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FEATURED Q&A

What Is Behind Bukele's Display of Military Force?



Salvadoran President Nayib Bukele this month sent troops into the country's Legislative Assembly as lawmakers were considering his request for a loan to fight gangs. // File Photo: Salvadoran Government.

Q Salvadoran President Nayib Bukele on Feb. 11 vowed to abide by a Supreme Court order that he stop pressuring lawmakers to pass a \$109 million loan he is seeking to fight criminal gangs. His statement came days after he deployed the military to the Legislative Assembly in a show of force, sparking national and international criticism and calls for Bukele to respect democratic institutions. What is behind Bukele's display of military force in El Salvador's congressional building? Is it as alarming as the opposition, several foreign governments and human rights groups have suggested? What are the security policies Bukele is proposing, and why are they facing pushback from legislators?

A Mari Carmen Aponte, former U.S. ambassador to El Salvador and former acting assistant secretary of state for Western Hemisphere affairs: "It is difficult to understand President Bukele's motivation to send troops to El Salvador's legislature. In the best light, his actions represent an impatient, impetuous and irreverent executive. But in the darkest analysis, he is following strongman instincts to unbalance El Salvador's branches of government. His broad base may be tempted to support his actions against congress, known for serious pockets of corruption, but Bukele's brute show of force violated the Inter-American Democratic Charter, a transgression the Organization of American States and leading democracies in the hemisphere could have more fervently highlighted. Bukele, a talented politician, should understand better than most that fair interim elections, not phys-

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TODAY'S NEWS

POLITICAL

Mexico City to Tighten School Security After Girl's Killing

Officials in the Mexican capital said they will take additional steps to ensure children's safety following the killing of a 7-year-old girl last week.

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BUSINESS

U.S. Blacklists Brokerage for Role in Venezuela

The Trump administration black-listed a brokerage owned by Russian state oil company Rosneft for its role in helping Venezuela export crude oil.

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ECONOMIC

Chilean Mining Minister Expects Rebound in Copper Prices

The price of copper, a top Chilean export, will rebound in coming months following a fall in demand amid the coronavirus outbreak in China, said Chilean Mining Minister Baldo Prokurica.

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Prokurica // File Photo: Chilean Government.

POLITICAL NEWS

Mexico City Schools to Tighten Security After Girl's Killing

Officials in Mexico City said Tuesday that they will tighten security at public schools following the killing this month of a 7-year-old girl, the Associated Press reported. The child, Fátima Aldrighett, was seen on a security video leaving her school on Feb. 11 with an unidentified woman. Mexico City prosecutor Ernestina Godoy said the girl "recognized her, and so they let her go with her," the AP reported. Aldrighett's body was found four days later with signs of abuse and wrapped in a bag, abandoned in a rural area. Humberto Fernández, the head of Mexico City's school system, said a rule already exists that required parents or another designated person to pick up school children within 20 minutes after classes end. Otherwise the children will be taken to a prosecutor's office. However, Fernández said the rule

is rarely enforced because children have been accepted at only one downtown prosecutor's office. Fernández said all prosecutors' offices in the city will now receive children, and police officers will be required to take them there. Also, Mexico City Mayor Claudia Sheinbaum said authorities will begin searching for children as soon as they are reported missing. In Aldrighett's case, authorities lost a full day that they could have been searching for the girl because they were waiting for a missing-person case to be opened. Five people have been questioned in the case.

ECONOMIC NEWS

Chilean Mining Minister Expects Rise in Copper Prices

Copper prices will rebound in coming months following a fall in demand due to the coronavirus outbreak in China, Chilean Mining

NEWS BRIEFS

At Least Seven Killed in Colombia Bus Explosion

At least seven people were killed and another 11 were wounded on Monday after a bus exploded in Colombia's Cauca department, EFE reported. Though local authorities at first suggested the incident was a result of a terrorist attack, Colombian Gen. Jorge Isaacs Hoyos later denied that was the case. The bus was transiting the main highway in the southeast of the country from the city of Pasto toward Cali, he said, adding that there will be an investigation to determine what caused the explosion.

BBVA Argentina Posts Profit of \$7.4 Bn for Q4

BBVA Argentina on Tuesday posted its fourth-quarter results, registering net income of \$7.4 billion, down 33 percent from the \$11.1 billion in the previous three-month period but higher than the \$2.9 billion posted in the fourth quarter of 2018. Total consolidated private sector financing in the fourth quarter totaled \$201.5 billion, a 4.9 percent decrease, or the equivalent of \$10.4 billion, from the previous quarter. Growth was mainly driven by credit cards and documents, which increased 35.4 percent and 7.7 percent, respectively, in the quarter.

Brazilian Oil Workers Federation to Appeal Ruling Against Strike

A Brazilian oil workers labor federation will appeal a decision issued by the country's labor court that declared a strike at state oil company Petrobras illegal and abusive, according to a video released by the federation on social media on Tuesday. Brazil's Superior Labor Court a day earlier had authorized Petrobras to take disciplinary action against employees and their unions, allowing a fine of as much as 500,000 reais (\$115,058) per day if the strike continues, Reuters reported.

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ical intimidation, best turn over a congress. Unfortunately, this episode only produced loser scenarios. El Salvador missed out on foreign investment that could fight crime and, ironically, Bukele damaged his relatively unsullied international reputation. The president's logic that the legislature is undermining his security policy is invalid when all his budget proposals for security in this year's general budget were recently approved. A few weeks ago, a new loan containing an additional \$91 million for security was approved. The loan package that provoked President Bukele's baffling actions included helicopters and other big-ticket items that naturally require explanations, justifications and negotiations. In other words, the legislature was engaged in its appropriate constitutional role of checks and balances, and it likely would have eventually passed the bill. El Salvador endured a long civil war to gain the democracy it enjoys today. Even

millennials who did not participate in the horrors of that fratricide learned precious historical lessons about the value of keeping the country stable and at peace. Some of them sit in Bukele's cabinet. The president looks at them but does not appear to see or hear them. He may do well to open his eyes and ears now."



Yulia Vorobyeva, post-doctoral research fellow at the Kimberly Green Latin American and Caribbean Center at Florida

International University: "The Central American Bank for Economic Integration preapproved the loan to finance Phase III of Bukele's security plan, which required legislative approval. After the lawmakers requested that the president provide more details on military and police spending, his Council of Ministers called for a mandatory extraordinary legislative session to pass the

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Minister Baldo Prokurica said on Tuesday, Reuters reported. China, where the flu-like virus originated, is the world's number-one copper consumer and also the top producer. Although the Asian country on Tuesday reported its fewest new infections since January and its lowest daily death toll for a week, the World Health Organization said the epidemic should still be viewed with caution. Copper prices plummeted on Tuesday as deliveries into exchange warehouses sparked concerns over whether lower demand in China would cause a supply glut, according to the report. "Though it is true the world economy is passing through a complex period ... We don't believe it will last very long," Prokurica told reporters. The minister said he expects the slowdown to last another month or two as China tries to contain the virus' spread and its effects on businesses. "We think this will mean a significant improvement in the copper price," he added. In a separate interview with CNN Chile, Prokurica said Chile's copper commission, Cochilco, expects an increase in mining investment of as much as 57 percent this year.

BUSINESS NEWS

U.S. Blacklists Brokerage Owned by Russia's Rosneft

The administration of U.S. President Donald Trump on Tuesday blacklisted a brokerage owned by Russian state oil company Rosneft for its alleged role in helping Venezuela export crude oil. In a statement from the Treasury Department, the U.S. government warned that anyone doing business with the Swiss-registered Rosneft Trading is also at risk of U.S. sanctions. Senior administration officials said more sanctions are under consideration, especially ones targeting other foreign firms helping the government of Venezuelan President Nicolás Maduro, whom the United States sees as illegitimate, The Wall Street Journal reported. The officials also said the administration has not taken the use of military force off the table as a possible option to

COMINGS & GOINGS

Dolan Joins Latham & Watkins' Washington Office

Latham & Watkins announced Feb. 13 that Christopher Dolan has joined the law firm's Washington office as counsel in the Project Development & Finance practice within its finance department. In his new position, Dolan will represent developers, lenders, sponsors and other project participants on projects spanning the United States, Latin America and Africa, according to the statement. The practice advises on a range of projects, from the development of rooftop solar electric generation to the development and financing of natural gas liquefaction facilities. Dolan previously worked at DLA Piper in Washington.

BBVA Colombia Names New Chief Executive

BBVA has named Mario Pardo Bayona as the chief executive officer of its Colombia unit, Portada reported Feb. 18. He will succeed Óscar Cabrera, who is leaving BBVA to pursue "new personal and professional challenges," according to the bank's statement. Pardo Bayona, who is to assume the new role in March, is currently in charge of client solutions for enterprise clients. He joined BBVA in 2008 in the corporate and investment banking department, where he later served as global director for corporate finance. Before BBVA, Pardo Bayona worked with Goldman Sachs in London and Paris.

Viacom Announces Management Restructure in International Networks Division

New York-based media company Viacom has announced a management restructuring of its international networks division, reorganizing it into two brand groups and three pan-regional management centers, all reporting to David Lynn, Viacom Networks International's president and chief executive officer, Portada reported Feb. 18. Among the pan-regional leaders is Juan Acosta, who was recently promoted to president of Viacom Networks Americas. In this new role, Acosta will oversee the company's operations across Latin America, including in Argentina, Brazil and Mexico, as well as in Canada and the Hispanic market in the United States, according to the report.

pressure Maduro to step down. The U.S. Energy Department concluded that the new sanctions on Rosneft Trading would not destabilize global oil markets, one of the officials said, the newspaper reported. Also on Tuesday, Russia responded to the sanctions, with the foreign ministry saying the move would further damage already poor U.S.-Russia relations and hurt global free trade, Reuters reported. The ministry also said the sanctions amounted to unfair competition and vowed that they would not deter Russia from continuing to work with Caracas. In light of broadened U.S. sanctions

imposed on Venezuelan state oil company PDVSA last year, Rosneft has become Venezuela's main shipper of crude, with India and China as its two main destinations, Bloomberg News reported. Rosneft has also loaned some \$6.5 billion to PDVSA in exchange for crude. Also as a result of U.S. sanctions, Russia has become the United States' second-largest source of oil imports, Bloomberg News reported. The European country's crude and oil product exports to the United States rose to 20.9 million barrels last October, the highest level since November 2011, according to U.S. government data.

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bill immediately—a measure reserved for national emergencies. Legislators denied the need for such an emergency. In response, the president marched into the congressional building, flanked by the military and the police, and occupied the legislature president's seat, addressing God and a minority of loyal congressmen present in the chamber. The move was an attempt to project power over other independent branches of government in view of the 2021 legislative elections. Although Bukele holds only a minor fraction of the legislature, lawmakers would likely have approved this loan as they have done with previous loans. However, the moment presented Bukele with an opportunity to show the congressional opposition in a negative light and sway future election results in his favor. Bypassing the established constitutional procedures is a thorny method that may result in further polarization within the government and a political confrontation. Bukele's populist style of ruling exacerbates the public's disrespect for the already unpopular parliament and lays the ground for overthrowing the institutional achievement of the past three decades. Finally, the display of military force in political activities is alarming for a country still in the process of recovering from a bloody civil war."

A **Tiziano Breda, analyst for Central America at the International Crisis Group:** "Bukele's bid to strong-arm the Legislative Assembly into approving a loan to finance police and military equipment by occupying it with soldiers marked the president's most extreme effort yet to exert unquestioned political control over El Salvador's democracy and force the discredited traditional parties that dominate parliament into submission. His government's outstanding security achievements, with homicides plummeting by around 60 percent since he took office, have earned him a sustained 90 percent approval rating during his first eight months.

This appears to have given him the confidence to engage in open confrontation with the legislative body, controlled by weakened political parties, some of whose high-ranking members have been tarnished by recent investigations over alleged negotiations with gangs for electoral gain. However, Bukele's decision to spend his political capital on a military occupation of the Assembly and his effort to stir up supportive crowds was misguided. It raised deep concerns about the recklessness of the president and his team, who grossly miscalculated the repercussions of their actions, and the message they sent about fealty to democratic norms. The occupation also created another precedent for the use of security forces for political ends in a region where—from Honduras to Chile to Nicaragua to Venezuela—this risks becoming a destabilizing trend. It is now up to Bukele to defuse the crisis that he created. Although his popularity remains high, he has lost sway over some of his supporters, who now feel emboldened to threaten legislators with an uprising if they do not get their way, even without the president's active encouragement. It will be especially important for Bukele to work on restoring respect for El Salvador's democratic institutions within El Salvador and confidence in his stewardship of them among foreign partners. He should commit to abiding by the law, forswear the use of the military for political ends and work to convince his supporters to desist from harassing the legislature with threats that can only undermine the political stability that the country needs."

Editor's note: The Advisor requested a commentary for this Q&A from the Salvadoran Embassy in Washington but did not receive a response.

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

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Erik Brand
Publisher
ebrand@thedialogue.org

Gene Kuleta
Editor
gkuleta@thedialogue.org

Anastasia Chacón González
Reporter & Associate Editor
achacon@thedialogue.org



Michael Shifter, President

Rebecca Bill Chavez, Nonresident Senior Fellow

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