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## FEATURED Q&A

### Is the Green Party Influencing Environmental Policy in Brazil?

**Q** At the conclusion of Brazil's Green Party convention on Oct. 17, delegates voted to remain neutral in the second round of the country's Oct. 31 presidential vote, endorsing neither of the two remaining candidates. In an open letter, Green Party candidate and former environment minister Marina Silva called upon the two candidates to be 'guarantors of conservation.' Will Silva's letter prompt either Dilma Rousseff or José Serra to take a stronger environmental stand? How important are substantive environmental and climate change issues to Brazilian voters this election? What is the current state of Brazilian environmental policy, and what changes would you expect from either Rousseff or Serra on environmental issues if elected?

**A** Mark Langevin, director of BrazilWorks and associate researcher at the Centro Universitário de Brasília:

"Marina Silva's decision to sit out the second and decisive round of the presidential election confuses efforts to prompt either Dilma or Serra to strengthen their respective environmental platforms. Marina's open letter to both candidates sustained her message in the short run, but this decision effectively sidelines her campaign and party from national politics in the coming years. Moreover, the failure of the Green Party to significantly expand its congressional representation undercuts the party's

strategy to influence both candidates and the next administration. Marina's message of environmental protection and sustainable development should continue to deepen among Brazilian voters in the long run, in part a consequence of her work as minister of the environment in the Lula government (2003-2008). Hence, it is ironic that neither Marina nor the Green Party will directly participate in environmental and climate change policymaking at the federal level during the next four years. This may be the biggest loss of all. In her

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### Venezuela Seizes Local Unit of Glassmaker Owens Illinois

Venezuelan President Hugo Chávez on Monday announced that his government is expropriating the local unit of U.S.-based glassmaker Owens Illinois. See story on page 2.

*Photo: Venezuelan Government.*

## Inside This Issue

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## NEWS BRIEFS

**Wife of Jailed U.S. Subcontractor Pleads Case to Raúl Castro**

The wife of U.S. government subcontractor Alan Gross, who has been jailed in Cuba since December, has written to President Raúl Castro pleading for her husband's release, the *Miami Herald* reported today. "To the extent his work may have offended you or your government, he and I are genuinely remorseful," Judy Gross wrote to the Cuban leader. Alan Gross was arrested after delivering communications equipment to members of Cuba's Jewish community. Cuba has accused him of spying, which the United States denies.

**Peru to Lead 2010 Growth in Latin America: Study**

Peru will have the largest GDP growth in 2010 and the lowest rates of inflation for this year and 2011 among major Latin American countries, according to the Latin America Census Forecast, a study that polls international experts and investment bankers, state news agency Andina reported. The study projects Peru's GDP growth rate of 7.8 percent, the same as Argentina's, followed by Brazil and Uruguay at 7.5 and 7.1 percent, respectively.

**Mexico's Alfa Buying Three Eastman Plants**

Mexican industrial conglomerate **Alfa S.A.B.** said Monday it has reached an agreement to buy three petrochemical plants in South Carolina from **Eastman Chemical Co.** for approximately \$600 million, EFE reported. In addition to the plants, the company's **DAK Americas** unit will acquire the rights to Eastman's polyethylene terephthalate (PET) and purified terephthalic acid (PTA) plastics technology.

## Political News

**Dominican Republic Bars Haitians From Entering Amid Epidemic**

Authorities in the Dominican Republic have barred most citizens of neighboring Haiti from entering the country as Haiti grapples with an epidemic of cholera, which has so far killed more than 250 people, EFE reported Monday. A traditional binational market in the Dominican Republic was suspended because of the outbreak and Dominican authorities prohibited thousands of Haitian buyers and merchants on their way to the event from crossing the border. The cholera outbreak was first detected last week in Haiti's Artibonite province. Haitian clergy members who had planned to participate in a meeting in the Dominican Republic also were denied entry. Dominican immigration authorities said they would allow students and some Haitians holding Dominican visas to enter the country. No cases of cholera ties to the outbreak in Haiti have been reported in the Dominican Republic, but Dominican authorities have established a unit at the country's national laboratory to test for cases of the disease, said

Dominican Health Minister Bautista Rojas Gómez. Meantime, a top health official in Haiti said the outbreak appears to be easing. "The worst part is over, but you can always have a new spike of cholera," said Health Ministry Director Gabriel Timothée, the



Associated Press reported. At least 259 people have died of the disease since last week and more than 3,300 have been sickened, Timothy said. But he added that only six deaths have been reported since Sunday. Also, five cases have been reported in Port-au-Prince, but the sufferers were infected elsewhere, said Timothée, adding that no cases have originated in the capital.

Rojas Gómez

File Photo: Dominican Government.

## Company News

**Chávez Announces Expropriation of Owens Illinois Unit**

Venezuelan President Hugo Chávez on Monday announced the government

**Featured Q&A**

*Continued from page 1*

response to Marina's letter, Dilma paid greater attention to each point of convergence, but did not hesitate to reject the Green Party's call for establishing a regulatory agency to enforce the National Climate Change Policy. Serra did not respond, leaving the task to PSDB President Sérgio Guerra who invited collaboration, but avoided details. In the last week of the presidential race, it seems unlikely that Serra can swing enough of Marina's votes to his side. Dilma and the Workers Party will win the presidential election; and it is likely that efforts will be made to reach out to Marina's 19,636,359 voters by making incremental advances toward stronger government efforts to restrain deforestation in the

Amazon and Cerrado while promoting a low carbon, sustainable economy for the future."

**A** **Georges D. Landau, head of Prisma Consultoria in São Paulo:** "The Green Party (PV) consists essentially of Sen. Marina Silva. Her invitation at the special convention held on Oct. 17 for the party to express its 'independence, not neutrality' can be viewed as an effort to remain in the limelight, indeed to position herself for the 2014 election. Marina's political discourse is monotone, revolving around environmental conservation, although her performance at the Environment Ministry was not

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takeover of the local unit of U.S.-based **Owens Illinois**, Agence France-Presse reported. The glassmaker "has had years exploiting the workers, destroying the environment," and also "taking away the money of Venezuelans," Chávez said at an event broadcast on television and radio. The government has "a list with more names" of companies to be seized, Chávez said without elaborating. Owens Illinois has had operations in Venezuela for 52 years and makes bottles for drinks and food at two plants. The company has approximately 22,000 employees in 21 countries, including Brazil, Ecuador, Peru and Colombia. Since 2007, Chávez has expropriated about 350 companies in industries including banking, electricity, oil, steel and food. During his speech Monday, Chávez also threatened to seize private banks, saying banks "that do not want to collaborate in the national development should be taken over by the state with no kind of delay." Since last November, the government has seized or dissolved about a dozen mid-sized and small banks. Chávez pointed out that Venezuela has a shortage of housing and said banks must make it easier for customers to get credit in order to build homes.

### Deutsche Bank, Itaú Form Partnership for Remittances in Brazil

**Deutsche Bank** and **Itaú Unibanco** on Monday announced a partnership to allow Brazilians abroad to use branches of the German bank to send remittances back home. Remittance beneficiaries will be able to receive funds at more than 3,300 Itaú locations in Brazil through the partnership, said Deutsche Bank. "Our expanded offering in Brazil is a key step forward for a more robust remittance strategy globally," Paul Camp, Deutsche Bank's head of cash management financial institutions, said in a statement. "We are dedicated to growing our remittance business and are extremely pleased to be leveraging Itaú Unibanco's excellence in retail banking to bring Brazilian remittance payments capabilities to financial institutions around the world." The Brazilian bank said the partnership will benefit its customers as well. "Deutsche

## Comings & Goings

Miami-based **Burger King**, which earlier this year was taken over by a private equity group led by Brazilian investors, on Monday announced that Greg Ryan has been named president of Latin America and the Caribbean and also company executive vice president. Ryan had been a franchise owner with competitor **McDonald's** in Brazil. He will be based in Miami. Julio Ramirez, who previously served as president of Latin America and Caribbean operations and was most recently executive vice president of global operations, will leave Burger King, the company said.

**The Cohen Group**, a Washington consulting firm, announced Oct. 8 that Craig Kelly, former principal deputy assistant secretary of state for Western Hemisphere affairs, has joined the firm as a vice president. "Ambassador Kelly is a widely respected, professional and gifted diplomat who will help us serve our clients and expand our work in the Americas," said William Cohen, chairman of The Cohen Group. At the State Department, Kelly was the United States' top professional diplomat for policy and management issues related to U.S. diplomacy in the Americas. From 2004 to 2007, he was U.S. ambassador to Chile.

**Citigroup** announced Friday that Joaquin Cottani will join the bank as chief economist for Latin America within Citi's investment research and analysis group. Cottani served in the 1990s as Argentina's undersecretary of finance and as the country's financial representative to Washington. He was later chief Latin American economist for **Lehman Brothers** between 1998 and 2003 and subsequently served as the lead economist for Mexico and Colombia at the World Bank. Most recently, Cottani served as the economist responsible for Argentina at **GlobalSource Partners**. He starts his new job Nov. 1.

Bank is a key partner for Itaú Unibanco group and this new agreement will leverage our existing cash management rela-

*Remittance beneficiaries will be able to receive funds at more than 3,300 Itaú locations in Brazil through the partnership.*

tionship by expanding our remittance offering outside Brazil," said Carolina Camargo, head of the international banks division at Itaú BBA.

### Nestlé's Ecuador Unit to Sell \$74 Million in Debt

**Nestlé's** unit in Ecuador is planning to sell \$74 million in debt in order to increase spending on technology and refinancing loans, Bloomberg News reported Monday, citing **BankWatch Ratings del Ecuador**. The unit of the world's largest

food company will sell the debt in a series of four with maturities ranging from three to seven years, Carlos Ordoñez, the director of structured finance at the company, an affiliate of **Fitch Ratings**, told the news service. Nestlé has asked BankWatch Ratings to rate the bonds. The company's future sales in the South American country will guarantee the debt, which will carry interest rates of 7.25 percent to 8.75 percent, said Ordoñez. The chief financial officer for **Nestlé Ecuador**, Santiago Noboa, would not comment on the sale to Bloomberg News. Companies in Ecuador are using the country's recent increase in liquidity in order to get more funding after the central bank required banks in February to increase the amount of money they keep inside the country, Juan Lutyk, chief executive officer of the **Intervalores Casa de Valores** brokerage, which is based in Guayaquil, told Bloomberg in an interview. "There should be a lot of demand because there's a lot of liquidity in the banks," he said. "They are looking to buy all the private debt they can."

**Featured Q&A***Continued from page 2*

particularly distinguished—she claims, with reason, that she was thwarted at every step by Dilma Rousseff, then chief of the civil cabinet. On the other hand, when Serra was governor of São Paulo, he proposed and implemented the country's

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“What is to be regretted is that both Dilma and Serra, whomever is elected, will tend to put the environmental cause very much on the back burner.”

— *Georges D. Landau*

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most advanced conservationist legislation. Marina's protestations of independence vis-à-vis Dilma and Serra therefore ring hollow. The environmentalist crowd that joined the PV tends to be middle class and well-educated—these are Serra's voters, not Dilma's. There is also the protest vote, people who voted for Marina (who collected nearly 20 million votes, or 19.8 percent of the total) because they couldn't bring themselves to vote for either Dilma or Serra. Marina's main contribution to this campaign—aside from adopting a high-principled moral tone—was to put the environmental cause on the political agenda, regardless of the commitments that either candidate may actually undertake. These are not issues of critical importance to the electorate. What is to be regretted is that both Dilma and Serra, whomever is elected, will tend to put the environmental cause very much on the back burner.”

**A** **Steve Schwartzman, director of tropical forest policy at the Environmental Defense Fund:** “Marina Silva's unexpectedly strong showing on Oct. 3 stunned the pundits and forced Sunday's runoff. Most observers had predicted that Dilma Rousseff would coast to a first-round vic-

tory given President Luiz Inácio Lula da Silva's 80 percent approval rating, Brazil's surging economy and record-low unemployment. But charges of influence trafficking by her associate and successor as the president's chief of staff and religious voters' concerns with her position on abortion, coupled with the 'green wave' of support for Marina sent the contest to a second round. Born the child of rubber tappers in the remote interior of the Amazon state of Acre, Marina, along with slain rubber tapper leader Chico Mendes, led grassroots resistance to deforestation by cattle ranchers and rose to political prominence as a leader of the PT. Named environment minister by Lula in 2002, she designed the National Plan to Control and Prevent Amazon Deforestation, which in large part was responsible for a two-thirds reduction in deforestation after 2004. Her campaign's focus on environmentally sustainable and socially

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“Marina has established herself—and possibly a reorganized Green Party—as a national political voice.”

— *Steve Schwartzman*

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equitable development as Brazil's—and the world's—central challenge strongly appeals to younger, better educated voters, while as an evangelical Christian, she won support from the religious community. With the votes of nearly 20 million Brazilians, Marina has established herself—and possibly a reorganized Green Party—as a national political voice.”

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*The Advisor welcomes reactions to the Q&A above. Readers can write editor Gene Kuleta at [gkuleta@thedialogue.org](mailto:gkuleta@thedialogue.org)*

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