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FEATURED Q&A

What Will Result From Efforts at Vaccine Diplomacy?



In January, Bolivian President Luis Arce (second from left) celebrated the country's first shipment of Russia's Sputnik V Covid-19 vaccine. // File Photo: Bolivian Government.

Q The administration of U.S. President Joe Biden recently said it is working on a plan to send 2.5 million doses of Covid-19 vaccines to Mexico and another 1.5 million to Canada. In the meantime, Russia has provided millions of doses of Covid vaccines to Latin American countries, including Bolivia. Additionally, China has signed deals to provide vaccines to several countries including El Salvador, to which China is donating 150,000 doses. What will result from major world powers' efforts at vaccine diplomacy? Which countries will see the biggest benefits from their efforts to distribute Covid vaccines in Latin America? Which countries in the region are not getting access to vaccines, and why?

A R. Evan Ellis, Latin America research professor at the U.S. Army War College Strategic Studies Institute: "China and Russia, with the pandemic more controlled than the United States at home, have exploited vaccine sales and donations to pursue agendas abroad. Cansino, Sinopharm and Sinovac are being shipped to 12 Latin American countries, although only in three do they exceed 10 percent of vaccines received: Chile (60 percent), Peru (45 percent) and Argentina (30 percent). The Chinese vaccines are generally less effective than their western counterparts (50 percent for Sinovac, 66 percent for Cansino and 79 percent for Sinopharm), yet Latin American governments have prioritized getting something over efficacy. The Russian Sputnik V vaccine, despite safety concerns due to a lack of information about its testing, has disproportionately been accepted by countries with leftist-populist political orientations, including Venezuela,

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TODAY'S NEWS

POLITICAL

Cuba's Communist Party Taps Díaz-Canel as Leader

Cuba's Communist Party named the country's president, Miguel Díaz-Canel, as its new leader, as expected. Díaz-Canel succeeds Raúl Castro in the post.

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POLITICAL

Number of Migrant Children Transiting Mexico Soars: UNICEF

The number of migrant children passing through Mexico has soared ninefold since the beginning of the year, said the U.N. Children's Fund, or UNICEF.

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BUSINESS

New Petrobras CEO Vows to Adhere to Pricing Policy

Joaquim Silva e Luna, the new chief executive officer of Petrobras, said he will respect the Brazilian state-run oil company's pricing policy and continue investments in deepwater assets.

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Silva e Luna // File Photo: Brazilian Government.

POLITICAL NEWS

Cuba's Communist Party Selects Díaz-Canel as New Leader

As expected, Cuba's Communist Party on Monday selected the country's president, Miguel Díaz-Canel, as its new leader, the Associated Press reported. Díaz-Canel, who turns 61 today, succeeded Raúl Castro, 89, as president in 2018. Castro stepped down as the party's leader on Friday as the party opened its eighth congress. Díaz-Canel's naming as the party's leader on Monday came as the four-day congress concluded. Wearing a dark suit and red tie in contrast to Castro's military fatigues, Díaz-Canel vowed to consult Castro on important decisions, Reuters reported. "He will always be present, aware of everything going on, fighting energetically and sharing ideas and thoughts on the revolutionary cause through his advice, orientation and alerts in the face of any error or deficiency," Díaz-Canel said in his first speech as the party's leader. Before joining Castro's government in 2009 as Cuba's education minister, Díaz-Canel was the Cuban Communist Party's chief in two provinces. Since succeeding Castro as president, Díaz-Canel has vowed continuity. While he is not expected to move Cuba away from its one-party political system, he will be under pressure to carry out further economic reforms. The country's economy shrank 11 percent last year amid the coronavirus pandemic and U.S. sanctions. Shortages of even basic goods have forced Cubans to wait in lines for hours at stores across the country. Díaz-Canel said in his speech on Monday that the economy is durable and that the country had preserved achievements such as universal health care and education while also supporting other countries by sending them Cuban doctors, Reuters reported. Díaz-Canel also issued a warning to dissidents and artists who have been gathering for small protests and provocative performances. "Those lumpen mercenaries who make money on the back of the destiny of all, those who call for invasion, those who continuously offend in words and

acts... would be well advised that this people's patience has limits," he said. [Editor's note: See [Q&A](#) on Cuba's economy in the Feb. 22 issue of the Advisor.]

Number of Migrant Children Transiting Mexico Soars: U.N.

The number of migrant children passing through Mexico since the start of the year has risen sharply from 380 to almost 3,500, the U.N. Children's Fund, or UNICEF, said Monday. That number is a ninefold increase from January. The announcement followed a five-day visit by Jean Gough, the agency's regional director for Latin America and the Caribbean, to Mexico, including several stops at its border with the United States. Mexican authorities detect an average of 275 additional migrant

“I was heartbroken to see the suffering of so many young children, including babies...”

— Jean Gough

children every day who are waiting to enter the United States or are being returned, according to UNICEF estimates. "I was heartbroken to see the suffering of so many young children, including babies, at the Mexican border with the U.S.," Gough said in the statement. "Most of the shelter facilities I visited in Mexico are already overcrowded and cannot accommodate the increasing number of children and families migrating northward," he added. In Mexican shelters, children make up at least 30 percent of the migrant population, and half of them are traveling unaccompanied, the statement said. Most children are coming from Honduras, Guatemala, El Salvador and other parts of Mexico, Agence France-Presse reported. U.S. Department of Homeland Security Secretary Alejandro Mayorkas said last month that the United States was bracing for a 20-year high in the number of migrants arriving at the U.S.-Mexico border, BBC News reported.

NEWS BRIEFS

Indigenous People Protest Brazilian Mining Bill

About 100 Indigenous people from six states across Brazil gathered in Brasília on Monday to protest proposed legislation that would make mining on their lands legal, CNN reported. Protesters carried banners reading, "Invaders get out! Miners get out, agrobusiness get out! Bolsonaro get out!," in reference to President Jair Bolsonaro, whose government sponsors the commercial mining bill. Congress had dismissed the proposal last June, but lobbyists from the mining sector have been pushing for its revival, according to the report.

U.N., Venezuela Reach Agreement on Food Aid to Children

The United Nations World Food Programme has reached a deal with the government of Venezuelan President Nicolás Maduro to provide food to school children in the South American country, Reuters reported Monday. The program will reach 185,000 children this year, the World Food Programme said in a statement. Child malnutrition has increased in Venezuela amid a collapse of the country's economy.

New Petrobras CEO Vows to Adhere to Current Pricing Policy

Joaquim Silva e Luna, the new CEO of Brazilian state oil company Petrobras, will respect the company's current pricing policy and continue investments in deepwater assets, he said at his swearing-in ceremony on Monday, Reuters reported. His speech signaled some form of continuity of the previous management's policies, which the market generally viewed as positive. Brazil-listed preferred shares in Petrobras rose about 2.6 over the course of his brief comments, and they were among the largest gainers on Brazil's benchmark Bovespa index by mid-day, trading up 3.9 percent.

BUSINESS NEWS

Canadian National Eyes Rival Bid for Kansas City Southern

Canadian National Railway plans to make a \$30 billion rival bid for Kansas City Southern, which could launch a bidding war for the U.S.-headquartered railroad, which has already agreed to a merger with Canadian Pacific Railway, The Wall Street Journal reported today, citing unnamed people familiar with the matter. Canadian National today plans to offer \$325 for each share of Kansas City Southern, the newspaper reported. The offer reportedly includes \$200 in cash per share and 1.059 shares of Canadian National stock. The offer would represent a premium of about 20 percent to the deal with Canadian Pacific, which agreed to pay \$275 per share, including \$90 in cash. Canadian Pacific and Kansas City Southern announced their agreement last month, a \$25 billion deal that would create the first freight-rail network connecting Mexico, the United States and Canada. Kansas City Southern plays a key role in trade between the United States and Mexico as it transports industrial products including automobiles from Mexican factories into the United States and takes U.S. agricultural goods from the United States to Mexico, The Wall Street Journal reported. Canadian National anticipates that a merger would generate incremental cash flow of approximately \$1 billion, mainly from higher revenues from its ability to offer lower-cost alternatives to trucking routes, The Wall Street Journal reported. Either merger would require the approval of the U.S. Surface Transportation Board. Some have raised concerns that a major railroad merger could mean higher prices for shippers. "At this moment, it is too early to make a definitive conclusion on whether the merger, if approved, will primarily benefit shareholders, customers or both," Mike Steenhoek, executive director of the Soy Transportation Coalition, **told** the Advisor April 13 when asked about the Canadian Pacific-Kansas City Southern deal.

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Bolivia, Nicaragua, Argentina and Mexico. It has also gone to Guyana, Guatemala and Paraguay, which have limited resources to acquire vaccines elsewhere. Additionally, most 'vaccines' found in the black market bear Russian or Chinese labels. The impact of Russia's vaccine diplomacy is limited by the reluctance of many countries to accept Sputnik V, as well as Russia's inability to get adequate quantities to those who accept it. China has used its vaccines to induce Brazil to let Huawei participate in an upcoming 5G auction (successfully), and to pressure Paraguay to de-recognize Taiwan (unsuccessfully). As the United States completes vaccination of the majority of its population by July, it will likely expand vaccine assistance to Latin America, yet the region will likely make significant economic and political concessions to China in the interim to get its vaccines."

A **Rebecca Bill Chavez, non-resident senior fellow with the Peter D. Bell Rule of Law program at the Inter-American Dialogue and former U.S. deputy assistant secretary of defense for Western Hemisphere affairs:** "In the wake of the White House announcement that it will share 2.5 million vaccine doses with Mexico and 1.5 million with Canada, Secretary of State Antony Blinken recently pledged that the United States will be the 'world leader on helping to make sure the entire world gets vaccinated.' While serving as a tacit acknowledgement that the United States has trailed China and Russia in global vaccine distribution, the commitment is a clear signal that the United States will step up to help address the challenge of the pandemic in Latin America and the Caribbean. China and Russia have likely benefited politically and economically in the short term from their early vaccine distribution efforts in the Americas, which was facilitated by the Trump administration's disregard for the region and its restrictions on sharing surplus vaccines with other coun-

tries—something the Biden administration is working to reverse. Given the World Bank's assessment that Latin America has been the region worst-hit by the pandemic, the region also benefits in the near term from this early vaccine distribution, though there are concerns about the efficacy of these vaccines. The Biden administration is working on a longer-term strategy that focuses on a 'stronger global health security system to make sure that this doesn't happen again,' as Blinken has said, reflecting the administration's overall focus on longer-term infrastructure and public health investments. There is also an opportunity for the administration to work with regional organizations such as the OAS to address complex security challenges, including climate change and pandemics, that transcend borders and require collective action."

A **Guo Jie, associate professor at Peking University's School of International Studies:** "Latin America remains the epicenter of the coronavirus crisis. The region's slow vaccine rollout and widening inequality in access to doses make its recovery prospects look bleak. Chile and Uruguay are regional leaders in inoculations, with around 24 percent and 39 percent of their populations, respectively, having received at least the first dose. By comparison, in countries such as Guatemala, Honduras, Paraguay and Venezuela, the number is less than 1 percent. Differences in rates are associated with two major factors: availability and affordability. Countries that struggle with both are relatively more dependent on external assistance, either through global initiatives (mainly the COVAX facility) or bilateral approaches (China, Russia and India in particular). In the case of China, according to the China International Development Cooperation Agency, the country has provided vaccine assistance to 10 LAC countries, including Bolivia, Guyana, Venezuela and El Salvador. The latest aid comes from Sinovac

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Biotech, with a donation of 50,000 doses to CONMEBOL. In addition, CDB has launched a \$1 billion equivalent special loan under the Special Loan Program for China-Latin America Infrastructure Project to support hospital construction, vaccine procurement and other public-health projects. Regrettably, the United States and Europe have not been playing as much of a role as they used to. Last month, the Biden administration took the first step toward sharing vaccines, announcing a loan of four million doses to Mexico and Canada. This is a good sign. Given that the United States is fast approaching a vaccine surplus, hopefully more vaccines will soon be available to contribute to the rest of the hemisphere. Against the backdrop of the current global situation and Sino-U.S. relations, it is indeed easy to fall into looking at everything through the logic of competition. The fact is that what the region is facing is absolutely not a zero-sum diplomatic game. Rather, arguably, it is a special opportunity to restart potential trilateral collaboration, which is of critical importance to the region's long road to post-Covid recovery."

A **Bianca Shinn, public health advisor:** "Vaccine diplomacy has always existed and is not a new approach. As expected, vaccine diplomacy is not only being used to strengthen regional relationships. It is also being used as an undermining tool by rival powers through aggressive misinformation campaigns that undermine the public's trust in vaccines produced in those regions. Latin American and Caribbean governments that prioritize implementing and distributing strategies that meet their countries' needs will benefit the most in the region. Equitable policies of access and distribution are urgently needed. Vaccine accessibility

and distribution among poorer countries in the region may be delayed by at least six months, or longer if goodwill and urgency among world powers are not prioritized. In Haiti, for example, the vaccine is yet to be distributed. The government of Haiti may have intentionally not applied for a vaccine program that would have guaranteed the

“Equitable policies of access and distribution are urgently needed.”

— Bianca Shinn

deliveries of doses from the U.N. vaccine initiative for various reasons, primarily because of the population's skepticism and apprehension of Covid-19. Covid-19 mortality rates have been low, which increases the dismissiveness towards buy-in from the public. The Haitian government lacks credibility among its stakeholders and its citizens, which further complicates vaccines' access and distribution. Vaccines are primarily state-administered and controlled; therefore, weak health infrastructures and planning may lead to further disasters such as unused stocks if not handled accordingly. In the situation of Haiti, vaccine distribution is not a priority due to the unrest that exists. The threats of Covid-19 are minimal when compared to the daily threat of violence and insecurity. Furthermore, Haiti surpasses vaccine hesitancy; instead, vaccine refusal is more applicable to the current climatic situation."

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

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