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FEATURED Q&A

What Will Having a Latin American Pope Mean for the Region?

Q Argentine cardinal Jorge Mario Bergoglio, who took the name Pope Francis, was selected March 13 as the first-ever pontiff from the Americas. He is also the first non-European pope in more than 1,200 years and the first Jesuit to lead the world's 1.2 billion Catholics, a third of whom live in Latin America. What does having a Latin American pope mean for the region? How big is the church's influence in Latin America, and will it now grow? Does the selection of Pope Francis, a relative conservative, suggest that recent trends in the region toward more liberal policies on social issues, such as abortion and gay rights, will reverse? How will Francis' papacy be affected by allegations, which the Vatican has formally refuted, that he knew about serious rights abuses during Argentina's Dirty War and did not do enough to stop them?

A Julia Young, assistant professor of history at The Catholic University of America: "The election of Argentine Cardinal Jorge Mario Bergoglio as Pope Francis has generated an enthusiastic response among many Latin American Catholics. His nationality, his reputation as a man of the people and his adoption of the name of St. Francis of Assisi, who was devoted to the poor, have proved popular. Yet this initial burst of excitement masks a much more complex relationship between Latin American Catholics and the church. Within Latin America's majority-Catholic societies, the church has come under increasing criticism. In some countries, it is now known that powerful members of the Latin American Catholic hierarchy colluded with brutal military dictatorships. In addition, the Latin American church is confronting a growing sex abuse scandal. Recently, Latin American societies have become more pluralized and secularized. Latin Americans have been converting to Evangelical Protestantism en masse over the past several decades, and the share of the region's

Continued on page 3

Protesters Clash in Caracas Ahead of Presidential Election

Pro- and anti-government protesters clashed Thursday in Caracas in the first outbreak of violence since the government called a special presidential election for April 14 to replace late President Hugo Chávez. See story on page 2.

Photo: Reuters.

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NEWS BRIEFS

Colombia, FARC Making Progress on Land Reform Accord

Colombia's government and the Revolutionary Armed Forces of Colombia, or FARC, rebels are making progress on the issue of land reform, the government's lead negotiator said Thursday, Reuters reported. Humberto de la Calle also expressed hopes that the two sides can come to an agreement on the issue and then move on to other topics soon after talks resume April 2. The agenda for the talks also includes the rebels' political and legal status, ending the nearly 50-year conflict, victim compensation and drug trafficking.

Grupo Mexico Could Become Second Largest Copper Producer

Grupo Mexico could become the second-largest copper producer in the world by 2015, Bloomberg News reported Thursday. Chief Financial Officer Daniel Muñiz said the miner is on track to produce 850,000 metric tons of copper this year. Grupo Mexico runs mines in Mexico, Peru and the United States.

Endesa Chile Denies Power Plant at Fault in Shrimp Die-Off

Electricity generator **Endesa Chile** on Thursday denied wrongdoing in the death of thousands of shrimp and crabs that have washed ashore in southern Chile, the Associated Press reported. Local fishermen have blamed the massive die-off, which has occurred mainly on a beach about 330 miles south of the capital this week, on the company's water-warming Bocamina 1 and 2 power plants. A company manager said Endesa Chile had studied the die-off and concluded it "is due to the flow of deep waters coming from the continental platform, induced by currents of wind on the ocean."

Political News

Protesters Clash in Venezuela Ahead of Presidential Election

Opponents and supporters of late Venezuelan President Hugo Chávez clashed Thursday in Caracas in the first outbreak of violence since the government called a special election April 14 to replace the longtime leader who died earlier this month, Reuters reported. Hundreds of anti-government student protesters were marching to the headquarters of the country's electoral board to demand a fair election when pro-government demonstrators blocked them, throwing stones, eggs and bottles. Some students threw stones back at the pro-government demonstrators. "We were holding a peaceful march. ... All we want is democracy," Eduardo Vargas, a 19-year-old law student whose eye was injured in the clash, told Reuters. "We're all Venezuelans. We just want a fair vote." Police officers fired tear gas toward the government supporters and blocked the two sides from each other. An onlooker, 78-year-old government supporter Gustavo Malave, told the wire service that the students started the confrontation. "The clash began because the opposition started throwing stones," said Malave. The students had been marching to the electoral office headquarters singing Venezuela's national anthem and holding signs reading "Free and fair elections" and "Nicolás is a liar." At an evening campaign rally, Acting President Nicolás Maduro, Chávez's handpicked successor, called the students "a small group of recalcitrant right-wing people." He and the opposition's candidate, Miranda state Gov. Henrique Capriles, have been trading accusations as they seek to sway voters ahead of next month's election. Two polls that were published this week show that Maduro leads Capriles by more than 14 percentage points. Capriles has accused Maduro of exploiting sympathy for Chávez for political gain. A centrist, Capriles has sought to focus on Venezuela's day-to-day problems, such as crime and corruption. He lost to Chávez in last October's presidential election by 11 percentage points.

> "We're all Venezuelans. We just want a fair vote."
>
> — *Eduardo Vargas*

Economic News

Brazilian Supreme Court Decision Could Cut Gov't Revenue by $17 Bn

Brazil's Supreme Court has ruled that the government can no longer include a value-added tax in its base of calculation for other taxes on imports, a measure that could cut the country's tax revenue by $17 billion dollars, Dow Jones reported Thursday. The high court ruled late Wednesday that the government must stop including the value of the so-called ICMS value-added tax on goods and services when it calculates how much importers must pay into PIS/Cofins social-security taxes. The court said that if the government wants to treat importers and domestic companies equally, it would have to go in the other direction and eliminate the ICMS from calculations of other taxes for local producers. The ICMS tax is also a topic of debate between the states within Brazil. Speaking before a Senate hearing Thursday, Brazilian Finance Minister Guido Mantega defended the government's proposed reforms to the ICMS saying they will strengthen Brazil's economy and do away with "archaic" tax structures, Agência Brasil reported. The interstate ICMS is charged currently when goods pass from one state to another. The tax is levied by the producing state, and the federal government hopes to make rates lower and more even. The governors of some states object that they

Mantega

File Photo: Brazilian Government.

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will lose revenue under the plan, however. Mantega also told senators the government finds the current exchange rate acceptable, MNI reported. "Today we have a currency exchange rate that is competitive for manufacturers," he said. In recent years, Mantega had complained in global forums that Brazil's appreciated currency was hurting local manufacturers, undermining Brazilian industry's ability to export competitively. "Before it was very appreciated. Now not so much," Mantega told the Senate Economic Affairs Committee. Mantega also said that he expects only a gradual acceleration from last year's sluggish economic growth, and that the government will continue targeted tax cuts in 2013 to help industrial competitiveness.

Company News

BBVA Plans to Invest $3.5 Billion in Mexico Through 2016

The chairman of Spanish bank **BBVA** said Thursday his company will invest $3.5 billion in its Mexico operations under its 2013-2016 business plan, *El Financiero* reported. Francisco González made the announcement at Los Pinos alongside President Enrique Peña Nieto, according to the report. About $1.28 billion will be spent on improvements to branches over the next four years, plus $700 million to open new branches. Some $1.5 billion will be spent on technology upgrades. With 20 million customers, BBVA's Mexico unit contributed about 30 percent, about $2.3 billion, of the parent bank's net profit last year, according to the report. The bank's business in the United States, **BBVA Compass**, has also performed relatively well recently, growing at double-digit rates with net income of $613 million last year, BBVA said in an earnings release last week. The bank's earnings in South America were up about 20 percent last year, it said.

González

File Photo: BBVA.

Featured Q&A

Continued from page 1

population that is Catholic has decreased dramatically: in some countries, such as Guatemala and Brazil, almost one-third of Catholics have left the church. In addition, the region has become increasingly secularized. Church attendance and other measures of religious participation are in decline, especially among the young. Some national governments have begun to pass socially liberal measures, such as Argentina's 2010 legalization of same-sex marriage. Although the region is still home to about 40 percent of the world's Catholics, its Catholic identity is rapidly changing. If the new pope is to strengthen Catholicism in Latin America, he will have to confront these complexities."

A Magdalena Lopez, international program director at Catholics for Choice: "In recent years, there have been moves in several Latin American countries to ease restrictions on access to reproductive health services and to liberalize laws restricting gay rights. During his time as a priest, bishop and cardinal in Buenos Aires, Jorge Bergoglio worked hard to alleviate poverty while at the same time upholding the hierarchy's ban on contraception and abortion, even though these policies hurt poor women the most. I trust that as he settles in Rome, he will assess the contradictions between the conservative hierarchy and the lived Catholicism of the billion faithful worldwide. We are, after all, Catholics who use contraception, who have or provide abortions, who have sexual relationships outside of marriage or with people of the same sex, as well as Catholics who live with HIV & AIDS. We all seek a pope who will listen as well as lead. Pope Francis can't initiate true reform alone. He needs to forge relationships—with the ultraconservatives afraid of change as much as with Catholics who have been hurt by the church before. He must make intelligent choices about the people in whom he invests power. The fact that the pope has provisionally extended tenures of existing Vatican personnel, rather than announcing any permanent placements, gives reason for hope that he is thinking carefully about who has the energy to tackle the inertia that roosts in Rome's highest seats of power. Pope Francis needs to say yes to change in the church, and to the majority of the faithful who yearn for reform."

A Nicolás Mariscal, member of the *Advisor* board and chairman of Grupo Marhnos in Mexico City: "The arrival of Pope Francis to the Vatican is good for the Americas because it will help give exposure to this region of the world. The eyes of the world are now more acutely fixed on Latin America. As a Jesuit, the pope brings a disciplined life of prayer and of the mind to his ministry. These gifts will, no doubt, serve him and the church well in the coming years. While the pope has already begun to call our attention to the problem of poverty, it is not likely that this alone will enhance the credibility of the church as an institution. This concern represents only one side of the coin. To paraphrase Ivonne Guevara, this is humanitarian, but it does not solve the root of the problems of exclusion. On the other side of the coin, his traditional ideological view on current challenges such as abortion and homosexuality, his criticism of liberation theology and his silent indifference to feminist theology, all give pause. The pope's stance on these issues is unlikely to promote a liberal revolution in the church. However, if he paves the way and lays the foundations for a more ecumenical Catholicism this, no doubt, represents a hopeful direction. Today, in reading the signs of the times, we find a nonconformist society that is able to question the past of Pope Francis, particularly his dealings with the Argentine dictatorship of the 1970s and 1980s. Acknowledging past mistakes and not repeating them in the future will certainly be a sign of true repentance. Will the pope be able to achieve this and use his

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Featured Q&A

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position of power astutely and with a commitment to transparency? Will he make his records available? Will he strive to put his own house in order, holding the curia accountable? We hope so. Only time will tell."

Beatrice Rangel, member of the *Advisor* board and director of AMLA Consulting in Miami Beach: "Jorge Mario Bergoglio will most certainly make history as the spiritual chief operating officer that the Catholic Church badly needed. Indeed, his name choice reveals his profound belief in doing away with empty rituals in favor of instilling religious meaning to modern life. He knows that the church has lost ground among the emerging markets youth as a consequence of internal corruption, irrelevance and lack of touch with those challenges to faith posed by modernity. He was perhaps the single most trusted advisor to Pope Benedict XVI in the quite delicate matter of doing away with the cover-up of pedophilia and other criminal practices within the Catholic Church. The cleansing operation absorbed the larger share of his predecessor's mandate to the detriment of much needed reforms to bring the word of Jesus to the daily life of Catholics. And while the ideas and concepts for reforms were developed in the encyclical 'Caritas in Veritate' they remain unknown to the vast majority of the faithful due to its dense conceptual language and the lack of dissemination by the Vatican whose communicating skills are rather weak. Pope Francis not only believes in these ideas but practices them daily. A person who sustains these views is not likely to have cooperated with a military regime that violated human dignity. Unfortunately for the world, in his home country there are political leaders that believe themselves to hold the monopoly of truth which, of course, is their truth and not necessarily the universal truth. From this leadership comes the raid of attacks against Pope Francis. Evidence is not likely to sustain their views."

The Advisor *welcomes reactions to the Q&A above. Readers can write editor Gene Kuleta at gkuleta@thedialogue.org with comments.*

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