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FEATURED Q&A

Are Latin America's Leaders Turning Away From the U.S.?



Speeches at last month's U.N. General Assembly meeting included one from Chilean President Michelle Bachelet urging countries to fight climate change. // Photo: United Nations.

Q World leaders traveled to the United Nations for its General Assembly in mid-September, with speeches including ones from Brazilian President Michel Temer decrying protectionism, Colombian President Juan Manuel Santos backing peace processes, Chilean President Michelle Bachelet stressing the need to fight climate change and U.S. President Donald Trump articulating his "America First" vision to a global audience. What were the biggest takeaways for the Western Hemisphere following the assembly? As many Latin American presidents are nearing the end of their terms in office, what do the speeches reveal about the regional and domestic challenges the region's next leaders will face, and what do they reveal about political trends in the region?

A Laura Chinchilla, former president of Costa Rica: "During this year's United Nations General Assembly, presidents of the Western Hemisphere delivered messages addressing a wide variety of topics, but that shared a common feature: an emphasis on their own domestic audiences or policy agendas. In my opinion, the reasons for this are twofold: First, for many of the heads of state of our region, this will be their last time at this international forum, since eight countries will be holding presidential elections in the months to come. Therefore, they felt compelled to reach out to their local constituencies when delivering their speeches. Second, it appears that the concept of having a regional agenda, which was predominant in the hemisphere for some decades and which succeeded in uniting countries around a common interest, is fading. In the past, the regional agenda

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TODAY'S NEWS

POLITICAL

At Least 22 Killed as Tropical Storm Lashes Central America

Tropical Storm Nate pounded parts of Central America with strong winds and heavy rain as it moved north toward the U.S. Gulf Coast.

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BUSINESS

Expulsions of Envoys Will Hurt Business Ties: Cuban Officials

The Trump administration's expulsion of 15 Cuban diplomats will hinder business ties between the two countries, Cuban officials said.

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POLITICAL

Prosecutors Investigating Guatemala's Arzú

Guatemala's attorney general and the country's U.N. anticorruption body accused former President Álvaro Arzú, who currently serves as Guatemala City's mayor, of graft. He denies the accusations.

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Arzú // File Photo: Municipality of Guatemala City.

POLITICAL NEWS

At Least 22 Killed as Tropical Storm Nate Hits Central America

At least 22 people were killed Thursday when Tropical Storm Nate lashed Central America, Reuters reported. In Nicaragua, 11 people were killed, seven others were reported missing and floodwaters caused by the storm forced thousands of people to evacuate their homes, the wire service reported, citing Vice President Rosario Murrillo. In Costa Rica, at least eight people were killed, including two children. Seventeen others there were missing, and more than 7,000 were forced into shelters. In Honduras, two youths drowned when a river suddenly swelled, while one man was killed in El Salvador, where another person was reported missing. "Sometimes we think we think we can cross a river and the hardest thing to understand is that we must wait," Murrillo said on state-run radio. "It's better to be late than not to get there at all." In Costa Rica, officials closed schools and other nonessential services and declared a state of emergency. Mudslides forced the closure of several roads in Costa Rica, while the storm's strong winds and heavy rain caused power outages. Costa Rican officials deployed more than 3,500 police in the wake of the storm. As of 7 a.m. Central Time today, Nate was located about 115 miles northeast of Isla Guanaja, Honduras, or 230 miles south-southeast of Cozumel, Mexico, according to the U.S. National Hurricane Center. The storm was moving north-northwest at 14 miles an hour, with maximum sustained winds of 45 miles an hour, the Hurricane Center added. The tropical storm is expected to dump as much as 15 inches of rain on parts of Honduras and Nicaragua and as much as eight inches of rain in

SUBSCRIBER NOTICE

The Latin America Advisor will not be published on Monday, Oct. 9 in observance of the Columbus Day holiday in the United States. We will resume publishing on Tuesday, Oct. 10.

the eastern part of Mexico's Yucatán Peninsula and in western Cuba, according to the National Hurricane Center. The storm is forecast to hit the U.S. Gulf Coast over the weekend. Officials in Louisiana declared a state of emergency and ordered evacuations in coastal areas ahead of the storm's landfall, expected early Sunday, the Associated Press reported. Some offshore oil platforms in the Gulf of Mexico were also being evacuated.

Brazilian Congress Advances Election Law Changes

Brazil's Congress has advanced controversial new measures aimed at changing the way elections are carried out across South America's largest nation. On Thursday, legislators approved a hotly debated bill that would introduce significant levels of public campaign financing in the wake of a ban on corporate donations, The Wall Street Journal reported. In creating a \$541 million fund for candidates



Temer // File Photo: Brazilian Government.

to spend on next year's general elections, in addition to the existing \$261 million year-round fund for political parties, lawmakers aimed at countering corruption and influence peddling in politics. However, critics say that money is better spent elsewhere and would only prop up already corrupt officials. Earlier this week, Brazil's Senate approved a measure that puts an end to coalitions in Congress and creates rules to bar parties with poor electoral support, Folha de S.Paulo reported. The "barrier clause" will apply to next year's elections, while the rules ending coalitions will be delayed until 2020. Also this week, Congress approved legis-

NEWS BRIEFS

Vicuña Sworn in as Ecuador's Vice President

María Alejandra Vicuña was sworn in as Ecuador's new vice president on Thursday, El Comercio reported. President Lenín Moreno selected Vicuña, who had served as his urban development minister, earlier this week on an interim basis to replace Jorge Glas, who has been jailed since Monday on corruption charges. Vicuña had been overseeing government projects to expand housing for Ecuadoreans.

Prosecutors Investigating Former Guatemalan President Arzú

Prosecutors on Thursday placed Guatemala City's longtime mayor, Álvaro Arzú, under investigation for suspected corruption and wrongdoing, Reuters reported. A former president of the country and five-time elected mayor of the capitol city, Arzú rejected the accusations after they were announced by Iván Velásquez, head of the International Commission Against Impunity in Guatemala, or CICIG, and Attorney General Thelma Aldana. Arzú is suspected of creating fake payrolls and using public funds for his re-election bid in 2015.

U.S. Expulsion of Envoys Will Harm Business Ties: Cuban Officials

Cuban officials in Washington said that the expulsion this week of 15 of their diplomats from the United States would hurt efforts to increase trade and business ties, Reuters reported Thursday. "Due to this decision, the activities developed by the Economic and Trade Office of the Embassy of Cuba to the United States ... will be seriously affected," one Cuban diplomat said in a farewell message to a U.S. group that takes investors to the island. Only one diplomat will remain in the consular section charged with issuing business visas, according to the report.

lation allowing parties and candidates to force social media outlets to censor offensive or critical content by anonymous authors, Reuters reported. Social media would have to provide the full name, identification and the equivalent of a tax file number of the author to keep the comment online. Major newspapers and media groups oppose the new rule, which may not have the support of Brazilian President Michel Temer, who is expected to sign the broader set of election rules for 2018 by Saturday.

ECONOMIC NEWS

U.S. Proposals Will Cause Protectionism: Mexican Officials

U.S. proposals in the ongoing talks to renegotiate the North American Free Trade Agreement, or NAFTA, would lead to protectionism and higher prices, not free trade, Mexican officials said Thursday, Reuters reported. Concerns about the trade accord and the talks to renegotiate it, which will enter a fourth round next week in Washington, have pushed the peso down to four-month lows. Senators from Mexico's ruling Institutional Revolutionary Party, or PRI, have said they would oppose any proposals to set national quotas for U.S.-made auto parts, as well as strengthening controls over fresh produce, unnamed sources close to the talks told the wire service. "We are deeply worried by what the U.S. has added recently in the free-trade negotiations," said Senator Marcela Guerra, the leader of the North American affairs committee in Mexico's Senate. Guerra said Mexico had six "red lines" that it would not cross in the NAFTA talks, including a so-called "sunset clause" by U.S. Commerce Secretary Wilbur Ross, which would automatically kill the trade pact if it is not renegotiated every five years. Proposals that the United States is pushing in the talks would mean higher prices for consumers, said Senator Ricardo Urzua. "Far from trying to favor certain U.S. labor sectors, this would hurt millions of consumers in the United States, Canada and

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included issues such as free trade and investment, security and migration, as well as conflicting views on relevant topics of the global agenda, such as disarmament and climate change. The United Nations General Assembly highlighted the lack of a regional agenda and of common priority goals in the Western Hemisphere. Instead, it confirmed that there are many different agendas in the region, guided by sub-regional, bilateral and domestic concerns."

A **Martín Torrijos, former president of Panama:** "I share the same concerns as President Temer regarding the tendency of some developed countries to increase protectionism. It is paradoxical that some of the countries that had most pushed for free-market economies are now closing their markets. This tendency benefits the sectors within those countries that employ uncompetitive technologies and, at the same time, impedes developing countries from the world's largest markets. Neither of those things is good for stimulating technological innovation or for balancing trade relations and encouraging the progress of underdeveloped countries. At the same time, I share the interest of President Bachelet in combating the causes of climate change and reversing its effects. Apart from the growing damage that this phenomenon is bringing to several South American countries, the brutal hurricane season that is still continuing in the

Mexico," he said. U.S. President Donald Trump has sharply criticized NAFTA, saying it has cost the United States manufacturing jobs, sending them to Mexico, and has also led the United States to have a \$60 billion trade deficit with the neighboring country. Mexico's economy minister, Ildefonso Guajardo, has accused Trump of wanting to start a "protectionist war" that would mean the trade treaty's demise. Guajardo told Mexican daily newspaper *El Economista* on Thursday that the United States was eyeing the possibility of imposing new restrictions on companies that do business

Caribbean is the best proof of the severity of the issue. It was unusual that, as a result of the sea surface warming, in just one week three hurricanes battered the region, and in the past month, we have faced the wrath

“It is paradoxical that some of the countries that had most pushed for free-market economies are now closing their markets.”

— Martín Torrijos

of two of the largest hurricanes in history. The hurricanes not only caused many deaths, devastated territories and destroyed valuable resources, but also threatened the very existence of some Caribbean countries. Finally, I agree with President Santos with regard to his emphasis on the importance of the peace process in Colombia. This is an issue of extreme importance for this country, just as it is for neighboring countries and for Central and South America in general. Effective implementation of the peace deal will allow, on the one hand, for the government to focus its efforts on other essential issues, such as combating organized crime in the region and, on the other hand, will open up certain regions, people and resources to economic and social development. This will

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with state entities in Mexico. "Imagine what Exxon and all those who have bet on the reform and have established joint investments are going to think," said Guajardo, referring to deals with Mexican state-owned oil company Pemex following the country's oil sector reforms. Concerns about hard-line negotiating positions by the United States has weighed on the peso, leading it to close down 1.29 percent at 18.50 per dollar on Thursday. That level marked the Mexican currency's lowest point since June 5. [Editor's note: See [Q&A](#) on the NAFTA talks in the Sept. 1 issue of the Advisor.]

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be very beneficial to the Colombian people, and also to the nations that border the country.”

A **Michael Shifter, president of the Inter-American Dialogue:** “Although parts of President Trump’s U.N. speech could have been delivered by his predecessors, the ‘America First’ thrust, accompanied by a sometimes belligerent tone, was at odds with the more diplomatic approach of other global leaders. The speeches of Latin American presidents, which emphasized trade, peace and combating climate change, highlighted the disconnect. Just when many of the region’s leaders are more inclined to embrace the values and ideas associated with the liberal international order, the United States—chiefly responsible for forging that order—is moving in a different direction. Even though U.N. speeches are not policy blueprints, and the United States is bigger than President Trump, the contrast is stark. Like much of the rest of the world, Latin America is going through a challenging and uncertain period. Still, seen in a global context, the region stands out for democratic rule in almost all countries as well as the absence of inter-state wars and intractable religious and ethnic conflicts.

Disputes tend to be resolved peacefully, often in international courts. The region’s next leaders will confront many challenges, including corruption, criminal violence and still persistent inequalities. They will seek to

“**Like much of the rest of the world, Latin America is going through a challenging and uncertain period.**”

— Michael Shifter

overcome Latin America’s disappointing economic performance. The wide gap between the policy agendas espoused by President Trump and most of his Western Hemisphere counterparts will accelerate the trend of declining U.S. leadership in the region. Still, the United States remains important for many countries, and Latin American leaders will take advantage of opportunities to build closer cooperation as they arise.”

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

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Q&A

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