LATIN AMERICA ADVISOR

A DAILY PUBLICATION OF THE DIALOGUE —

www.thedialogue.org

Tuesday, April 16, 2019

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FEATURED Q&A

Will Working With Google Boost Web Access for Cubans?



Luis Adolfo Iglesias Reyes of Cuba's Etecsa and Google's Brett Perlmutter signed an agreement March 28 in Havana to work toward improving Internet service in Cuba. // Photo: Etecsa.

Cuban telecommunications monopoly Etecsa and Google in late March signed a deal aimed at improving Internet speed and access and also reducing consumer costs on the island, where connectivity remains slow and expensive. What are the most important parts of the agreement, and how long will it take for Cubans to start seeing results? Why has Cuba agreed to work with Google now, and to what extent does it show an openness in the Communist government's approach to private business? What does the deal mean for other international actors in Cuba's telecom sector, such as China and Russia?

Larry Press, professor of information systems at California State University: "This was an agreement to begin working on the details of a deal to exchange traffic without charge. That alone changes nothing, but an undersea cable from the Havana area to Florida would reduce the load on the inter-city 'backbone' network that currently carries nearly all of Cuba's international Internet traffic to the current cable landing on the southeast coast. A Havana-Florida cable would result in faster Internet access and save Etecsa money. The next generation of low-earth and medium-earth orbit satellite connectivity could have a similar effect. Etecsa could use the savings from a second undersea cable or next-generation satellites to cut prices, increase investment in domestic infrastructure or increase profit. That would depend upon who is actually calling the shots at Etecsa. Politics, not economics or technical difficulty, have stopped a cable. Over three years ago, Daniel Sepulveda, deputy assistant secretary of state and U.S. coordinator for in-

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TODAY'S NEWS

POLITICAL

Hacking Attempts Soar Against Ecuadorean Gov't

Hacking attempts against Ecuadorean state institutions have doubled since the South American country's government revoked its asylum protection of WikiLeaks founder Julian Assange.

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BUSINESS

Lundin to Acquire Brazilian Mine for More Than \$1 Bn

Lundin Mining said it would acquire the Chapada mine, located near Brasília, from Yamana Gold. The mine began operations in 2007. The deal is expected to increase Lundin's base metals production this year by some 26 percent.

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ECONOMIC

Canadian Gov't Sanctions 43 Venezuelans

Canadian Foreign Minister Chrystia Freeland announced new sanctions on 43 Venezuelan officials, including governors, military leaders and judges.

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Freeland // File Photo: Canadian Government.

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ECONOMIC NEWS

Canada Imposes Sanctions on 43 Venezuelan Officials

Canada's government on Monday imposed sanctions on 43 members of Venezuelan President Nicolás Maduro's government, the Associated Press reported. Foreign Minister Chrystia Freeland announced the sanctions against the officials, who include regional governors, saying they were involved in



The Maduro dictatorship must be held accountable for this crisis and depriving Venezuelans of their most basic rights and needs."

- Chrystia Freeland

undermining Venezuela's democratic institutions. Canada previously sanctioned 70 others connected to Maduro, who Canada and several other countries blame for the country's crumbling economy and political crisis. The move bars Canadians from any financial transactions with the sanctioned individuals and also freezes any assets they have in Canada. Freeland announced the sanctions in Chile during a meeting of the Lima Group, a bloc of 14 Western Hemisphere nations that considers Maduro's re-election last year to be fraudulent, CBC News reported. "The Maduro dictatorship must be held accountable for this crisis and depriving Venezuelans of their most basic rights and needs," Freeland said in a statement. "Canada is committed to supporting the peaceful restoration of constitutional democracy in Venezuela." Maduro's government reacted to the new sanctions by saying Canada is part of the "imperial aggression" against Venezuela, the AP reported. A Canadian official told CBC News that an aim of the sanctions is to punish judges who signed off on Maduro's sidelining

of the elected National Assembly after the opposition won control of it in 2015. Following that vote, Maduro's government created a new body, the Constituent Assembly, that is entirely comprised of Maduro loyalists. Many of the 43 people targeted in Canada's new round of sanctions were already sanctioned by the U.S. government, in some cases since before current President Donald Trump took office in early 2017. In addition to five state governors, Canada's new sanctions include 13 military, police and Socialist Party militia members, five members of Maduro's cabinet, five Supreme Court justices, three Constituent Assembly members and 12 other officials, CBC News reported. Among the sanctioned individuals are Cristopher Figuera and Bernal Martínez, the current and former heads, respectively, of the government's SEBIN secret police agency.

POLITICAL NEWS

Hacking Attempts Against Ecuadorean Government Soar

Hacking attempts against Ecuadorean state institutions have doubled since the government revoked WikiLeaks founder Julian Assange's asylum at its London embassy last week, an official said Monday, Reuters reported. Telecommunications Minister Patricio Real said government websites, including those of the presidency, the central bank and the foreign ministry, had sustained 40 million hacking attempts per day since Assange was arrested last Thursday. "During the afternoon of April 11, we jumped from 51st place to 31st place worldwide in terms of the volume of cyberattacks," Real said, the wire service reported. He did not blame any group in particular for the attempted breaches, adding that it would be difficult to identify the hackers, but he said that hacking group Anonymous had made a threat. The hacking attempts did not result in the theft of any government data, according to the minister, but limited employees' and citizens' access to the websites. Ecuadorean

NEWS BRIEFS

Forty-Five Bodies Found in Mexico Clandestine Graves

Mexican authorities and a group of volunteers found 45 bodies at clandestine burial sites in Mexico, with an estimated 30 cadavers found in one location in Sonora State, and 15 buried under the patio of a house outside the city of Guadalajara in Jalisco State, the Sonora prosecutor's office said in a statement, the Associated Press reported Monday. The volunteer group, known as Guerreras Buscadoras, is a team of mostly women who organize digging expeditions for missing relatives to counter government inaction.

Nicaraguan Opposition Blasts Government's Guarantee to Exiles

Nicaraguan President Daniel Ortega's government on Monday said it will guarantee the safe return of exiles, but the opposition called the pledge "absurd," the Associated Press reported. The Foreign Ministry said that anyone who fled the country in the last year and does not have any formal accusations or court cases against them will be allowed to return. However, opposition members said the government is providing no real mechanism for exiles' safety.

Brazil's Economic Activity Falls in February

Brazil's economic activity fell 0.73 percent in February from a month earlier, the largest drop in nine months, according to central bank statistics, Reuters reported. Economic activity had contracted by 0.31 percent in January. The bank's IBC-BR economic activity index is a leading indicator of gross domestic product, which is estimated to fall by 0.1 percent in the first quarter of this year, Bradesco economists wrote in a note. The data adds pressure on President Jair Bolsonaro to boost the economy amid a sluggish start to the year.

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President Lenín Moreno has accused Assange of using the embassy as a "center for spying," The Guardian reported. "This activity violates asylum conditions," Moreno told the newspaper. "Our decision is not arbitrary but is based on international law." The government has also accused Assange of leaking personal photos of Moreno and his family and spreading information about corruption accusations in connection with the president online. WikiLeaks has denied involvement. After his arrest, U.S. prosecutors announced charges against Assange for allegedly conspiring to gain access to a government computer.

BUSINESS NEWS

Lundin to Acquire Brazilian Mine From Yamana for \$1 Billion

Toronto-based miner Lundin Mining announced on Monday that it would acquire a Brazilian gold-copper mine from Canada's Yamana Gold for more than \$1 billion, Reuters reported. The Chapada mine, located just outside Brasília, began operations in 2007. It is expected to produce some 54,500 metric tons of copper and



Inkster // File Photo: Lundin Mining.

100,000 ounces gold this year. The deal would boost Lundin's base metals production this year by an estimated 26 percent, the company said in the statement. Sixty-four percent of the company's sales last year were copper, while gold accounted for just 4 percent of sales, Reuters reported, citing the company's website. Lundin CEO Marie Inkster told the wire service last year that the company was searching for

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ternational communications and information policy, said he knew of at least a half-dozen proposals-from U.S. and non-U.S. companies-to construct a north-south undersea cable between the United States and Cuba, but, during the Obama administration, it was Cuba, not the United States, that limited the Cuban Internet. Google has worked hard to establish a relationship with Etecsa, the Cuban government and the tech community. Perhaps this agreement signals a change in Cuban policy. If so, Trump's fighting the cable would only solidify Cuba's political and commercial ties with China and Russia."

Ted Henken, associate pro-

fessor of sociology at Baruch College in New York and specialist in contemporary Cuban culture and society: "The deal with Google is good news for Cuba's fledging 'inter-nauts' especially as it comes directly on the heels of December's first-ever launch of 3G mobile data service. Previous agreements with Google have indeed borne fruit, but the terms of those deals were kept secret, and delays of four to six months were typical between public announcements and actual change. Google should be commended for its painstaking, long-term and principled engagement with the Cuban government in pursuit of greater connectivity. This is something that Trump and Rubio could learn from, given that their own harsh, isolationist 'wedge' approach-embodied in the ill-conceived Cuban Internet Task Force—is unlikely to bear any positive impact for increased citizen access. It's also a win-win proposition for Google in terms of access to an ever-expanding global customer base and in terms of positive PR.

copper mines and projects with a budget of as much as \$3 billion. The Canadian miner last September lost a hostile takeover battle for rival Nevsun Resources to China's Zijin Mining Group. "The acquisition of the Chapada Copper Mine in Brazil makes sense for Lundin as it gives them a producing, long-life copper-gold

According to Google's chief of Cuba outreach, Brett Perlmutter, previous agreements between Etecsa and Google were based on a 'no-censorship' clause so that information Cubans access via Google is unfiltered in terms of political content. The same terms

Google should be commended for its painstaking, longterm and principled engagement with the Cuban government..."

- Ted Henken

should apply to this and any future agreements. The deal is also a win-win for Cuban president Miguel Díaz-Canel as it allows him to more easily, quickly and inexpensively meet a rising demand of the Cuban people for greater access to the Internet while also showing himself to be reasonable, modern and open to respectful engagement with U.S. companies interested in doing business even (or especially) in the greatly restricted environment created by the Trump/Rubio measures that are hampering U.S.-Cuba relations. If Trump and Rubio were to torpedo this deal in a fashion similar to the cancellation of the deal that opened Major League Baseball to Cuban players, they'd not only be playing into the recently emboldened hands of Russia and China by allowing them greater influence on the structure and development of a more globally connected Cuba, but would also be undermining a rare bilateral positive step toward greater Internet access and freedom for the Cuban people."

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mine with growth potential, and the price paid appears good," Sam Crittenden, an analyst at RBC Capital Markets, wrote in a note, Reuters reported. Brazilian President Jair Bolsonaro said last month that he is preparing a reform to the country's mining regulations, including opening indigenous reserves to mining.

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Mariela Machado Fantacchiotti, telecommunications engineer and program manager of operations at Engineering for Change:

"It should be interesting to understand the specific terms under which Etecsa has agreed to partner up with Google, given the current state of the telecommunications' infrastructure and the current political situation. In the present infrastructure, the software used is developed in Cuba and involves surveillance software. Part of the problem of the Internet in Cuba is that the island has no Internet backbone, which is why the fiber optic cable that came from Venezuela didn't change the situation for most Cubans back in 2014. For reference, the fiber optic cable brings Internet from overseas through a submarine cable-but then how does it reach the individual households? It would need fiber optic cables installed throughout the island as well. The weak infrastructure mixed with a public telecommunications institution-one of only two in the world, along with North Korea-is what makes Cuba one of the last unconnected countries. There have been certain attempts to connect the island through international companies,

which by the way is the only way it has been done for most parts of the world. The investment for installing and maintaining the telecommunications infrastructure has never been done by a public institution, given the fast pace needed to stay ahead of the technology and the content generated. In 2016, China's Huawei was close to being granted a big deal to evolve the island's infrastructure, but that didn't come to fruition. Google's approach to entering Cuba was very smart, since it gave the company partial control over their data. What will be interesting to assess are the conditions under which the Cuban government accepted this deal, and what the benefits were for them. The Cuban government has avoided entering the digital age for a long time, even by the hand of China and Russia. This deal with Google is a huge success for the company in entering a new market, but I am cautious to see how it might benefit the Cuban people and under which conditions, surveillance-wise."

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

Advisor Video

Latin America's Digital Economy and Trends in International Taxation

An Inter-American Dialogue discussion with Karim Lesina, AT&T Services Grace Pérez-Navarro, Organization for Economic Cooperation and Development Luis Alberto Rodríguez, Colombian Finance Ministry Ubaldo González, Inter-American Development Bank



View a webcast of the April 12 discussion.



PLAY

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is published every business day by the Inter-American Dialogue, Copyright © 2019

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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 ebrand@thedialogue.org

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