# LATIN AMERICA ADVISOR

A DAILY PUBLICATION OF THE DIALOGUE -

www.thedialogue.org

Tuesday, March 23, 2021

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FEATURED Q&A

# Will Protests Keep Roiling Paraguay's Government?



Paraguayan President Mario Abdo Benítez has faced protests over his government's handling of the Covid-19 pandemic. // File Photo: Paraguayan Government.

Paraguayan President Mario Abdo Benítez on March 17 survived an impeachment attempt in the lower house of the country's Congress. The effort to remove him came amid protests over the government's handling of the Covid-19 pandemic. Infections in Paraguay have hit record levels, and medicines meant for state hospitals ended up on the private market, sparking outrage and accusations of corruption and mismanagement. How big of a blow have the protests been to his administration and agenda? To what extent will changes in Abdo Benítez's cabinet, including his appointment of a new health minister and cabinet chief, quell the protests? How much blame does the government deserve for the surge in Covid-19 cases, and what more does it need to do in order to fight the virus?

Manuel María Cáceres, Paraguay's ambassador to the United States: "As the Covid-19 pandemic ravaged the region in the first few months of 2020, the government of President Abdo Benítez was among the first to close borders, impose a full quarantine and control the spread of the disease. The government also made a record-high investment in public health. Paraguay handled the pandemic very well, according to international standards. However, pre-existing structural issues in the country's public health system became more than apparent as positive cases spiked at the beginning of this year and the state was not able to distribute enough resources to satisfy demand on various fronts. Although Paraguay signed an agreement with Covax last year to get the vaccine on time, it was not complied with. The current demonstrations against corruption are a natural response

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#### **TODAY'S NEWS**

**POLITICAL** 

# Honduran Allegedly Tied to President Found Guilty in U.S. Trial

Geovanny Fuentes Ramírez, a Honduran whom witnesses testified bribed now-President Juan Orlando Hernández, was convicted in New York.

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POLITICAL

# Top U.S. Officials Travel to Mexico, Guatemala

Top Biden administration officials are to discuss a surge in migrants with officials in Mexico and Guatemala.

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ECONOMIC

# Economists Demand Action From Brazilian Gov't on Covid-19

Hundreds of Brazilian economists called on President Jair Bolsonaro's government to take stronger actions to battle Covid-19 in the country, where infections and deaths from the disease have accelerated.

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Bolsonaro // File Photo: Brazilian Government.

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## **POLITICAL NEWS**

# Honduran Allegedly Tied to President Convicted in U.S.

A Honduran man whose trial included bribery allegations against the Central American country's president was convicted Monday in New York on drug trafficking charges, the Associated Press reported. A federal jury convicted Geovanny Fuentes Ramírez on all counts he faced, including conspiracy to traffic cocaine, illegal weapons possession and arms conspiracy. During the two-week trial, witnesses testified that Honduran President Juan Orlando Hernández accepted bribes from Fuentes Ramírez. The bribery allegedly took place when Hernández, who took office in 2014, was running for president and as recently as 2019. Hernández has not been charged with any crime, and he has repeatedly denied any involvement with drug trafficking. In a Q&A published in the Advisor March 5, Honduras' ambassador to the United States, Luis Suazo, questioned the credibility of those who have raised the allegations about Hernández. "The accusations against President Hernández are based on testimonies of confessed drug traffickers severely hit by the president's policies and actions against drug trafficking," he said. U.S. prosecutors listed the president as a "co-conspirator" in the Fuentes Ramírez case. Additionally, one of the president's brothers, Tony Hernández, was convicted of drug trafficking in 2019 and is to be sentenced next week. During Fuentes Ramírez's trial, Devis Leonel Rivera Maradiaga, a former leader of the Cachiros cartel, testified that he gave Juan Orlando Hernández \$250,000, using the now-president's sister as an intermediary. Rivera Maradiaga testified that he gave the money as a bribe in exchange for protection for drug smuggling and to avoid extradition. Also during the trial, an accountant testified that he witnessed Hernández receiving bribes twice from Fuentes Ramírez in 2013. U.S. District Judge Kevin Castel, who presided over the case, is also scheduled to sentence the president's brother, the AP reported.

# Top U.S. Officials Visiting Mexico, Guatemala This Week

Top U.S. officials are set to visit Mexico and Guatemala this week as the administration of U.S. President Joe Biden continues to face a surge in migrants, including unaccompanied minors, at the country's southern border, the Financial Times reported. Roberta Jacobson, Biden's advisor on the southwest border, and Juan Gonzalez, the head of Western Hemisphere affairs in the White House's National Security Council, traveled to Mexico on Monday, the NSC said. Also part of the U.S. diplomatic team is Ricardo Zúñiga, who was announced Monday as a State Department special envoy for the "Northern Triangle" countries of El Salvador, Guatemala and Honduras. In that position, Zúñiga will lead diplomatic efforts in the region, advise the Bureau of Western Hemisphere affairs and coordinate with NSC staff on "comprehensive efforts to stem irregular migration to the United States," including the implementation of Biden's \$4 billion to address the root causes of migration in Central America, the State Department said. [Editor's note: See related Q&A in the March 12 issue of the Advisor.]

# **ECONOMIC NEWS**

# Brazilian Economists Demand Measures to Contain Covid-19

Hundreds of Brazilian economists, including former finance ministers and central bank presidents, in an open letter published Monday called on the government to accelerate its vaccination campaign and implement stricter measures to halt the unrelenting spread of Covid-19, the Associated Press reported. Describing the economic and social situation in Brazil as "devastating," the signatories also countered Brazilian President Jair Bolsonaro's

#### **NEWS BRIEFS**

# Chile's Piñera Announces \$6 Billion in Emergency Spending Measures

Chilean President Sebastián Piñera on Monday announced new emergency spending measures worth \$6 billion, or about 2 percent of GDP, as the government expands lockdowns in an effort to stop the country's most severe virus wave since the pandemic began, Bloomberg News reported. The emergency plan includes additional aid for families under quarantine, new job subsidies, unemployment insurance and increased spending on virus testing. Despite a successful vaccination program, Chile has recently registered record numbers of daily Covid-19 infections and hospitalized patients.

# Disgruntled Police Kill Two Officers in Haiti

Disgruntled police in Haiti killed two fellow officers on Monday in the Delmas neighborhood of Port-au-Prince, the Associated Press reported. The shootings were reportedly carried out by members of the "Fantom 509" group, which has organized violent protests in recent days. Last week, members of the group stormed several police stations to free jailed colleagues accused of involvement in a coup attempt against President Jovenel Moïse.

# Argentine Start-up Tiendanube Raises \$89 Million in Funding

Argentine e-commerce start-up Tiendanube has raised \$89 million in its latest funding round, led by Accel Partners and with participation from Thorntree Capital, Qualcomm Ventures and Kaszek Ventures, Bloomberg News reported Monday. The investment will go toward expanding Tiendanube's presence in Mexico and launching operations in Colombia, Chile and Peru, said CEO Santiago Sosa. Tiendanube provides a platform for small and medium sellers to launch personalized online stores.

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argument that lockdowns and restrictions to curb the spread of the virus would have a worse impact on the population than the disease. "This recession, as well as its harmful social consequences, was caused by the pandemic and will not be overcome until the pandemic is controlled through competent action from the federal government," the letter said, the AP reported. "It is urgent that the different levels of government prepare to implement an emergency lockdown." Bolsonaro has refused to impose nationwide lockdowns and in fact has attempted to block state governments from implementing local curfews and restrictions. He has also downplayed the seriousness of the virus, calling it a "little flu," and recently told Brazilians to "stop whining" about the disease. Brazil has the second-most confirmed cases of Covid-19 in the world, at more than 12 million, and more than 295,400 deaths from the disease, according to a Johns Hopkins University tally. Brazil last week averaged 2,234 daily deaths, the highest since the beginning of the pandemic a year ago, the AP reported. Meanwhile, the country's GDP contracted 4.1 percent last year, the largest annual recession in decades.

# Puerto Rico Getting More Than \$900 Mn in Education Funds

Puerto Rico is getting access to \$912 million in federal education funds, the Associated Press reported Monday. The funding is available immediately, but the territory's officials will work with the U.S. Department of Education to determine how the money can support the academic, social, emotional and mental health needs of the island's students, according to a spokeswoman for Puerto Rico's representative in the U.S. Congress, Jenniffer González. The news of the funding followed the commonwealth's reopening of public and private schools that comply with health guidelines. "There is no time to lose," Gov. Pedro Pierluisi said last month in announcing that schools could return to in-person classes on March 1, the Miami Herald reported. "Our children and youth have

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to decades of resource mismanagement in Paraguay's public administration and its health system, which go beyond the current administration. Citizens' rights to peacefully protest are protected and respected. As most presidents during a pandemic, President Abdo Benítez has had to tackle several issues simultaneously. Rather than changing the president's agenda, the current protests have reinforced some of his priorities for the public health system. While the cabinet changes were necessary to incorporate new and fresh ideas to deal with this unprecedented pandemic and its economic consequences in a young, productive society, the president has vowed to work with all political parties and movements in order to face the latest challenges and overcome this health crisis."

Teresa de Velilla, first vice president at Financiera El Comercio in Paraguay: "Public health should be the priority right now, and political issues should come second. The protests have had a significant impact, especially because Abdo Benítez had to make changes within his cabinet. The president should not have waited until public protests in order to make these necessary changes, especially given such evident cases of corruption. The changes should have happened before people were forced to go to the streets to demand them. Similarly, public health and the early management and arrival of vaccines should have been prioritized beforehand. I do not think that, with these minute changes, the president will be able to calm the protests. He will face a series

had to wait too long to return to their schools." The federal funding comes as Puerto Rico struggles to rebuild following powerful hurricanes in 2017 and a series of earthquakes that started in late 2019 and damaged or destroyed several schools in the southern part of the island, the AP reported. "The Department [of Education] understands the urgency to access vital federal education funds to meet the needs

of very difficult challenges, as he is very weakened politically. Protests will continue and will likely intensify, as both peasants and university students have announced they will join the demonstrations. We are living in a time when we all have to take care of ourselves to avoid more infections and be able



- Teresa de Velilla

to focus on public health. As a Paraguayan, I hope all of us will work toward a changed country, one without corruption and which cares about public health and education. It is unfortunate that we have reached such levels of dissatisfaction, all at a time when the global economy is weakened. Although Paraguay is a commodities producer, we are likely to lose a good opportunity to improve the current situation. The government has a big responsibility when it comes to managing the purchase of vaccines, and its management has been slow. In fighting the virus, the population also continues taking care of itself and complying with minimum safeguards, social distancing, the use of masks and hand washing. Knowing the shortcomings and weaknesses of our health system, we clearly need to take care of ourselves, and this responsibility belongs to everyone. However, when it comes to public health and prevention, the state has unfortunately managed this entire process very poorly."

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of Puerto Rican students who are experienced compounded trauma," U.S. Education Secretary Miguel Cardona said Monday. Despite Puerto Rico's reopening of schools, many classes had sparse attendance amid fears of infection. Currently, only children in kindergarten and first, second, third and 12th grades are allowed to return for in-person classes, as are students in special-education classes.

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R. Andrew Nickson, honorary reader in public management and Latin American studies at the University of Birmingham in

England: "The violent protests in Asunción have been a shock to a political system under which the voice of citizens has been muted in the past. They show a strengthening of civil society, with new participation of male, poor, urban youth. There have also been protests in other towns and cities. However, to date, the movement is lacking in leadership and direction, apart from the simple demand 'Que se vayan todos,' or 'they must all go.' Abdo Benítez has not addressed the nation since the protests erupted, preferring, as he says, to read the Bible. He is now extremely unpopular. His lackluster administration has lacked any clear agenda since he took office. He is now beholden to the former president and millionaire, Horacio Cartes, who has just saved him from impeachment for a second time. The cabinet changes were primarily made as a condition for the political support from Cartes and have done little to quell the protests, which have continued for two weeks now. A major demonstration by small farmers, organized by the Federación Nacional Campesina, is planned for Thursday. In anger at the vote in Congress not to impeach Abdo, protesters torched the headquarters of the ruling Colorado Party on March 17. The party has ruled the country for six decades and is now under the control of Cartes. The Abdo Benítez government deserves much blame for the surge in cases. The president's extraordinary lack of concern was expressed in a Dec. 22 speech in which



The Abdo Benítez government deserves much blame for the surge in cases."

- R. Andrew Nickson

he said that Paraguay had one of the best health systems in the world. Last week, Paraguay reached 100 percent capacity in its intensive-care units. The ordering of vaccines has been abysmal. The Abdo Benítez administration should immediately respond to the new surge of infections in Brazil by closing its border. Instead, in response to the closure of bars and restaurants in their own country, Brazilian visitors last weekend flooded across the border to the Paraguayan town of Pedro Juan Caballero, intensifying the spread of infection."

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

# Advisor Video **Peru's Presidential Election** A Latin America Advisor interview with Mercedes Aráoz, former vice president of Peru WATCH

#### LATIN AMERICA ADVISOR

is published every business day by the Inter-American Dialogue ISSN 2163-7962

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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

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