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FEATURED Q&A

Will Mexico's Troop Deployments Help Control Migration?



President Andrés Manuel López Obrador inaugurated Mexico's recently created National Guard last week. // Photo: Mexican Government.

Q Mexico has deployed nearly 15,000 soldiers and National Guard troops to its northern border in an effort to stem the flow of migrants to the United States, the head of Mexico's army said June 24. Mexico has also sent 6,500 members of its security forces to its southern border in order to prevent migrants from going north. The moves come amid pressure from U.S. President Donald Trump, who has demanded that Mexico do more to halt migrants. How well will Mexico's troop deployments work to reduce the flows of migrants to the United States? What effects are Mexican President Andrés Manuel López Obrador's crackdowns on transiting migrants having on his popularity? Is halting migrants a good use of Mexico's National Guard?

A Pascale Siegel, managing director, and Miyako Yerick, senior associate, both at Ankura: "Andrés Manuel López Obrador created the National Guard to combat drug cartel violence that has spiraled out of control, not to enforce immigration restrictions. However, in response to President Trump's most recent threats, AMLO had to take drastic measures to ensure tariffs would not be imposed, as Mexico cannot afford a trade war with its largest trade partner. Moreover, Mexican citizens do not want hundreds of thousands of Central Americans in their country draining limited resources. For now, these two dynamics are affording AMLO some leeway in redirecting resources toward border enforcement. The presence of thousands of additional troops along the southern border is already slowing the flow of migrants to the United States. U.S. officials hoped for a 15-20 percent decrease in border

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Lawmaker Held in Assassination Plot to Plead Not Guilty

A judge in Venezuela has announced that imprisoned lawmaker Juan Requesens will face trial for allegedly trying to kill President Nicolás Maduro.

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European Union countries will not ratify the free trade deal reached with South America's Mercosur trade bloc if Brazil does not take steps to meet greenhouse gas emissions targets it agreed to in the 2015 Paris climate accord.

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Colombia Coffee Federation Calls for Floor on Prices

Facing the lowest prices for coffee in more than a decade, the head of Colombia's National Federation of Coffee Growers, Roberto Vélez, has called for an international base price of \$2 per pound.

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Vélez // File Photo: Colombian Coffee Federation.

POLITICAL NEWS

Lawmaker Accused of Assassination Plot to Plead Not Guilty

A judge in Venezuela has announced that imprisoned lawmaker Juan Requesens will face trial for allegedly trying to kill President Nicolás Maduro last year, BBC News reported. Requesens, 30, was arrested three days after a drone carrying explosives blew up at a military parade attended by Maduro in August. Maduro was not hurt in the incident. Requesens has also been accused of terrorism, treason, public incitement, illegal possession of a firearm and conspiracy to commit a crime. His lawyer on Tuesday said he will plead not guilty to the charges, and he remains in prison. The government released a video last year in which Requesens appears to confess to being involved with the plot. However, his family says he looked drugged and fear he has been tortured. Last week, the apparent torture and killing of a soldier accused of plotting against Maduro while under military intelligence custody sparked international outrage. Opposition leaders have called for mass protests to be held on Friday, Venezuela's independence day holiday, to denounce the death of Navy captain Rafael Acosta. On Monday, state prosecutors said they had charged two national guardsmen working at the military intelligence facility with Acosta's murder. In related news, Maduro said on Tuesday he was committed to talks with the opposition to resolve their political stalemate, hours after opposition leader Juan Guaidó rejected them, Reuters reported. News reports in recent days suggested talks would reconvene this week, perhaps in Barbados. "It is never going to be a good moment to mediate ... with kidnappers, human rights violators, and a dictatorship," Guaidó told reporters at

SUBSCRIBER NOTICE

The Advisor will not be published tomorrow in observance of the Independence Day holiday in the United States.

the opposition-controlled National Assembly, which he heads. Guaidó and Maduro had both sent representatives to Oslo in May for discussions that Norway's government had hosted, but they were unable to reach any agreement. In a phone call Tuesday, U.S. Secretary of State Mike Pompeo promised Guaidó "unwavering" support ahead of Friday's demonstrations, Agence France-Presse reported.

ECONOMIC NEWS

Europe Presses Brazil on Climate Change

European Union countries will not ratify the free trade deal reached with South America's Mercosur trade bloc if Brazil does not take steps to meet greenhouse gas emissions targets it agreed to in the 2015 Paris climate accord, French Ecology Minister François de Rugy said Tuesday, Bloomberg News reported. After 20 years of on-and-off talks, E.U. officials and representatives of Argentina, Brazil, Paraguay and Uruguay last week reached an agreement to reduce tariffs and expand goods shipments worth nearly \$102 billion a year. Before coming into effect provisionally, the deal still needs approval from E.U. governments and the European Parliament, a process that is expected to last about another year. "The deal will be ratified only if Brazil meets its commitments," the French minister said, Bloomberg News reported. "We're not signing trade deals with countries which exit the Paris accord." His comments echo remarks by French President Emmanuel Macron last week, who said the "simple reason" behind this position was that asking farmers to stop using pesticides and asking companies to produce less carbon has a "competitiveness cost" for France. "So, we're not going to say from one day to the next that we'll let in goods from countries that don't respect any of that," Macron said, Reuters reported. Brazilian President Jair Bolsonaro had threatened to pull Brazil out of the Paris agreement during his campaign last year but has since stepped back from such a decision, Bloomberg News reported.

NEWS BRIEFS

House Oversight Cte. Calls Hearing on Child Migrants

The Oversight Committee in the U.S. House of Representatives on Tuesday scheduled a hearing next week to get testimony from Trump administration officials about the separation and treatment of immigrant children at the southern border, The Hill reported. Committee Chairman Elijah Cummings (D-Md.) has invited Acting DHS Secretary Kevin McAleenan and Acting Customs and Border Protection Commissioner Mark Morgan to testify at a hearing on July 12. Neither has confirmed their appearance.

Canada's Dollarama to Buy Majority Stake in Dollarcity for \$85 Million

Montreal-based retailer Dollarama said Tuesday it had signed a deal to buy a 50.1 percent stake in privately held retailer Dollarcity, CBC reported. The company operates stores in Colombia, Guatemala and El Salvador, with plans to have 600 total stores open by 2029. The estimated purchase price is in the range of \$85 million to \$95 million, including an upfront payment of \$40 million at closing, which is expected in August. Dollarama has 1,236 locations across Canada. The companies had been holding discussions on the deal for six years.

Uber to Offer Debit Card in Mexico With BBVA, Mastercard

In an effort to encourage drivers to wean away from cash, Uber Technologies is partnering with BBVA and Mastercard to launch a debit card for its drivers in Mexico, El Comercio reported Tuesday. The plan marks the first time that Uber will offer a card of this type outside the United States, said Uber's general manager in Mexico, Federico Ranero. Initially, the card will be distributed in Mexico City, Tijuana, Monterrey, Puebla, Mérida and Guadalajara, according to the report.

Argentine Economy to Fall 1.4 Percent This Year: Survey

The latest monthly survey of economists conducted by Argentina's central bank indicates gross domestic product will fall 1.4 percent in 2019, Reuters reported Tuesday. Inflation is running at 40 percent, down from the survey's previous prediction of 40.3 percent, but still among the highest in the world. The economists saw the exchange rate at 50.2 pesos to the U.S. dollar by the end of 2019. GDP growth for 2020 is expected to hit 2.2 percent, versus 2.0 percent previously. The economists held their previous prediction of 2.5 percent growth for 2021. Despite a massive stand-by loan from the International Monetary Fund, Argentina's economy has failed to spark to life. However, pressure on the peso currency has let up in recent months, with the local currency appreciating 6 percent against the U.S. dollar since May. With still-high inflation, the central bank will likely remain cautious with any easing of monetary policy, economists suggest.

Colombia Coffee Federation Calls for Floor on Crop Prices

Colombia's coffee growers' federation on Tuesday called for an international base price of \$2 per pound so that producers can have a guaranteed income that would prevent farmers abandoning the crop, Reuters reported. Colombian coffee producers, primarily made up of small-scale operations, have struggled with low international prices, prompting the government to earmark more than \$80 million for subsidies and debt relief. Critics of the subsidies say they are propping up inefficient producers, but the federation says they are critical. "Is it fair to trade when someone buys your product below the cost of production?" said the head of Colombia's National Federation of Coffee Growers, Roberto Vélez, at a trade conference

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arrests from May to June and announced on June 28 that arrests are projected to fall by 25 percent, significantly more than the historic seasonal drop of 12 percent. However, it is unlikely to work as a long-term solution. Even though AMLO has tight control over the Morena party, his approval numbers have been dropping and are likely to drop further if he is seen as sacrificing his own agenda and his citizens' priorities to do President Trump's bidding. At some point, AMLO needs to address the issues he ran on: reducing violence and corruption on Mexican citizens, and not the issues President Trump is currently running on."

A **Todd Bensman, senior national security fellow at the Center for Immigration Studies:** "With his credible threat of tariffs on Mexican exports, President Trump created an artificial yet materially real value for Mexico to use its National Guard: to avoid economic consequences that are obviously greater than deployment costs. Mexico, after all, is as pragmatic as most democracies, which don't typically spend their own national treasure on the security of other countries unless interests are mutual. Only under this tariff threat, with its promise of economic pain for Mexico, did using Mexico's National Guard for someone else's problem become a real value proposition. Whether the deployment to the border with Guatemala works will be obscured, in the short term, by an annual migration slowdown that occurs every summer. Expect disagreement over which factor—the deployment or

in Germany. With large-scale growers in Brazil and Vietnam now surpassing Colombia in production of the commodity, prices have fallen to 88 cents per pound in recent days, the lowest in more than a decade. Some 600,000 families in Colombia sustain themselves by harvesting the crop, according to Andrés García Peláez, director at FTI Consulting. But within the last

cyclical summer slowdown—is responsible. Skepticism is warranted anyway for whether the deployment will work on a 541-mile Guatemala border unaccustomed to controls. Unlike even the U.S. multi-layered defense strategies that still don't work very well at its own southern border, the one Mexico

“ Mexico's leadership will need thick skin for staying the course amid hostile media coverage...”

— Todd Bensman

shares with Guatemala is essentially virgin territory occupied by a professional army of smugglers incentivized to defeat the untested Mexican guard on land and sea. Mexico will need its Navy on the Pacific Ocean to combat a fleet of Panga boats, long-range reconnaissance to patrol the busy spider-vein Petén Jungle routes and a willingness to use nonlethal force such as tear gas. Mexico's leadership also will need thick skin for staying the course amid hostile media coverage that will accompany every success and every mistake."

A **Amy Glover, CEO for Mexico at Speyside Corporate Relations:** "The establishment of a National Guard in Mexico has been controversial ever since President Andrés Manuel López Obrador announced it early in his term. The justification for its creation

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18 months, Colombia lost 400,000 hectares of coffee plantations, about a third of the land under cultivation, as farmers abandoned the industry due to low prices, according to the federation. In 1997, coffee made up 19 percent of Colombia's exports, but by 2017, this number was less than 7 percent. [Editor's note: See related [Q&A](#) in the April 26 issue of the Advisor.]

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was to help strengthen internal security and to more ably confront organized crime. The decision to use the military to stem the flow of migrants is a dangerous gambit; already there have been casualties, and the Mexican military is not properly trained to handle this type of work. Surprisingly for a country that has sent millions of immigrants northward in the past, a recent poll by *El Financiero* newspaper showed that 63 percent of those polled would support closing the southern border with Guatemala. While AMLO's popularity could potentially be hurt if the situation worsens, in the same poll 68 percent of respondents also were in favor of sending the National Guard to the southern border. The crisis in Central America is complex and will take time to solve. Families are fleeing violence caused by organized crime as well as a lack of economic opportunity. The Unit-

“The decision to use the military to stem the flow of migrants is a dangerous gambit.”

— Amy Glover

ed States and Mexico need to work together to confront what has become a full-fledged international humanitarian crisis. This crisis is affecting the lives of men, women and, most importantly, children, whose rights need to be protected. At the present time, it does not seem that proper checks have been put in place on either side of the border to avoid more suffering and to make the asylum process more efficient. President Trump has threatened to reassess the use of tariffs to punish Mexico if there is no short-term improvement in the immigration situation, but this will not solve a complex problem that requires resources and bilateral cooperation based on mutual respect.”

A Douglas Juárez, regional human mobility coordinator for Latin America and the Caribbean at American Friends Service Committee:

“The increase of forced migration worldwide is a consequence of the capitalist, colonialist and patriarchal system, which is reconfigured by increasing authoritarianism, large-scale violence, militarization, perpetuation of structural inequalities and facilitating the free movement of capital and skilled labor, but penalizing the ‘unqualified,’ creating a narrative of ‘undesirable foreigners’ from the Global South. This facilitates multiple conditions for exploitation and cheap labor. The outsourcing and militarization of borders and ‘hotspots’ to contain and classify migrants are policies within the national security paradigm, and their failure has already been demonstrated around the world. The new Mexican National Guard is a recycling of federal security forces, without a strong process of transformation with respect to the protection of human rights. By detaining migrants, it reproduces the national security paradigm and the narrative that some of the Global South’s population are a threat. Migratory flows to the United States will reduce if the root causes of forced migration are transformed. Any containment, detention, deportation and dissuasion policy will have high financial costs, as well as cost the lives of the many who will continue taking risks to trek less-secure routes to reach their objectives. Although there are no tools to measure López Obrador’s popularity with respect to these policies, the national security approach and some racist media coverage have legitimized xenophobic actions in Mexican society. I do not think his popularity will be affected, but within civil society and social movements there is great rejection, discontent and frustration with the current federal administration.”

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