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FEATURED Q&A

What Does López's Release Mean for Venezuela?



Opposition leader Leopoldo López, was placed this month on house arrest after more than three years of imprisonment. // Photo: Popular Will party.

Q Venezuela's government on July 8 released opposition leader Leopoldo López from prison and transferred him to house arrest. The government said he was released due to health reasons, and the Supreme Court said his release was also due to "serious signs of irregularities" in the handling of his case. Was the decision to release López indeed motivated by concern for his well-being, or did the government have other motives for doing so? How will López's release affect the opposition's strategy in confronting the administration of President Nicolás Maduro, if at all? To what extent will López now have more direct influence over the anti-government movement in the country?

A Luis Vicente León, president of polling firm Datanalisis in Caracas: "Although Leopoldo López wasn't completely freed, it's striking that now the government is open to improving his living conditions by placing him under house arrest. It was done on the basis of human rights in light of his 'precarious health condition.' This is not even remotely the actual reason for López's house arrest. The government is trying to lower the high levels of tension throughout the country. The decision affected the opposition, which is characterized by internal divisions; it's something that we saw evidence of just a day after López was sent home, when ahead of the statement from his wife, Lilian Tintori, in which she thanked Libertador Municipality Mayor Jorge Rodríguez and former Foreign Minister Delcy Rodríguez for their negotiation efforts, the media went crazy attacking López and Tintori, who just hours before had been considered leaders of the country and of the

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Judge Freezes Assets of Brazil's Lula

The order follows former Brazilian President Luiz Inácio Lula da Silva's conviction and sentencing last week on corruption charges.

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Brazil's Lower House Aims to Vote on Pension Reform by August

Some economists say the reform is needed to balance the country's budget, but unions oppose the changes.

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POLITICAL

Almagro Backs Some Venezuela Sanctions in U.S. Testimony

Organization of American States Secretary General Luis Almagro told members of a U.S. congressional subcommittee that he supports targeted sanctions against high-ranking Venezuelan officials, but cautioned against sweeping economic sanctions.

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Almagro // File Photo: Organization of American States.

POLITICAL NEWS

OAS' Almagro Backs Venezuela Sanctions in Hill Testimony

Organization of American States Secretary General Luis Almagro on Wednesday told U.S. lawmakers that he backs targeted sanctions against top-ranking members of Venezuela's government, the Associated Press reported. "The only action of the government we see these days is repression," Almagro told the

“The scenarios that we see are pretty ugly for Venezuela.”

— Luis Almagro

Senate Foreign Relations' Western Hemisphere subcommittee. "The scenarios that we see are pretty ugly for Venezuela." Almagro, however, also cautioned members of the subcommittee against imposing sweeping economic penalties, which he said could exacerbate the suffering of the Venezuelan people. Almagro, who described Venezuela as the continent's most corrupt country, also questioned whether sanctions would succeed in forcing President Nicolás Maduro to make changes. "There is no way to push a dictatorship down from abroad," said Almagro. "So sanctions may work or may not work. It depends on the internal pressure in the country." Earlier this week, U.S. President Donald Trump warned he may take "economic actions" if Maduro pushes forward with a planned July 30 vote to elect members of a new constituent assembly, which would be tasked with rewriting the country's Constitution. Maduro's supporters want the assembly to grant him broader powers, and Maduro has said the country needs a new Constitution in order to solve its political and economic crises. Maduro's opponents, however, see the effort as a power grab by the president. In his appearance on Capitol Hill, Almagro said more than 100 people have been killed and thousands of others have been injured in Venezuela since

a series of anti-government protests began in early April, the AP reported. He added that there are 444 political prisoners in Venezuela. The OAS chief also told lawmakers that other countries' reluctance to "act in defense of democracy has allowed the situation to deteriorate incrementally, but consistently, to the point where today it has become a full-blown humanitarian and security crisis." Almagro's appearance happened just hours before Venezuela's opposition launched today's 24-hour strike in protest of Maduro's plan for the constitutional rewrite.

Mexican Lawmakers Miss Deadline in Anticorruption Effort

Mexican lawmakers on Wednesday missed a deadline in an anticorruption drive that is a central part of the government's promise to crack down on corruption among public officials, The Wall Street Journal reported. Mexican officials missed a one-year deadline for creating new anticorruption rules and appointing an anticorruption prosecutor. The country's top parties blamed each other for failing to meet the deadline, though analysts



Peña Nieto // File Photo: Mexican Government.

say the delay in implementing efforts to curb corruption shows a lack of political will to address the widespread issue. President Enrique Peña Nieto had previously proposed laws that would aim to reduce graft as concerns over corruption overshadowed his presidency. According to the Mexican Institute for Competitiveness, an advocacy group, graft costs the Mexican economy approximately \$51 billion a year, but only 2 percent of all corruption-related

NEWS BRIEFS

Judge Freezes Assets of Brazil's Lula

Brazilian Judge Sérgio Moro, who is leading anti-corruption probe "Operation Carwash," has ordered that the assets of former President Luiz Inácio Lula da Silva be frozen after convicting and sentencing him to prison last week on graft charges, Agence France-Presse reported Wednesday. Lula remains free pending his appeal of the verdict and denies wrongdoing. Lula has said he still plans to run for president in the election set for next year. [Editor's note: See [Q&A](#) on Lula's conviction and sentencing in Tuesday's Advisor.]

Uruguayan Pharmacies Begin Selling Cannabis Directly to Consumers

Pharmacies in Uruguay gave begun selling cannabis products directly to customers, Reuters reported Wednesday. The country's nearly 5,000 registered users will be able to purchase five-gram sealed packets for \$6.50 each at pharmacies. In 2013, Uruguay became the first country in the world to legalize the recreational use, sale and cultivation of marijuana.

Brazil's Lower House Aims to Vote on Pension Reform by Late August

The lower house of Brazil's Congress is aiming to vote on a controversial pension reform plan by the end of August, the chamber's leader said in a newspaper interview published today. "We need to start voting it in August," Chamber of Deputies Speaker Rodrigo Maia told O. Estado de S. Paulo. He expressed hopes that the legislation advances to the floor of the chamber by the end of the month. The reform would set a minimum age for retirement and would cut social security benefits. Some economists say the reform is needed in order to avoid a debt crisis. However, labor unions oppose the changes, saying they are unfair to workers.

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resistance, accusing them of collaborating and negotiating with the government. This sends a clear message. Although Maduro is not willing to risk his position of power, he understands that it is better for him to defuse the conflict, looking for ways to lower tension in the streets, not because he fears an abrupt exit, but rather because doing so obliges the opposition to keep up repressive actions that could generate internal conflicts within itself. Last Sunday's referendum was a new milestone in the opposition's fight against the government, and it's clear that the opposition increased its pressure against the impending constituent assembly, which would signify the end of the republic and the end of what remains of democracy in Venezuela. López is a protagonist of this story and, although he's not alone, he will be influential in the complex decisions, both promising and risky, that will be made in the coming days."

A **Eva Golinger, attorney, author and former advisor to late Venezuelan President Hugo Chávez:** "The unexpected transfer of Leopoldo López from a military prison to his house and the fact that he was accompanied in a hushed middle-of-the-night mission by two high-ranking members of the ruling party, Delcy and Jorge Rodríguez, show both the political significance of his case and the government's need to reduce his visibility on both an international and national level. The López side claimed no conditions were set for his release, but the government clearly believed his release would reduce a major pressure point in the run-up to the highly controversial constitutional rewrite. It was also a sign to the Trump administration of Maduro's desire to re-establish relations and avoid any potential economic sanctions against Venezuela. But the move appears to have done little to appease anyone, and instead has infuriated many pro-government supporters who see it as a concession to the opposition with nothing in return. The

multiple, conflicting reasons given to justify López's release show the decision was made by a close-knit group around Maduro for purely political reasons and not out of concern for his health or due process. The opposition remains deeply divided in Venezuela, and has no real agenda beyond regime change. So far, López hasn't backed down from his anti-government rhetoric and calls for ongoing protests, but his release does show willingness on the government's part to negotiate, albeit on its own terms."

A **Jennifer McCoy, distinguished university professor of political science at Georgia State University:** "It's impossible to know if López was released for medical reasons; however, there was likely a strategic aim to lessen street pressure. Given that López is still under house arrest and other political prisoners are still detained, his release has had little impact on the opposition's strategy of confrontation or street pressure. Obviously, it will be easier for López to communicate and participate in strategizing from his home, even with restrictions. The important development now is the reaction from both sides to the successful public consultation on July 16, as well as efforts to build an international mediation body. Both the opposition MUD and the government have locked themselves into a confrontational course of action that needs to shift to negotiations. On the opposition side, the addition of questions 2 and 3 to the public consultation raised expectations of the July 16 vote from the simple one of a public rejection of the government's Constituent Assembly to the difficult expectation for action from the military or the MUD to achieve a change of government. Likewise, the government remains locked into holding the July 30 elections for the body to rewrite the Constitution. Foreign governments should privately tell the government they will isolate Venezuela diplomatically if a constituent assembly is installed and takes immediate actions to dis-

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crimes are punished, according to government figures. A recent poll showed that 44 percent of Mexican companies pay some kind of bribe. In 2014, Peña Nieto and his wife were at the center of a corruption scandal when details emerged that showed his wife and finance minister had bought homes on credit from a government contractor close to the president. Both the president and the finance minister were cleared of wrongdoing by a comptroller who had been appointed by Peña Nieto, which pushed a government effort for the creation of an independent anticorruption system. A recent poll shows that 83 percent of Mexicans view the PRI, the president's political party, as corrupt, which may have implications for next year's general elections.

BUSINESS NEWS

SolarReserve Gets Chile's OK to Build Thermal Station

The Chilean government has granted U.S. solar energy company SolarReserve environmental approval to construct a 390 megawatt solar thermal power station that will have 5,100 megawatt-hours of energy storage, the company said in a statement Wednesday. The plant is SolarReserve's third project to receive the Chilean government's approval. The Likana Solar Energy Project, located in the Antofagasta region, will provide a non-intermittent, 24-hour supply of energy. It will be comprised of three 130 MW solar thermal towers, which will each contain 13 hours of full load energy storage. The project will generate 2,800 gigawatt-hours annually. "The Likana project will help lower electricity costs for Chilean families and businesses, while safeguarding grid stability," said Tom Georgis, SolarReserve's senior vice president of development. The company will be bidding energy and associated capacity from the Likana project as well as its other two projects in the country in the next annual auction for firm energy supply issued by Chile's power distribution companies.

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solve the existing legislature or remove the attorney general. A mediating group of countries should encourage negotiations to form a joint transitional or interim government to jumpstart the stalled economy, with massive humanitarian aid, and restore independent institutions, while preparing for elections one to three years down the road.”

A **Alejandro Velasco, associate professor of Latin American history at New York University:** “Concern for his well-being seems least among the reasons why López was granted house arrest. More plausibly, the government sought political advantage by throwing a curve ball into an unstable political terrain. It’s a move fraught with risk, but transferring López does offer potential benefits for the government. Chief among them: undercutting Attorney General Luisa Ortega Díaz, who has emerged as a major dissenting voice embraced by many in the opposition and abroad as a guarantor of the rule of law. But it was Ortega who oversaw López’s arrest and trial. Releasing López, and pointing to ‘major irregularities’ in his detention as a second reason for doing so, reminds newfound and would-be supporters of Ortega’s checkered past, sowing skepticism about her commitment to justice. Stoking tensions among the opposition, long a winning tactic for the government, may also be at play. The recent protest movement has thrust new, younger opposition leaders to center stage. They may now feel pressure to defer to López, the opposition’s original firebrand. At the same time, López’s past statements rejecting house arrest or release until ‘all political prisoners’ are freed, while we see messages from his high-profile wife expressing willingness to negotiate with the government, call into question López’s reputation as an uncompromising voice of the opposition. Still, if past experiences of political prisoners released to house arrest are any indication, López may more likely find himself in unfamiliar territory: out of the picture. López will no doubt resurface in an

eventual transition, but for now his role may be backstage, cultivating the international networks his supporters mobilized while he was behind bars.”

A **David Smilde, professor of sociology at Tulane University and senior fellow at the Washington Office on Latin America:**

“Sending Leopoldo López to home detention does not appear to have been part of any type of negotiation, other than José Luis Rodríguez Zapatero’s request for a goodwill gesture. As such, it allowed the government to relieve some international pressure by apparently making such a gesture. The way the government framed the move—as a ruling by the Supreme Justice Tribunal (TSJ) for humanitarian reasons and due to irregularities in the case—also helped the government in its battle against Attorney General Luisa Ortega. Her break with the government has made her a hero among the opposition. This move allowed the government to highlight the uncomfortable fact that it was Ortega’s office that prosecuted López. It also allowed government officials to portray themselves as obedient to the orders of an independent TSJ that does not always rule their way. That would give them some grounding to suggest to the opposition that it should not complain if and when the TSJ dismisses Ortega. Early suggestions by some of us that the López move would cause divisions within the opposition have not been borne out. López is at home but is under a gag order that limits what he can say and therefore what influence he can have. In fact, the López release provided a rare victory for the opposition and as such, an important boost a week before its effort to call a plebiscite. The plebiscite itself was much more important than the López release. Getting seven million people to turn out for a do-it-yourself election was an impressive feat and gave the opposition some momentum and international attention in its struggle against Nicolás Maduro’s authoritarian project.”

LATIN AMERICA ADVISOR

is published every business day by the Inter-American Dialogue, Copyright © 2017

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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

ISSN 2163-7962

Subscription inquiries are welcomed at freetrial@thedialogue.org

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