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FEATURED Q&A

Why Can't Brazil Prevent Deadly Prison Riots?



Dozens of inmates were killed last month in fighting at the Anísio Jobim Penitentiary, the site of another deadly riot two years ago. // File Photo: Brazilian Government.

Q Fighting among rival drug gangs at several prisons in Brazil's Amazonas State left 55 people dead, prison officials said May 27. The spate of killings broke out at Manaus' Anísio Jobim Penitentiary, the same prison where dozens of inmates were killed in an outbreak of violence in January 2017. Why have authorities been unable to prevent the repeated bloodshed? What reforms are needed in Brazil's prison system? How will the tough-on-crime policies of President Jair Bolsonaro affect the country's prisons?

A Benjamin Lessing, assistant professor of political science at the University of Chicago: "Authorities' role is unclear, partly because Amazonas' prisons are administered by the private firm Umanizzare, which considers daily operations a corporate secret, complicating oversight. (I learned this in 2017, while visiting one of the prisons where the killings occurred, when company officials overruled my state-granted permission to enter.) The killings resulted from a schism within the Family of the North (FDN), one of Brazil's most powerful 'factions,' or prison-based criminal organizations—alongside Rio's Red Command (CV) and São Paulo's First Command of the Capital. After the 2017 massacres, most states segregated prisons by faction to prevent further bloodshed. To its credit, Amazonas maintained this policy, unlike Ceará, whose promise to desegregate its prisons triggered a debilitating wave of faction attacks in January. Amazonas' problem is that its main faction split; moreover, the killings took place during family visitation, violating a widespread norm among prisoners. Both factors likely surprised officials. And yet prison conditions in Brazil—and especially

Continued on page 3

TODAY'S NEWS

ECONOMIC

Mercosur-E.U. Free Trade Deal 'Imminent': Bolsonaro, Macri

A trade agreement between the South American trade bloc and the European Union is close at hand, the presidents of Brazil and Argentina said after talks in Buenos Aires.

Page 2

BUSINESS

Banks Reportedly Take Control of Venezuelan Gold

Citibank and Deutsche Bank had received the gold as guarantees for loans made in 2014 and 2015.

Page 3

POLITICAL

U.S.-Mexico Talks Continue, Tariffs Still Set for Monday

Foreign Minister Marcelo Ebrard and other top Mexican officials continued talks with U.S. officials in hopes of averting President Donald Trump's threatened tariffs. The new duties are still scheduled to take effect Monday.

Page 2



Ebrard // File Photo: U.S. State Department.

ECONOMIC NEWS

U.S.–Mexico Talks Continue, Tariffs Still Set to Begin Monday

U.S. and Mexican officials have made significant progress in their talks this week in Washington on border security, but U.S. President Donald Trump's threatened tariffs on all Mexican products entering the United States are still set to begin Monday, The Wall Street Journal reported Thursday, citing an unnamed senior White House official. Mexico "came to the table with a few things they wanted to do immediately to try to stem the flow of immigrants," the source told the newspaper, adding that Trump's administration is "encouraged by steps taken in the last few hours." Trump announced last week that the United States would impose 5 percent tariffs on all imports from Mexico beginning June 10 if the neighboring country did not significantly stop the flow of migrants coming to the United States. If no deal is reached, the tariffs could gradually rise to as high as 25 percent.

POLITICAL NEWS

Brazil Enacts Tougher Penalties for Drug Traffickers

A new Brazilian law establishing tougher penalties for drug traffickers and requiring users to undergo rehabilitation at private or religious centers was published in the country's official records on Thursday, the Associated Press reported. The Senate had approved the measure, which raises the minimum penalty for traffickers who lead criminal organizations from five to eight years, last month. The law also allows involuntary rehabilitation of users upon the recommendation of a relative or public health official, an approach that experts have blasted for failing to treat addiction as a health issue.

Involuntary hospitalization "will last for the time necessary to detox, with a maximum period of 90 days," according to the new guidelines submitted to the Public Drug Policy System, or Sisnad, Gazeta Online reported. Members of President Jair Bolsonaro's administration celebrated the law's enactment. "Victory! Thanks to the support of President Jair Bolsonaro and the National Congress, after 10 years of fighting and confronting those who want to legalize drugs in Brazil, the NEW DRUG LAW for Brazil was sanctioned !!!" Minister of Citizenship Osmar Terra said on Twitter, adding, "For the sake of the Brazilian family." Opposition Deputy Marcelo Freixo, who represents Rio de Janeiro for the Socialism and Liberalism Party, said the new law is a step backwards in drug policy. Hundreds of thousands of Brazilians took to the streets of São Paulo last Saturday in favor of the legalization of cannabis and calling for the decriminalization of its recreational use, EFE reported. [Editor's note: See related [Q&A](#) in the Nov. 13 issue of the Advisor.]

BUSINESS NEWS

Telecom Argentina to Receive \$300 Million Loan From IDB

Telecom Argentina and the Inter-American Development Bank's IDB Invest have reached an agreement for a loan of as much as \$300 million over seven years with the aim of boosting the South American country's telecommunications infrastructure, El Economista reported Thursday. "The loan will finance part of the strategic investment plan the company announced with a focus on the continuous deployment of the personal 4G network, with new locations to maximize connectivity," Telecom Argentina said in a statement, according to the report. The investment plan, which aims to boost communications services and connectivity, consists of nearly \$5 billion over the coming years. Part of the money will also go toward expanding fixed copper-fiber networks or hybrid fiber-coax networks with the aim of enhancing

NEWS BRIEFS

Mercosur–E.U. Free Trade Deal 'Imminent': Bolsonaro, Macri

The presidents of Argentina and Brazil said Thursday that a free trade agreement is "imminent" between the European Union and the South American trading bloc Mercosur, Agence France-Presse reported. "Everyone will win with this: Brazil, Argentina and the other countries in the bloc," said Brazilian President Jair Bolsonaro, who was meeting with his counterpart, Mauricio Macri, in Buenos Aires. Sticking points have been European reluctance to open its market to agricultural products, and as well as differences with Brazil over meat, sugar and automobiles.

U.S. Watchdog Finds Filthy Conditions at Migrant Holding Centers

The Department of Homeland Security's watchdog agency found rotting food, moldy bathrooms and practices that violated standards at immigration detention facilities in California and New Jersey, according to the Office of the Inspector General, the Associated Press reported Thursday. The agency made unannounced visits to four facilities housing some 5,000 detainees between May and November of last year. At one facility in Adelanto, Calif., inspectors reportedly found nooses in some cells, as well as restrictive segregation. U.S. officials said they have already taken action to ensure compliance with standards.

JetBlue Beginning Nonstop Route From New York to Guayaquil

JetBlue announced Thursday that it will begin a new nonstop route from New York's John F. Kennedy International Airport to Guayaquil, Ecuador's José Joaquín de Olmedo International Airport in December. The flight will be the airline's longest route, JetBlue said.

fixed broadband services of Fibertel and of Cablevisión's television networks, *El Economista* reported. Telecom became the country's largest telecommunications company after merging with Cablevisión last year. "Today, our focus is set on amplifying and maximizing networks, developing products, services and content that respond to our clients' needs," said Carlos Moltini, executive president of Telecom Argentina, Reuters reported. Meanwhile, the head of IDB Invest's corporate division, Aitor Ezcurra, said information technology and telecommunications infrastructure were key for the development of the digital economy, *El Economista* reported. [Editor's note: See related [Q&A](#) on telecommunications in Latin America in the April 2 issue of the Advisor.]

Citi, Deutsche Bank Take Control of Venezuelan Gold

Citibank and Deutsche Bank have taken control of approximately \$1.4 billion worth of Venezuelan government gold, Reuters reported Thursday, citing unnamed sources. The banks, which received the gold as guarantees for loans made in 2014 and 2015, reportedly took the action in order to comply with U.S. sanctions on Venezuela's central bank. Venezuela's government planned to buy back the gold in 2020 and 2021, but the banks determined that an "event of default" had occurred due to the sanctions. Citibank holds around \$400 million worth of the gold, and Deutsche Bank has \$1 billion, the sources told the wire service. This week's gold seizure is not the first time that global banks have clashed with Venezuela's government under embattled President Nicolás Maduro. The central bank missed a March deadline to buy back gold from Citigroup for nearly \$1.1 billion, Bloomberg News reported, and before that, the Bank of England refused to give back \$1.2 billion worth of Venezuelan gold. The government sold more than 40 percent of Venezuela's gold reserves last year, selling to firms in the United Arab Emirates and Turkey to fund programs and pay creditors, Bloomberg reported.

FEATURED Q&A / Continued from page 1

Amazonas—make violence no surprise at all. In 2016, Amazonas held 11,390 prisoners in facilities designed for just 2,554; that's almost five inmates per bed. Prison gangs like the FDN thrive in these environments, acting as 'criminal leviathans' that provide order in exchange for obedience. Their power is evident. Out of loyalty, an expectation of future rewards or both, members are willing to murder, despite incurring additional sentences. Since the CV's takeover of Rio in the 1980s, Brazil's factions have multiplied. Fueled by decades of rising incarceration rates, violent policing and expanding drug markets, factions now govern prisons and slums throughout the country. Nothing can solve the problem overnight, but releasing nonviolent offenders, separating convicts from those on pretrial detention (who account for more than one-third of all inmates) and, eventually, decriminalizing drugs could all help. Meanwhile, 'tough-on-crime' measures such as longer sentences, letting civilians buy assault rifles and encouraging police to kill will only inflame Brazil's prison-gang wars. Let's hope it's just bluster from Bolsonaro."

A **Gene M. Smith, president and CEO of Smith Brandon International:** "I'd rather die than spend time in a Brazilian prison."

That sums up the attitude of former Justice Minister José Eduardo Cardozo. He called the conditions at Brazilian prisons 'medieval,' noted the lack of rehabilitation opportunities for Brazilian prisoners and lamented their wholesale violation of human rights. But he offered no concrete solutions. Brazilian prisons are a cauldron for continued violence: its approximately 715,000 prisoners are held in 2,625 facilities that are estimated to have the capacity to house about 419,000 prisoners. To add more tinder to the fire, prisoners from rival drug factions, notably the PCC, or First Command of the Capital (based in São Paulo), and the Family of the North (based in Manaus), as well as the Red Command

(based in Rio de Janeiro), use headline-worthy violence to keep their gang members in line. Violence among prisoners must be outrageous, such as beheadings or the use of sharpened toothbrushes to stab inmates, to garner attention in a country like Brazil, which has one of the world's highest homicide rates, estimated at more than 56,000 in 2017. Prison reform has not developed a single, strong proponent among Brazilian political parties, politicians, any religious entity or any special interest group willing to take on this massive problem. In a system where about one-third of all prisoners are pre-trial detainees, electronic monitoring may be one alternative to keep the accused out of prison. APAC, a program operating in central Brazil, has established a small, rule-based facility with virtually open cell doors, with a recidivism rate that is a fraction of the recidivism rate of the typical Brazilian prison, which is estimated at more than 70 percent. Though widespread, immediate reform seems out of the question, incremental reform is worth considering."

A **Melvyn Levitsky, professor of international policy and practice at the University of Michigan's Gerald R. Ford School of Public Policy and former U.S. ambassador to**

Brazil: "Brazil has the world's fourth-largest prison population. Overcrowding, unsanitary conditions, underfunding, poor prison administration and a large number of pre-trial detentions (around 40 percent of the prison population) have allowed gangs to operate freely to communicate with non-incarcerated gang members and to spur inter-gang violence mirroring gang rivalries on the outside. The fact that virtually the same number of prisoners were killed in the same prison system in the state of Amazonas in 2017, is a vivid example of the lack of attention to the problem, not just around Manaus, but throughout Brazil. The new minister of justice, Sérgio Moro, said recently that the fundamental problem lies in the steadily

Continued on page 4

FEATURED Q&A / Continued from page 3

increasing crime rate, especially capital crime. More than 50,000 homicides were perpetrated in Brazil last year. Moro certainly has a point, but policing will have to undergo significant reform for progress to be made on that front. Police impunity and corruption are widespread, and 'tougher' policies may not stem the crime rate though they may take more prisoners off the street, thereby increasing the prison population. Broader community policing, better intelligence and more modern methods of crime fighting don't seem to be part of the Bolsonaro administration's approach. One further point: Brazil reportedly has a repeat-offender rate of 70-80 percent, indicating that rehabilitation programs are rare and ineffective. There have been some interesting experiments in 'open prisons' in which select inmates, who show prospects for rehabilitation, attend classes, have special privileges and have roles in running the prison. Financed by the European Union and managed by an Italian NGO, AVSI, and a Brazilian counterpart, violence has been virtually eliminated at these prisons. However, it's not clear at this point that these programs will be continued, let alone expanded, under Bolsonaro."

A **Henrique Rzezinski, member of the executive committee and former president of Amcham Rio and member of the board of the Council of Foreign Relations of Brazil (CEBRI):** "The recent tragedy in the Anísio Jobim Penitentiary where 55 people were killed brings back awareness about the need for urgent actions from government and civil society. There is always a tendency to primarily blame the social environment where poverty claims a major role in the explanations for the existing endemic violence in Brazil. This is one of the important

variables to be addressed, but it is difficult and time consuming to solve it. Sixteen years of leftist governments were unable to significantly reduce poverty, even with public policies such as Bolsa Familia. A lack of moral values and bad economic policies offset all positive redistributive policies. Only very recently has legislation to enforce the rule of law on security policies been sent to Congress and extensively discussed by society. This includes polemic measures

“**Sixteen years of leftist governments were unable to significantly reduce poverty...**”
— Henrique Rzezinski

such as loosening gun control laws. It is also very recently that enforcement of laws against corruption has succeeded. It is therefore vital to implement social policies and programs, as well as effective anti-corruption actions and security measures by providing better training to police forces and investing in the prison system. What we see so far in these first four months of the current government is a proactive effort in the areas of security and fighting corruption. Even for those who do not embrace the center-right ideas of this government, it is necessary to see the results of the rest of this year to have a better understanding of this government's real chances to change the situation that gave rise to tragedies such as the one that occurred at the Anísio Jobim Penitentiary."

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