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## FEATURED Q&A

# How Significant Are the Charges Facing Flávio Bolsonaro?



Brazilian Senator Flávio Bolsonaro (pictured), President Jair Bolsonaro's son, is facing several criminal charges. // File Photo: Brazilian Senate.

**Q** Brazilian prosecutors have accused Senator Flávio Bolsonaro, a son of President Jair Bolsonaro, on charges including embezzlement, money laundering and running a criminal organization. Flávio Bolsonaro, who has denied wrongdoing, has been under investigation in connection with an alleged scheme to siphon off taxpayer money when he was a state deputy in Rio de Janeiro. What is at the root of the case? Where does public opinion stand on the accusations? To what extent will the scandal weaken the president's political standing and ability to govern?

**A** Felipe Moura Brasil, columnist for *Crusoe* magazine and anchorman of the *Papo Antagonista* radio show: "In a scheme known as 'rachadinha,' Flávio Bolsonaro allegedly diverted wages of his legislative aides when he was a state deputy in Rio de Janeiro. Instead of saving taxpayers' money, he is accused of appointing people in his office who did not work. They allegedly passed on most of the remuneration to financial operator Fabrício Queiroz, a friend of Jair Bolsonaro. One of them, Luiza Paes, confessed that she transferred 90 percent of her salary to Queiroz for years, without ever working. Flávio was elected to the Senate in 2018, the same year his father won the presidency. Now we know that Queiroz transferred money to four people that worked in Flávio's campaign staff. Queiroz also paid Flávio's expenses, such as school fees for his daughters and health insurance. Jair Bolsonaro was elected on an anti-corruption platform six months after former President Lula was arrested as part of Operation Car Wash. However, when the Queiroz case came to light after the election, Bolsona-

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## TODAY'S NEWS

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## Thousands March to Protest Ouster of Peru's President

Thousands of people took to the streets of Lima and other cities in Peru to protest Congress' swift ouster earlier this week of President Martín Vizcarra.

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Mexican President Andrés Manuel López Obrador said he would submit legislation to prohibit the subcontracting or outsourcing of jobs by private companies without government authorization.

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### POLITICAL

## Opposition Trounces Ruling Party in Belize

The opposition People's United Party overwhelmingly defeated the ruling United Democratic Party in Belize's general election. The People's United Party leader, Johnny Briceño, was sworn in as prime minister, replacing longtime Prime Minister Dean Barrow.

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Briceño // File Photo: Belizean Government.

## POLITICAL NEWS

## Thousands March to Protest Vizcarra's Ouster in Peru

Thousands of people took to the streets of Lima and other cities in Peru on Thursday to protest the abrupt ouster earlier in the week of President Martín Vizcarra, *La República* reported. Thursday's protests marked the third day of demonstrations and came as the new interim president, Manuel Merino, named members of his cabinet. Analysts said Thursday night's protests were the country's largest in two decades, *Bloomberg News* reported. "These are difficult days ahead for the interim government," Lima-based political analyst Carlos Meléndez told the news service. "The government doesn't have control of the streets, and it's losing on the international front." In the northern Peruvian city of Chimbote, protesters marched with a large Peruvian flag and carried signs blasting Congress and the government, video broadcast by the Canal N television network showed. One sign read, "This isn't for Vizcarra, this is for my country." Another read, "Merino isn't my president." Merino, who had been serving as the head of Peru's Congress, was sworn in Tuesday as president, a day after Vizcarra's ouster. In removing Vizcarra from office, Congress overwhelmingly declared him morally unfit to be president, citing his handling of the Covid-19 pandemic, which has hit Peru hard. He also was accused of taking more than \$630,000 in bribes in exchange for construction contracts during his time as a provincial governor. Vizcarra has denied wrongdoing. Vizcarra has had high approval ratings, but he has been at war with Congress. He dissolved Congress last year, but his battles with the newly formed legislature have continued amid his push for anti-corruption reforms. In a recent Ipsos poll, 78 percent of respondents were opposed to Vizcarra's removal from office, and 54 percent approved of his government, *Bloomberg News* reported. Just 22 percent in the poll approved of Merino, who has said the April 11 presidential and congressional election will take

place as scheduled. Merino is Peru's third president in less than three years. In March 2018, Vizcarra replaced then-President Pedro Pablo Kuczynski, who resigned amid corruption allegations after less than two years in office. Every Peruvian president since 1985 except for one has either been impeached, imprisoned or sought in a criminal investigation, *Bloomberg News* reported.

## Opposition Trounces Ruling Party in Belize Assembly Vote

The opposition People's United Party, or PUP, trounced the ruling United Democratic Party, or UDP, in Belize's general election, the country's election authorities announced Thursday, the *Associated Press* reported. The PUP won an overwhelming 26 of the 31 seats in the House of Representatives, propelling the party's leader, Johnny Briceño, to the position of prime minister. Briceño was sworn in Thursday, replacing the UDP's Dean Barrow, who had been Belize's prime minister since 2008. Barrow is retiring from politics. Wednesday's election happened against the backdrop of rising Covid-19 infections in the Central American nation as well as a stagnant economy. Turnout was 81 percent, according to the Belize Elections and Boundaries Department. A representative who has served seven terms, Briceño became only the fifth person to be Belize's prime minister since the country's independence in 1981. He is also the first prime minister from outside Belize City, the AP reported. He represents Orange Walk Central, which is north of Belize City. In his inaugural address in Belmopan, Briceño urged unity and said he would govern for all Belizeans. "I assure everyone that we are going to be an open, accountable and accessible government for the people of Belize," he said. He also called for people to continue social-distancing measures and wearing face masks to prevent the spread of Covid-19. "Together we will fight this pandemic," he said. Briceño has also vowed to crack down on corruption, strengthen the country's agriculture industry and revive

## NEWS BRIEFS

## One of First Caribbean Cruises Ends Early After Passengers Test Positive

One of the first cruise ships operating in the Caribbean since the beginning of the pandemic has ended its trip early after at least five passengers tested positive for the novel coronavirus, officials said Thursday, the *Associated Press* reported. The *SeaDream I*, which departed from Barbados last Saturday and had made stops in St. Vincent and the Grenadines, is carrying 66 crew members and more than 50 passengers, most of them from the United States, the AP reported, citing a journalist aboard the ship. The cruise is operated by the Norway-based *SeaDream Yacht Club*.

## Pfizer, Brazil in Talks for Supplying Covid Vaccine in First Quarter of 2021

Pfizer is in talks with Brazil's government to supply the country with its potential Covid-19 vaccine in the first quarter of next year, the pharmaceutical company's Brazil head said Thursday, *Reuters* reported. "We are working strongly with the Brazilian government to try to fast-track the availability [of the vaccine] in Brazil as fast as possible," Carlos Murillo said during an online event. Pfizer said earlier this week that the vaccine that it is developing with Germany's *BioNTech* appears to be more than 90 percent effective, according to data from late-stage trials.

## Copa Airlines to Resume Flights to Venezuela

Panama's *Copa Airlines* announced Thursday that it would resume flights to Venezuela on Nov. 24, nearly eight months after suspending services to the Andean nation due to measures intended to curtail the spread of Covid-19, *Reuters* reported. The carrier will initially operate three flights a week on Tuesday, Thursday and Sunday from Panama to Caracas.

tourism, which has been hit hard by the pandemic, Bloomberg News reported. The country of 400,000 people also has among the world's highest debt loads. Its economy is expected to contract 16 percent this year, the sharpest drop since at least 1980, Bloomberg News reported, citing the International Monetary Fund. Late Wednesday, after the polls closed and it became apparent that the PUP had taken a strong lead as ballots were being counted, UDP leader Patrick Faber called Briceño to congratulate him. On Wednesday night, Faber delivered a televised address, calling for unity. "While there were winners and losers, the democracy that we have continued to enjoy throughout the life of this great young nation, is by far the greatest winner today," he said.

## ECONOMIC NEWS

## Mexico's President to Submit Legislation on Job Outsourcing

Mexican President Andrés Manuel López Obrador on Thursday said he will submit legislation to Congress that would prohibit subcontracting or outsourcing of jobs by private companies in the country without government authorization, the Associated Press reported. The bill would allow subcontract workers to provide "specialized services or carry out specialized projects that are not part of a company's line of business" with Labor Department approval. Additionally, personnel, staffing or temp firms can help private companies recruit, select or train workers, but cannot be listed as their employer, the AP reported. Labor Secretary Luisa María Alcalde said outsourcing hurts workers by allowing companies to avoid granting benefits to subcontracted employees, Milenio reported. She mentioned other practices such as companies firing workers before Christmas and rehiring them early in the year to avoid paying year-end bonuses, the AP reported. Alcalde said the legislation's provisions would be enforced by fines or tax-evasion charges.

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ro did the opposite of what he promised. The president softened the penal legislation, appointed enemies of the Car Wash task force to control bodies and interfered with the Federal Police. Sérgio Moro, who had agreed to be a minister in hopes of tightening up criminal law, left Bolsonaro's government, alleging interference and the abandonment of the anti-corruption agenda. All this, added to a downplaying of the pandemic, reduced Jair Bolsonaro's popularity in state capitals. Still, he maintains strength with beneficiaries of the income transfer programs that he criticized as 'vote-buying' during the Lula government. Despite growing similarities, the Bolsonaro family and its militants still portray themselves as a right-wing solution against the Workers' Party's return to power, betting that nothing compares to the magnitude of left-wing corruption. But Brazilians are beginning to realize that they do not need to restrict their choices to those who steal less among left- and right-wing populists. In this sense, the possibility of Moro's candidacy in 2022 terrifies both sides."

**A** **Jessica A.J. Rich, assistant professor in the Department of Political Science at Marquette University:** "The charges against Flávio Bolsonaro center on a kickback scheme, known in Brazil as a 'rachadinha,' in which he is accused of hiring fake employees as legislative aides who would then allegedly give him back 90 percent of their salaries. Evidence to support these charges is compelling. One of his former aides gave a sworn statement attesting to her involvement in the alleged scheme, which was then published by newspaper O Globo. This scandal seriously threatens Jair Bolsonaro's political standing because it cuts to the heart of his political identity as an anti-corruption campaigner. Bolsonaro clearly views this scandal surrounding his family as a major political threat, highlighted by his desperate attempts to obstruct the investigation—such as when he tried to replace the head of the

federal police, creating new legal problems for himself. In January, two events will amplify the negative effect of this scandal on Bolsonaro's political standing, as well as on his ability to govern. First, in Rio de Janeiro,

**“Evidence to support these charges is compelling.”**

— Jessica A.J. Rich

the court will decide whether to accept the prosecution's charges. Second, in the United States, Donald Trump will leave the White House, taking with him a key source of international support for Bolsonarismo. Should the prosecution move forward in 2021, Bolsonaro's political survival will depend even more than it did before on his ability to cultivate allies in the legislature and in the judiciary. In the legislature, Bolsonaro will need to court supporters from within the 'Centrão'—the broad coalition of center-right politicians. In the judiciary, he will need to further appoint 'friendly' judges."

**A** **Erich Decat, political analyst at XP Investments:** "The prosecutors allege that Flávio Bolsonaro ran a criminal organization when he was a member of the Rio de Janeiro State Assembly (between 2007 and 2018). Prosecutors allege that some ghost cabinet staff members repaid most of their salaries to Flávio's security chief, Fabrício Queiroz. The investigations have also revealed that Queiroz was close to the Bolsonaro family, not just Flávio. Queiroz has been under house arrest since August. During the investigation, prosecutors discovered 483 bank deposits in Queiroz's account from 13 former cabinet employees. The deposits total 2 million reais. The alleged scheme also involved a chocolate store owned by Flávio. Prosecutors allege it was used to launder

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the money. Flávio denies any wrongdoing and claims that he has been targeted by the opposition, which wants to hurt his father's administration. The special state court of Rio de Janeiro still has to decide whether the lawsuit will go ahead, and there is no deadline for this decision. Despite the headlines and the allegations, this case hasn't yet hit President Jair Bolsonaro's approval rating, which is roughly 40 percent. Currently, the president's popularity is armored by the huge success of the emergency assistance, which the administration has granted to 67 million Brazilians since the beginning of the pandemic."

**A** **Silvio Cascione, director for Brazil at Eurasia Group:** "These charges against the president's son are not a game changer. Bolsonaro has managed to recover his popularity, after taking a hit early in the pandemic, and corruption allegations against his son and close allies are not changing voter perception. The bar for the president

to be seriously implicated in these investigations seems to be very high; it would take strong new evidence, which has failed to

“These charges against the president's son are not a game changer.”

— Silvio Cascione

appear so far. Police investigations against the president's inner circle will not stop, as judicial authorities in Brazil enjoy significant autonomy, but the president's chances of being re-elected in 2022 will hinge much more on how quickly the economy recovers from Covid-19. Bolsonaro's main challenge is to remove the massive fiscal stimulus deployed this year without losing support from voters."

*The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta at [gkuleta@thedialogue.org](mailto:gene.kuleta@thedialogue.org).*

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**Erik Brand**

Publisher

[ebrand@thedialogue.org](mailto:ebrand@thedialogue.org)

**Gene Kuleta**

Editor

[gkuleta@thedialogue.org](mailto:gene.kuleta@thedialogue.org)

**Anastasia Chacón González**

Reporter & Associate Editor

[anachacon@thedialogue.org](mailto:anachacon@thedialogue.org)



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Subscription inquiries are welcomed at

[ebrand@thedialogue.org](mailto:ebrand@thedialogue.org)

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# Advisor Video

## Anatomy of MS-13 – Policy Implications for El Salvador and the U.S.

An Inter-American Dialogue discussion with Steven Dudley, InSight Crime  
Sonja Wolf, Centre for Economic Research & Teaching  
Ricardo Zúñiga, Woodrow Wilson Center

View a webcast of the Oct. 27 discussion.

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