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FEATURED Q&A

Are Colombia & Venezuela Seeing Lowered Tensions?



Venezuela and Colombia have reopened their shared border, more than two years after it was closed. // File Photo: Venezuelan Government.

Q Venezuela reopened its border with Colombia on Oct. 5, more than two years after Venezuelan President Nicolás Maduro closed it in response to Bogotá's recognition of opposition leader Juan Guaidó as Venezuela's president.

While Colombia unilaterally reopened its borders with Venezuela in June, Maduro waited until this month to take similar action. Colombian President Iván Duque cautioned that the reopening process would be done gradually and only with security standards in place. To what degree is this a full reopening of the border, and will trade flows between the countries continue to be hindered by political discord? Does the opening suggest an improved relationship between the countries? How much will the change allow for further migration from Venezuela?

A Gustavo Roosen, member of the Advisor board and president of IESA in Caracas: "The problems between Colombia and Venezuela go well beyond those at the border. There is a very heavy conflict to resolve between the two countries that has to do with security and drug trafficking issues that transforms it into a disagreement that is not only bilateral, because it reaches the rest of the continent and the United States. It has to do with the active cooperation of the Nicolás Maduro regime with the Colombian guerrillas. It is necessary to emphasize that violence in Colombia has greatly increased four years after the signing of the Havana peace agreement. The Palace of Nariño is convinced of Caracas' support for the narcoguerrilla, and it has very strong evidence of it. These issues are the source of continuous verbal aggression between Venezuela and Colombia—even of troop

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TODAY'S NEWS

ECONOMIC

Peru's Economy Grows 18.6% in Year's First Eight Months

Peru's economy expanded 18.6 percent for the year through August, according to the Economy Ministry. August was Peru's fourth consecutive month of pre-pandemic level growth.

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BUSINESS

Colombia's ELN Claims Responsibility for Pipeline Attack

Colombia's ELN rebels claimed responsibility for an attack on a pipeline of state oil company Ecopetrol.

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POLITICAL

Venezuela Halts Talks After Saab's Extradition to U.S.

Venezuelan President Nicolás Maduro's government suspended talks with the opposition after his close ally, Alex Saab, was extradited to the United States to face money laundering charges.

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Saab // File Photo: U.S. Treasury.

POLITICAL NEWS

Venezuela Suspends Talks After Saab Is Extradited to U.S.

The government of Venezuelan President Nicolás Maduro has suspended talks with the country's opposition following Saturday's extradition to the United States of Alex Saab, a close Maduro ally, the Financial Times reported Sunday. Saab, who was born in Colombia, was flown out of the West African island nation of Cape Verde on a U.S. Department of Justice jet, and he is to have his first U.S. court appearance today in the Southern District of Florida, The Wall Street Journal reported. Saab was arrested in Cape Verde in June 2020 when his plane stopped there to refuel, Reuters reported. Saab is accused of funneling more than \$350 million from several Venezuelan government contracts through the U.S. financial system, The Wall Street Journal reported. U.S. federal prosecutors in Florida indicted Saab in 2019 on charges of using a Venezuelan government low-income housing program and the country's foreign-exchange market in order to pocket the money for himself and for Venezuelan officials that he and associates of his allegedly bribed, The Wall Street Journal reported. The U.S. Treasury Department also blacklisted Saab and his associates, including three stepsons of Maduro, on accusations that they used a Venezuelan government food program and the country's gold resources to launder stolen public money. José Pinto Monteiro, a lawyer for Saab, called his client's extradition "illegal and shameful." Saab has denied wrongdoing and told CNN in June that he feared that he would be mistreated if extradited to the United States. "If I'm extradited to the United States, every independent expert is categorical: I will be exposed to forced interrogation techniques, to torture, poor treatment, an unfair trial, inhuman detention conditions and cruel punishments," he told CNN in a handwritten letter. Saab's lawyer alleged that the United States had "kidnapped" Saab and that his extradition "violated" Cape Verde law and international law,

CNN reported. However, the U.S. Department of Justice said Saab's extradition was "conducted in full compliance with all relevant Cabo Verdean laws and court rulings," CNN reported. "The U.S. Department of Justice expresses our gratitude to the Government of Cabo Verde for its assistance and perseverance with this complex case and admiration for the professionalism of Cabo Verde's judicial system," the Justice Department added. Venezuela's government in September named Saab as a member of its negotiating team for the talks with the opposition. In addition to suspending the dialogue with the opposition, Venezuela's government also retaliated by revoking the house arrest of six U.S. executives of Venezuela's U.S.-based refiner, Citgo, who have been held in Venezuela since 2017 and sentenced to long jail sentences on what the U.S. government has characterized as spurious charges, the Financial Times reported. A relative of Tomeu Vadell, one of the executives, said Venezuelan authorities came to their home on Saturday and took Vadell away, and family members did not know where he was taken.

ECONOMIC NEWS

Peru's Economy Grows 18.6% for Year Through August

Peru's economy expanded 18.6 percent this year through August, and 10.5 percent in the 12-month period starting the same month last year, the Ministry of Economy and Finance said Friday, EFE reported. According to data from national statistics agency INEI, gross domestic product in August grew 11.8 percent as compared to August 2020. It was the fourth consecutive month of economic growth that reached pre-pandemic levels in Peru, driven by the recovery of economic activity in 97 percent of the country's economic sectors, according to the report. The construction and nonprimary manufacturing sectors drove the favorable performance, as did greater execution of public and private works, accommodations and

NEWS BRIEFS

Thousands March in Protest of El Salvador's Bukele

Thousands of people swarmed the streets of El Salvador on Sunday in protest of President Nayib Bukele over concerns that he has been steadily seeking to concentrate power, Reuters reported. Local media estimated that at least 4,000 people marched through San Salvador, carrying signs blasting Bukele's ouster of Supreme Court judges, his bid to allow for re-election and the adoption of Bitcoin as official currency alongside the U.S. dollar. Bukele responded by changing his Twitter profile description to "Emperor of El Salvador."

U.S. Secretary of State to Meet With Presidents of Ecuador, Colombia

U.S. Secretary of State Antony Blinken is to meet on Tuesday with Ecuadorean President Guillermo Lasso and his foreign minister, Mauricio Montalvo, according to the U.S. State Department. The two presidents will meet in Quito to discuss democratic governance, counternarcotics cooperation and bilateral opportunities for trade and investment, among other issues. Blinken is then scheduled to travel to Colombia later in the week to meet with President Iván Duque and Vice President Marta Lucía Ramírez. Items on the agenda include sustainable peace and reconciliation, migration and addressing the climate crisis.

Cyberattack Disrupts Services of Ecuador's Banco Pichincha

A cyberattack last week disrupted services of Ecuador's largest bank, Banco Pichincha, the Associated Press reported Friday. Customers experienced disruptions for several days, the wire service reported. Customers reported being unable to access services through the bank's website and mobile app.

restaurants, transportation, storage, mail and messaging and commerce. “The August result reflects the strength of the Peruvian economy,” said Finance Minister Pedro Francke, adding that growth is expected to continue through September “at a good pace, as anticipated by the indicators of advanced economic activity,” EFE reported. Peru’s economy grew 21 percent in the first half of 2021, a performance that “surprised most people and confirmed this year’s rapid rebound from last year’s deep recession,” former Peruvian Finance Minister Alfredo Thorne told the Advisor in a [Q&A](#) published Aug. 25. “But closer inspection at the data indicates that most of the rebound has been cyclical, and the economy has recently been losing momentum,” Thorne added.

BUSINESS NEWS

Colombia’s ELN Claims Responsibility for Pipeline Attack

The National Liberation Army, or ELN, rebel group has claimed responsibility for an attack in Colombia last week against a pipeline used to transport crude to the Andean nation’s main refinery, in the city of Barrancabermeja, Reuters reported. The attack caused an oil spill into surrounding vegetation and soil, said state oil company Ecopetrol, which controls the pipeline and refinery. A spokesman said that fire had also broken out but was later brought under control. Ecopetrol did not specify whether the attack had been an explosion, Forbes reported. The ELN also took responsibility for the September attacks on La Cira Infantas oil field, which halted production at several wells. The oil field produces about 30,000 barrels per day of crude. Ecopetrol said production had not been halted following last Friday’s attack. The ELN said it wants to “open a debate” on the use of the country’s natural resources, especially oil, adding that it would be willing to stop its attacks against oil infrastructure in return for eliminating road tolls and adjusting fuel costs, the wire service reported.

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mobilizations—and affect the relations of both countries with the United States. For Colombia, the re-establishment of bilateral relations is much more necessary than for Venezuela for economic reasons, but this requires the resolution of the aforementioned problems. Colombia’s gestures to re-establish a flow of people across the border are not a priority. They are, without a doubt, acts of good faith full of humanitarian content that have electoral value for the Duque government and are well regarded by the international community. In the Miraflores Palace, the declaration of the border opening is hollow and will not go hand in hand with a re-establishment of trade flows between the two countries. As long as a dictatorial government is acting on the other side of the border, Colombia’s relations with Venezuela will never be positive.”

A **Betilde Muñoz-Pogossian, director of the Department of Social Inclusion at the Organization of American States:** “The reopening of the border is not synonymous with good relations between Colombia and Venezuela, nor does it mean recognition by Colombia of the Maduro regime. Rather, it responds to internal dynamics of each country. President Duque, probably in close coordination with the local governments of the border cities, determined that the economic and commercial recovery of the border area, already depressed, is linked to the reactivation of trade between the two countries. Maduro, for his part, is waiting for an electoral event, in which he needs to be able to continue to control territory, and in the case of border states, announcing the reopening of the border (which also aligns with PSUV leaders in the area) is simply a political tactic. We will have to see if this changes migratory patterns from Venezuela, although it probably will not, since with or without closed borders, Venezuelans have continued to leave the country using so-called ‘trochas’ or illegal passages. The pen-

dular migration, or transit of inhabitants of Venezuelan border cities to the neighboring country to make their purchases and return on the same day, which has been how some Venezuelans stock up on food, medicine and more, will probably increase. This pendular migration and the reactivation of trade will undoubtedly bring concrete benefits for the local economies of cities such as Cúcuta. For its part, the PSUV’s strategy is that Venezuelans who can now freely return to buy products and basic necessities in Colombia will associate the decision with Maduro and therefore favor Madurismo candidates with their votes.”

A **Evan Ellis, research professor at U.S. Army War College Strategic Studies Institute and senior associate in the Americas Program at the Center for Strategic and International Studies:**

“The timing and effect of the reopening of the border by the de facto Maduro regime has more to do with politics than either security, trade or Covid-19 related considerations. Maduro is looking for inconsequential gestures that sympathetic or sanctions-fatigued audiences in the European Union and United States can use to argue that the dialogue between his regime and the Guaidó delegation is producing results, so that Maduro can continue talks and press for international sanctions relief. Border controls have never effectively prevented the outflow or return of Venezuelans through informal crossings (trochas), or the entrance to Venezuela of goods and remittances from abroad. Reopening the formal crossings will likely allow a greater portion of the bribes for allowing in Venezuelans, their remittances and goods, to be captured by the National Guard and other state entities, rather than the other armed groups operating in the area. Sadly, by contrast to the pre-Chavismo era when there was vibrant cross-border trade, Venezuela has little left to export beyond the labor of its educated but desperate people. Ironi-

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cally, Maduro's gesture was somewhat out of synchronization with his other strategic messaging, as he telegraphed the sending of Iranian-made drones and troops to the border to suggest that he was concerned by Colombia's sending of 14,000 of its own troops to the border for the legitimate cause of protecting Colombians against incursions from Venezuela by FARC dissidents harbored there, including assassinations and attack targets in Colombian territory."

A **Juan Carlos Garzón and Jorge Mantilla, researchers at Fundación Ideas para la Paz:** "The reopening of the border between Colombia and Venezuela should be understood as part of ongoing political processes. On the one hand, Venezuela faces regional elections in November in which Freddy Bernal—the 'border protector'—is running for office in the border state of Táchira, an opposition hub during the last decade. On the other hand, Colombia will have a presidential election in May, and the relationship with Venezuela will be on top of the political debate. Beyond the reopening process, the border remains a political resource and a negotiation device between two countries without diplomatic relations. The reopening of the border is good news for the communities that have suffered the consequences of its closure. This decision has not only been positively influenced by the change of government in the United States and the negotiations in Mexico, but also the local efforts of regional elites that have worked silently to figure out humanitarian mechanisms to handle the migratory crisis left by the Venezuelan exodus. Almost 2.4 million Venezuelans live in Colombia today, many of whom left their country by traveling through illegal paths. The border control mechanisms that both countries have implemented created a window of opportunity for nonstate armed groups and organized crime-related gangs to increase their territorial control. While the reopening might lessen the scope of

influence of these crimes on the migratory flux, state weakness, the huge development gaps and thriving illegal economies will remain difficult to address while ideological confrontation and polarization prevail over the needs of the people."

A **Andrés Martínez-Fernández, senior analyst at FrontierView:** "Despite the announced commercial reopening of the border between Venezuela and Colombia, transit is still being strictly controlled, particularly on the Venezuelan side. Nonetheless, even a partial reopening will allow many Venezuelans to regain access to an essential lifeline in the form of Colombian goods and services. The reopening should not be seen as a signal of improving bilateral relations. Indeed, the Maduro regime recently announced its plan to denounce the Colombian government at the International Criminal Court. An antagonistic relationship between the neighboring Andean countries will likely continue to have repercussions for the flow of commerce. However, it must be said that the severe mismanagement of the Venezuelan economy caused the collapse of trade flows between Venezuela and Colombia well before the land border closing. This is clear from the 94 percent collapse in Venezuelan imports from Colombia seen from 2008 to 2018. Additionally, the Venezuelan government's move to reopen the land border, as with all its major decisions, hinges on its assessment of whether an action benefits the survival and enrichment of the Maduro regime. That assessment now favors reopening, but it could easily change again based on factors completely divorced from the needs of the Venezuelan people or the state of the bilateral relationship with Colombia."

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

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