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THEDIALOGUE

FEATURED Q&A

Have Brazil's Problems Cost it International Clout?

Interim Brazilian President Michel Temer reportedly plans to attend the BRICS summit later this year in India if Brazil's Senate permanently removes President Dilma Rousseff from office. // File Photo: Brazilian Government.

Q Brazil continues to suffer through its worst economic recession in decades, coupled with political turmoil that has made it unclear which person and party will be governing the country several months from now. Against that backdrop, media reports have speculated on the role and clout of Brazil in the next BRICS summit, scheduled for October in India. Have Brazil's high-profile problems changed the way the nation sees its role in the world and as a leader of the "global south?" Has Brazil's leveraging power on the international stage been diminished by its ongoing scandals and deep economic problems? How would Interim President Michel Temer, who reportedly plans to attend the BRICS summit if suspended President Dilma Rousseff is ousted from office in August, change the way Brazil deals with the bloc's agenda, compared to Rousseff's handling of the group of emerging market powers?

A Margaret Myers, director of the China and Latin America Program at the Inter-American Dialogue: "Brazil's global influence has undeniably decreased as the country has entered into a period of economic and political turmoil. Brazil has for many years been a vocal champion of the new global south, along with China and other emerging powers. It joined BRICS in 2008 and became a member of the grouping's New Development Bank in 2014. Dilma agreed in 2015 to join the China-backed Asian Infrastructure Investment Bank, or AIIB, a supposed alternative to the Bretton Woods multilaterals, despite some Brazilian opposition to the endorsement. At the time, Brazil's $3

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TODAY'S NEWS

ECONOMIC

Cuba Sacks Economy Minister

Cuba's government removed Marino Murillo from his position and reassigned him to overseeing the country's market reforms. The government named Ricardo Cabrisas Ruíz to replace Murillo as economy minister.

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POLITICAL

Mexico Agrees to Revise Teacher Exams

The teacher evaluations have been among the most controversial parts of President Enrique Peña Nieto's education reforms, which have led to violent protests.

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POLITICAL

Brazil's Lower House Elects Maia New Speaker

Brazil's Chamber of Deputies in today's early morning hours elected Rodrigo Maia as its new speaker. Maia, an ally of Interim President Michel Temer, replaces Eduardo Cunha who is facing corruption allegations.

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Maia // File Photo: Brazilian Government.

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POLITICAL NEWS

Brazil's Lower House Selects Maia as New Speaker

Brazil's Chamber of Deputies in today's early morning hours selected Rodrigo Maia, an ally of interim President Michel Temer as the lower house's new speaker. Voting began in the chamber on Wednesday at about 5:30 p.m. and stretched past midnight, with Maia winning the election on the second ballot, Bloomberg News reported. Maia replaced Eduardo Cunha, who resigned last week as the lower house's speaker amid a graft investigation that could lead to his expulsion from Congress. Cunha denies wrongdoing. Maia is a member of the right-leaning Democrats party as well as an economist who worked in banking before entering politics, Reuters reported. He has signaled that he would support Temer's efforts to pass economic reforms to pull Brazil out of its deep recession. "I will talk to Temer, who enjoys the support of my party. We are convinced that this government will overcome this crisis and the lower house will help in that task," Maia told reporters after the vote, Reuters reported. Maia, a strong opponent of suspended President Dilma Rousseff, won the speakership with 285 votes, defeating Rogerio Rosso of the Social Democrats party, who garnered 170 votes.

> **"We are convinced that this government will overcome this crisis and the lower house will help in that task."**
>
> **— Rodrigo Maia**

ECONOMIC NEWS

Cuban Gov't Sacks Economy Minister

The Cuban government announced Wednesday night that its economy minister, Marino Murillo, was removed from his post following Cuban President Raúl Castro's warning last week that Cubans would have to tighten their belts amid socialist ally Venezuela's ongoing economic crisis, BBC News reported today. The government announced Murillo would now be in charge of spearheading market reforms.

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billion capital subscription to the bank was a tall order for a slowing domestic economy. One year later, Brazil's deteriorating economic situation has further weakened the country's ability to support these institutions. Active participation in new and existing financial institutions is also far less politically viable now that Brazilians are facing growing inflation and unemployment at home. Brazil's potential for economic growth and global leadership is nonetheless immense. It is still the region's largest economy, and one that is rich in agricultural and other resources. Brazil has aspired to great power status for more than a century, moreover. This recent boom period was not the first time, and will not be the last, that Brazil seeks a prominent global role. For the time being, however, Brazil's global clout has diminished. The Olympics will be a critical litmus test of Brazilian leadership's capacity to govern even at home."

Gary Clyde Hufbauer, Reginald Jones Senior Fellow at the Peterson Institute for International Economics: "Political upheaval plus a deep recession should inspire radically different trade policies in Brazil. Hardship opens the way for new thinking, and Brazil's trade policies certainly need fresh air. The geo-economic alliance with Russia, India, China and South Africa gave Brazil a high profile on the world stage

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NEWS BRIEFS

Mexico Agrees to Revise Teacher Evaluation Exam

The Mexican government has agreed to revise the evaluation exam given to all teachers, which has been a focal point of teacher protests, officials said Wednesday, the Associated Press reported. Education Secretary Aurelio Nuño made the announcement the same day the Mexican government was set to hold its first working group meeting with representatives from the protesting teachers' union. Nuño emphasized that the move was not a concession to some teachers' demands for the reforms, which were approved in 2013, to be completely voided. [Editor's note: See related Q&A in the July 7 issue of the Advisor.]

Salvadoran Supreme Court Strikes Down Civil War Amnesty Law

El Salvador's Supreme Court on Wednesday struck down a 1993 amnesty law that blocked prosecution for human rights abuses committed during the country's civil war, the Associated Press reported. The high court declared that parts of the law were unconstitutional.

Argentine, Bolivian State Energy Companies to Jointly Explore for Gas

Argentine state-run energy company YPF signed an agreement Wednesday with Bolivian state energy company YPFB to explore an area in eastern Bolivia with potential natural gas reserves totaling 2.7 trillion cubic feet, EFE reported Wednesday. YPFB CEO Guillermo Acha and YPF's vice president for natural gas and energy, Marcos Browne, signed the deal on the second day of a petroleum conference in Bolivia. Acha told reporters that YPF would become a new participant in Bolivia's hydrocarbons sector. The agreement covers the 383 square mile Charagua area in the eastern province of Santa Cruz.

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Murillo's replacement is another veteran politician, Ricardo Cabrisas Ruíz, who has overseen Cuba's recent debt restructuring. Castro has told Cubans to brace for tough economic times during the second half of this year as government institutions restrict energy consumption. The decision to transfer Murillo to a new post indicates growing uncertainty surrounding Cuba's economy, according to BBC News. In recent months and years, Cuba has made some changes to its economy, including legalizing small and medium-sized private businesses and allowing the country's state-controlled agriculture sector to be made into co-operatives. Cuba has also opened itself up to the possibility of more foreign investment with the thawing of tensions with the United States last year.

Cienfuegos Refinery to Partially Close for Maintenance

Cuba's 65,000 barrel-per-day Cienfuegos refinery will be partially shut down for 120 days for maintenance and will produce only the minimum output, a top official at Venezuelan state oil company PDVSA said Tuesday, Reuters reported. The announcement about the refinery, a joint venture between Cuba and Venezuela, is part of a larger trend of reduced output for the South American nation. Venezuelan crude oil production dropped to a 13-year low in June, according to the International Energy Agency, Bloomberg News reported Wednesday. Data showed production down 240,000 barrels per day as compared to last year. This 2.18 million bpd output is the lowest the OPEC nation has experienced since an oil workers' strike in February 2003. The IEA also predicted continued decline with a drop to 200,000 barrels per day for the year, which was double the expected decline last month. "While Iran is clearly OPEC's biggest source of supply growth this year, Venezuela is notching up the largest decline," the IEA said Wednesday in a report. Following power outages from April through June, Venezuela's oil production dropped by 120,000 barrels per day. IEA experts say the slump "looks unavoidable" with involved parties facing payment delays.

THE DIALOGUE CONTINUES

Will More Latin Americans Embrace Mobile Education?

Q Mexican telecommunications magnate Carlos Slim last month launched Aprende, a free online educational platform that will offer training opportunities for anyone with Internet access and a smartphone. Have Latin Americans been embracing mobile learning opportunities? How well have formal education systems in the region incorporated online and mobile learning in their curricula? What audiences should providers of online learning tools seek to target? What are the main barriers to accessing and using such tools? How much will mobile education platforms change education outcomes in the region?

A Andreas Schleicher, director at the Directorate of Education and Skills at the OECD: "New technology platforms open up amazing opportunities for people to decide what they learn, where they learn, how they learn and when they learn. But the reality remains far behind the dream of lifelong and 'lifewide' learning. PISA data show that today, digital technologies tend to reinforce rather than moderate the impact of social background on educational success. One interpretation is that building deep conceptual understanding and higher-order thinking processes requires sophisticated teacher-student interactions, and technology just distracts from this by making learning more superficial. Another interpretation is that we haven't yet become good enough at the kind of pedagogies that leverage the potential of technology, and that adding 21st century platforms to 20th century instructional practices will just reduce the effectiveness of learning. If students use smartphones to copy and paste answers to prefabricated questions, that's surely not going to help them to become smarter. If we want students to become smarter than a smartphone, we need to think harder about 21st century pedagogies. Technology can amplify great teaching, but great technology does not replace poor teaching. What could we gain if we fixed those problems? The most obvious gain is to dramatically expand access to content. Why should students be limited to the textbook that was printed two years ago and maybe designed 10 years ago when they could have access to the world's best and most up-to-date textbook? Equally important, technology allows teachers and students to access specialized materials well beyond textbooks, in multiple formats, with little time and space constraints. We can support new pedagogies with learners as active participants and as tools for inquiry-based pedagogies and collaborative workspaces, such as experiential learning with remote and virtual labs, or project-based and enquiry-based pedagogies, and we can deliver more formative real-time assessment. Second, collaboration for knowledge creation is perhaps the most obvious and effective use in the short-term, and again there are many examples where technology provides great collaboration platforms for teachers to share and enrich teaching materials."

> **"Great technology does not replace poor teaching."**
>
> **— Andreas Schleicher**

EDITOR'S NOTE: The comment above is a continuation of the Q&A published in the July 6 issue of the Advisor.

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and helped torpedo the Doha Round, but it did less than nothing to spur the Brazilian economy. Instead, the alliance provided a cover for dirigiste protection (often through local content requirements) that has hobbled the industrial and service sectors. The Temer government wants to join the Trade in Services Agreement (TiSA), a welcome step toward bringing efficiency to the Brazilian economy. It is quietly exploring ways to jettison Venezuela from Mercosur, opening the way for Mercosur to actually promote trade rather than spout anti-market rhetoric. More ambitiously, the new government is putting out feelers to the Pacific Alliance, which might lead to a pan-South American agreement. And most ambitiously, depending on the outcome of the U.S. presidential election and ratification of the TPP, Brazil might explore membership in a second phase of accessions (after the likes of Korea, the Philippines and Colombia). Along the way, rather than playing the role of naysayer to post-Doha initiatives in the WTO, Brazil could use its diplomatic heft to promote promising plurilateral pacts. If pursued energetically, such possibilities could do much to stimulate the lagging Brazilian economy."

Evandro Menezes de Carvalho, professor of International Law at the Getulio Vargas Foundation and Fluminense Federal University in Rio de Janeiro, and member of CECLA: "The economic downturn is exacerbated by Brazil's political crisis and reflects the end of a more-than-two-decade era during which politics were dominated by two figures: former presidents Fernando Henrique Cardoso (of the PSDB) and Luiz Inácio Lula da Silva (from the PT). Now, the country is experiencing a transition of political forces with a power struggle that goes beyond the 2018 presidential election. The rupture of democratic process through an impeachment, whose legitimacy and legality is widely discussed, contributes to the economic situation and contradictions of the current politics. The disapproval rate of interim President Michel Temer is as high as that of Dilma Rousseff. The interim government has seven ministers accused of corruption and one accused of murder. Eduardo Cunha, who presided over the Chamber of Deputies' impeachment proceedings, is involved in a corruption scandal and resigned from his position. Rousseff received harsh criticism when she predicted a public account deficit of 92 billion reais. Temer, however, sent a proposal that predicts a deficit around 170.5 billion reais. Brazilian foreign policy probably will focus on negotiations with the United States and Europe. China will remain a major trade and investment partner for Brazil, even considering the Chinese economy's new normal. Bilateral relations can be affected only where there are direct conflicts of interest with Western powers. Temer's government will not give the same strategic dimension to the BRICS as former President Lula. However, he will seek to preserve Brazil's position in the New Development Bank. Despite this, there won't be as much political will to support the BRICS in international forums. Temer's foreign policy will not be bold or creative. He will evaluate Brazil's position according to the agenda laid out by the main powers, assessing costs and benefits. In other words, Brazil will be more reactive than active."

> **"The country is experiencing a transition of political forces with a power struggle that goes beyond the 2018 presidential election."**
>
> **— Evandro Menezes de Carvalho**

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

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