



REPORT

Presidential elections Colombia
Runoff
17th June 2018

JUNE
2018



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Presidential elections Colombia

Second Round

17th June 2018

On **11th March**, **legislative elections** were held, where both legislative chambers were renewed entirely (171 seats in the House of Representatives and 108 seats in the Senate). **Center-right Centro Democrático party won and will become the majority party 20th July, when the new legislators take office.** As agreed on the Peace Accords, the Revolutionary Forces of Colombia (FARC) will have for the first time with 5 seats.

On May 27th, the first round of the presidential elections in Colombia was held. This was a contest marked by **increasing polarization as well as a generalized dissatisfaction with the government.** As a result, governing party candidate Germán Vargas Lleras obtained only 7.3% and landed in fourth place. Given that no candidate obtained half plus one of the votes, **a second round will take place.**

The second round, thus, will take place 17th June between Gustavo Petro (Coalición por la Decencia) and Iván Duque (Centro Democrático). The candidate who obtains the higher number of votes will be declared president of Colombia.

In this report, you will find:

- 1) **General considerations**
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- 9) **Final considerations**

1. General considerations

Electoral calendar

Political Constitution of Colombia Art. 190 y 191. Every four years, the President and Vice-President are voted in the elections on the last Sunday of May. This year, the election took place **Sunday 27th May**.

Given that no candidate obtained the majority of the vote (half plus one of the electorate), a second round will take place between the two most voted candidates **Sunday 17th June**.

¿How is it elected?

Suffrage is universal, voluntary, direct, and secret.

¿Who are the candidates?

For the presidential elections of May 27th, 8 candidates were officially registered. Out of there, two will contest the second round. These are: Iván Duque (Centro Democrático), and Gustavo Petro (Coalición por la Decencia).

¿When will the new administration take office?

The winning candidate will take office **Tuesday 7th August 2018**.

2. Presidential candidates



Iván Duque

Centro Democrático

Lawyer, 41 years.

Centro Democrático Senator 2014-2018. Between 2001 and 2013 he served as Head of the Culture, Creativity and Solidarity Division and Presidency advisor at the Inter-American Development Bank. He worked for the promotion of creative and cultural industries.

He worked as an advisor to the Minister of Finance and Public Credit during the presidency of Andrés Pastrana (1998-2002)

His candidacy is promoted by the former president of the Republic and founder of the Centro Democrático party, Álvaro Uribe.

Vice-presidential candidate:
Marta Lucía Ramírez



Gustavo Petro

Coalición por la Decencia

Economist, 58 years.

In his youth he was part of the M-19 guerrilla movement and in the process of demobilization and peace talks with the government of Virgilio Barco (Partido Liberal Colombiano).

He was elected as an assemblyman in 1991, later as a legislator in the House of Representatives between 1991 and 2006, and finally as a Senator between 2006 and 2010. He was also mayor of Bogotá between 2012 and 2015.

During his administration as mayor of Bogotá he was dismissed for 35 days as a result of a conflict caused by the reform of the city garbage collection system.

Vice-presidential candidate: **Ángela María Robledo**

3. Alliances and parties

On 27th May 8 candidates ran in the presidential elections with 5 parties and 3 electoral coalitions: ***Coalición Colombia, Coalición Mejor Vargas Lleras, and Coalición por la Decencia (headed by Petro)***. The ***Coalición por la Paz***, which participated in the last legislative elections, did not take part in the presidential contest. At the end of the elections, all the candidates recognized the result as legitimate and stated their positions as for the upcoming second round:

Coalición Colombia. Center-left *Polo Democrático, Alianza Verde and Movimiento Compromiso Ciudadano* parties formed an electoral coalition to promote Sergio Fajardo's candidacy (Movimiento Compromiso Ciudadano)

Polo Democrático, decided mostly to support Petro after internal discussions. However, key party politicians, such as Jorge Robledo, announced they'll cast a blank vote.

Alianza Verde announced it will let its members choose freely between casting a blank vote or going for Petro, but stated that it will not tolerate backing Duque under any circumstance.

Movimiento Compromiso Ciudadano, the party Fajardo is a member of, called for a blank-ballot vote.

Coalición Mejor Vargas Lleras. This coalition supports former Vice President of the Republic Germán Vargas Lleras' candidacy, which then went on to receive the backing of the right-wing *Cambio Radical* party, governing center-right party *Partido de la Unidad Nacional* and, lastly, the right-wing *Partido Conservador* party.

Germán Vargas Lleras has personally stated he'll be voting for Iván Duque.

Both the **Partido Conservador** and the **Cambio Radical** parties announced their vote in favor of the Centro Democrático candidate.

The ruling party **Partido Social de la Unidad Nacional** will let its members choose freely, although several party members have said they'll vote for Duque.

In spite of an invitation to cooperate from Petro, **Partido Liberal** presidential candidate **Humberto de La Calle**, has called for a blank-ballot vote. However, the youth wing of the party, *Juventudes Liberales*, has announced their backing for the Centro Democrático candidate.

The party **Movimiento Independiente de Renovación Absoluta** has also decided they'll be voting for Duque.

4. Latest polls

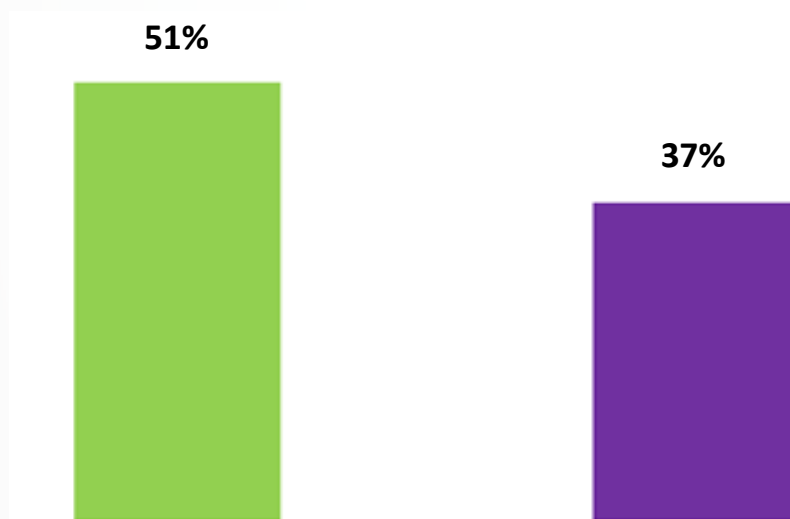


Iván Duque
**CENTRO
DEMOCRÁTICO**



Gustavo Petro
**COALICIÓN POR
LA DECENCIA**

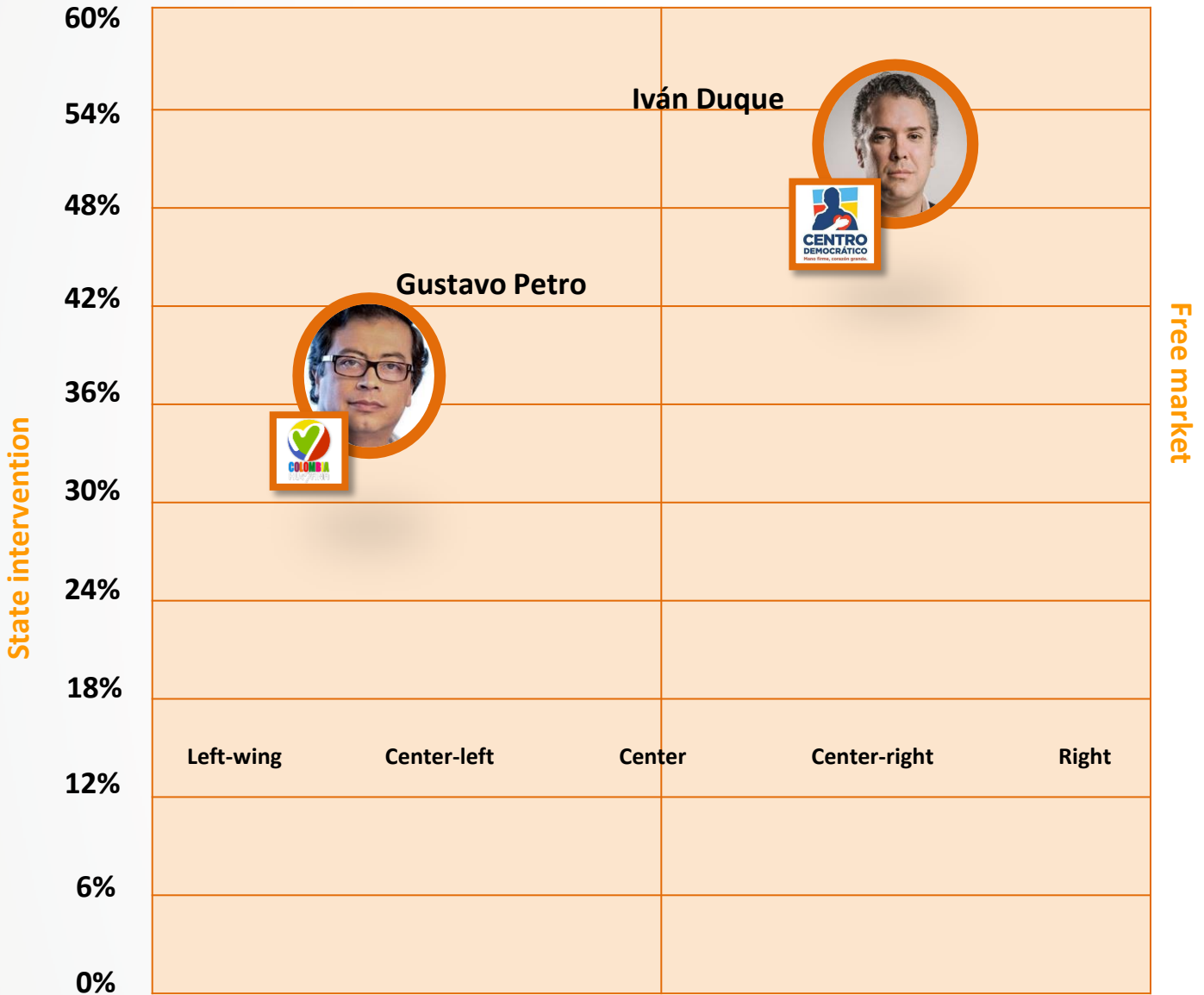
**Latest surveys
June 2018***



*Source: own figures based on polls carried out by local firms between June 4th and 11th 2018.

5. Ideology

+ Voting intention



Free market

- Voting intention

6. Government platforms



Iván Duque

- He will benefit SMEs through differentiating taxes according to the size of the companies.
- Stimulate bureaucratic and tax simplification for companies with the aim of eliminating tariffs that hinder competitiveness and distort economic activity.
- Reduce the Country Cost by stimulating infrastructural development and improving energy efficiency.
- Promote productive transformation based on product diversification, accentuating the development of products with high-added value and technology.
- Export diversification, stimulating the creation of a Network of Small Exporters that will be granted benefits in terms of bureaucratic processes and technical support.
- Promote investment with a regime that favors technology platforms for crowdfunding and alternative financing. At the same time, he will stimulate the availability of capital resources by strengthening funds such as the Emprender or Innpulsa programs, and using regional royalty resources.

Link to the candidate's [official website](#)

6. Government platforms



Gustavo Petro

- Create a property tax for land bigger than 1000 fertile hectares as well as boost tax on remittances. He also proposes to eliminate tax exemptions in the system.
- A process of productive development based on the industrialization of the country complemented by the expansion of the domestic market will be promoted.
- Implement an agro reform, although not via land expropriation, but by buying them with public debt securities. He will also seek to modernize the primary sector.
- The Minimum Wage will be transformed into a new Real Wage based on capital and income.
- Seek to maintain the current retirement age. At the same time he will ensure the existence of a mixed pension system, combining a universal system with one of voluntary contribution.
- Promise to withdraw his proposal to create an independent Constituent Assembly in case he's elected*

Link to the candidate's [official website](#)

* Proposal announced after confirmation of second round

7. Political context

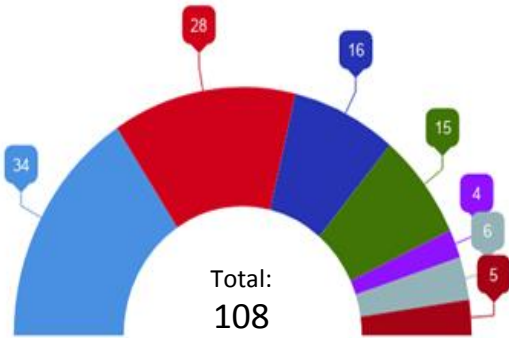
- **Political polarization.** The two candidates that will compete for the presidency are at both extremes of the political spectrum.
 - **Iván Duque** is the candidate of the rightist party Centro Democrático, founded by former President Álvaro Uribe. Voters identify with Duque as he preaches traditional values such as family and Catholicism. Also, he proposes the deepening of the capital market, as well as a tax reform that reduces taxes on companies.
 - **Gustavo Petro** is the candidate of the coalition between several minority leftist parties: *Colombia Humana*, *Movimiento MAIS* and *Fuerza Ciudadana*. Petro appeals to an electorate that is unhappy with the country's economic situation and the impact of globalization. In his government platform, he proposes state interventionism by carrying out an agrarian reform, creating a tax on property, and increasing the minimum wage.
- **Internal conflict.** In order to prevent an escalation of violence during the elections, politicians have made declarations of mutual support and appealed to the importance of a transparent democratic process. The Ejército de Liberación Nacional (ELN), a extreme left guerrilla group active in the country, has announced a ceasefire to guarantee peaceful elections (both first and second rounds).

7. Political context (Part 2)

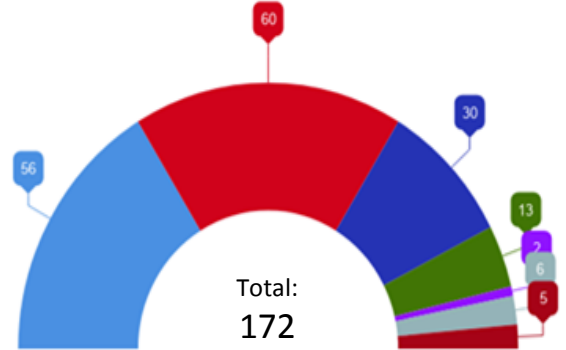
- **Dissatisfaction with the government.** These elections are marked by citizen dissatisfaction with the government. President Juan Manuel Santos has a popularity rate that hovers between 10 and 15 percent and has steadily declined from a peak of 71% in 2011. The presidential candidate of the ruling party, Vargas Lleras, received only 7.3% of the vote. Corruption scandals and the economy are the two main reasons for the public's discontent: 89% of the citizenry consider that the economy of the country is stagnating or declining.
- **Crisis context.** Colombia is in a humanitarian crisis due to the massive influx of Venezuelan refugees into the country: 600.000 Venezuelans were estimated to be in Colombian territory. Furthermore, economic growth has slowed down to 1.6% in 2017 (compared to 6% in 2011) due to a drop in oil prices, the main national export.
- **Peace Agreements.** This will be the first presidential election after the Peace Agreements with the FARC. Although these elections are not focused on this issue, the conflict remains open. Furthermore, the implementation of the agreements is not guaranteed, given that the candidate who's leading the polls, Iván Duque, has in several occasions expressed his disapproval as well as his intention of modifying them. His party, Centro Democrático, has opposed Santos' peace process since dialogue roundtables began in 2012. Petro is favorable to the peace process and has sought to position himself as a guarantor that it will be carried out successfully.
- **The FARC at elections.** The FARC (Revolutionary Armed Forces of Colombia), which participated for the first time in the legislative elections of March 11th, decided not to do so in this election after numerous attacks against their leaders. 9 out of 10 Colombians would not want to see the FARC in the presidency.

8. How will the relationship between the President and the New Congress be?

Senate



House of Representatives



Duque-supporting parties

- Coalición Despierta
- Mejor Vargas Lleras

Total: 50 Senate
86 Representatives

Independents

- Coalición Colombia
- Others

Total: 21 Senate
19 Representatives

Petro-supporting parties

- Coalición por la Paz
- Coalición por la Decencia
- FARC

Total: 37 Senate
67 Representatives



If Gustavo Petro wins. In the event that Petro reaches the presidency, he will face opposition parties' majorities in both chambers of Congress. His coalition won 4 seats in the Senate and 2 in the House of Representatives. This means that the bills he intends pass, may be blocked by legislators. However, Petro will be able to veto certain parliamentary initiatives.



If Iván Duque wins. If Duque becomes president, he will have a favorable Legislative branch. Duque's coalition will be the first majority in the Senate, since it will have 34 senators (out of 108), and second majority in the House of Representatives, with 56 representatives (out of 172). Furthermore, the other most important coalition in both Chambers is ideologically close to this candidate, which increases the possibility of negotiation and imposition of his own agenda.

9. Final considerations

- **Duque is positioned as favorite.** Centro Democrático's candidate is expected to win this election by a landslide. Duque has already confirmed what the polls had predicted, reaching 40% of the votes. Now the polls forecast a second round where he'll be chosen by more than 50% of the electorate. Petro, on the other hand, failed to live up to the expectations, and obtained 25% of the votes. Despite his voting intention increasing to 37%, this is still insufficient in light of the numbers predicted for his rival.
- **Electoral participation.** The electoral participation rate increased by 12,7% compared to 2014. It is to be expected that this elections will involve a greater percentage of the electorate than in the last presidential elections.
- **Tax reform highly possible.** The implementation of a tax reform is in the agenda of both candidates, despite the fact that there's already been a tax reform in 2016. Here are their main aspects:
 - **Duque** proposes a tax reform that will stimulate enterprises by eliminating taxes that hinder competitiveness. Also, he intends to differentiate taxes according to the size of the companies.
 - **Petro** proposes to create a property tax for land bigger than 1000 fertile hectares as well as boost tax on remittances. He also proposes to eliminate tax exemptions in the system and bring back the VAT from 19% to 16%.

In case of a Centro Democrático victory, it is likely that a tax reform is carried out, given that the Executive will have legislative majority. If Petro wins, it's expected that he'll have to negotiate his initiative numerous times until it's finally passed into law by Congress.

- **FARC support Petro.** Taking into account the fact that most Colombians oppose the FARC's political participation, it is likely that their recent declarations in favour of Petro have a negative impact on the latter's performance in the election and deepen the social polarization of the country.

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