlin Wall



CADAL, Konrad Adenauer Foundation and Friedrich A von Hayek Foundation organized this November 9, a “Conference on the Anniversary of the Fall of the Berlin Wall”. The conference took place at Claridge Hotel, Buenos Aires. The speakers were Rexhep Meidani, former President of the Republic of Albania (1997-2002); Laszlo Nagy, member of the Slovak Parliament; Christoph Korneli, Representative in Argentina of Konrad Adenauer Stiftung; and the Argentine writers Fernando Iglesias, Ricardo López Göttig y Fernando Ruiz.

III NDRI Think Tank Managers Workshop

Hernán Alberro, Programs Director of CADAL, took part in the III NDRI Think Tank Managers Workshop organized by Network of Democracy Research Institutes in Washington DC between September 11 and 15. NDRI chose 11 members of different think tanks of democracy in the world to take part in this intensive week where they discussed issues related to the management of a civil society organization.

From left to right: Oleksandr Dyshlevyy (Democratic Initiatives Foundation, Ukraine), Zeina El Helou (Lebanese Center for Policy Studies, Lebanon), Marko Paunovic (Center for Liberal-Democratic Studies, Serbia), Johanna Reyes Marciales (Congreso Visible, Colombia), Ana Echagüe (FRIDE, Spain), Jacek Kucharczyk (Institute for Public Affaire, Poland), Besa Shahini (IKS, Kosovo), Tina Tkeshelashvili (Caucasus Institute for Peace, Democracy and Development, Georgia), Hernán Alberro, Tom Skladony (NDRI, United States), Lilla Jakobsz (Center for Policy Studies, Hungary), Melissa Aten (NDRI, United States) and Funmi Alaka (Center for Democracy & Development, Nigeria).



Besides, and taking advantage of this visit to Washington DC, Hernán Alberro, with Zeina El Helou and Marko Paunovic made a presentation of their respective institutes within the framework of the monthly meeting entitled International Thursdays organized by Atlas Economic Research Foundation where members of civil society organizations and public officers are invited to take part in discussions on international politics.

Photo Gallery of “Ladies in White” in Mexico



Gabriel Salvia, Presidente de CADAL, junto a Kerstin Von Bremen, integrante de la Fundación Konrad Adenauer en México, donde el 2 de diciembre de 2006 se instaló la muestra fotográfica “También es Nuestro Problema: Las mujeres de los prisioneros de la Primavera de Cuba”.



Gabriel Salvia with other participants on the inauguration of the photo gallery on “Ladies in White” at the Mexico office of Konrad Adenauer Stiftung: Peter Weiss, Member of the German Parliament; Annika Rigö, Project Manager of Christian Democratic Internacional Center of Sweden; and Frank Priess, Representative in Mexico of Konrad Adenauer Stiftung.

