

BOARD OF ADVISORS

Diego Arria
Director, Columbus Group

Devry Boughner Vorwerk
CEO, DevryBV Sustainable Strategies

Joyce Chang
Global Head of Research,
JPMorgan Chase & Co.

Paula Cifuentes
Director of Economic & Fiscal Affairs,
Latin America & Canada,
Philip Morris International

Marlene Fernández
Corporate Vice President for
Government Relations,
Arcos Dorados (McDonald's)

Peter Hakim
President Emeritus,
Inter-American Dialogue

Donna Hrinak
Senior VP, Corporate Affairs,
Royal Caribbean Group

Jon E. Huenemann
Council Member,
GLG Inc.

James R. Jones
Chairman,
Monarch Global Strategies

Craig A. Kelly
Senior Director,
Int'l Gov't Relations, Exxon Mobil

Barbara Kotschwar
Executive Director, Visa Economic
Empowerment Institute

John Maisto
Director, U.S. Education
Finance Group

Nicolás Mariscal
Chairman,
Grupo Marhnos

Thomas F. McLarty III
Chairman,
McLarty Associates

Beatrice Rangel
Director,
AMLA Consulting LLC

Jaana Remes
Partner,
McKinsey Global Institute

Ernesto Revilla
Head of Latin American
Economics, Citi

Gustavo Roosen
President,
IESA

Andrés Rozental
President, Rozental &
Asociados

Shelly Shetty
Managing Director, Sovereigns
Fitch Ratings

FEATURED Q&A

How Much Damage Has the Pandemic Done to Education?



Schools in Latin America have reopened, but hundreds of thousands of students have dropped out since the pandemic began. // File Photo: Mexican Government.

Q Estimates by the World Bank show that the learning-adjusted years of schooling (LAYS), a metric for educational progress on the national level, has decreased from 7.8 years to 6.4-6.7 years on average in Latin America and the Caribbean, due to the Covid-19 pandemic. Hundreds of thousands of students have dropped out of school since school closures in the region began in 2020, and many have not returned since schools have begun to reopen. What are the most worrying trends in education in Latin America and the Caribbean due to the Covid-19 pandemic? Which countries are succeeding in educational recovery, and which countries are trailing behind? What are the expected long-term effects of the pandemic on education in the region, and how significant have technological advances been to online schooling?

A Mercedes Mateo-Berganza, chief of education at the Inter-American Development Bank: "After almost two years of pandemic-imposed closures, Latin America and the Caribbean are just starting to understand how much ground students lost and how policymakers can close the learning gap. Teachers, parents and authorities have made heroic efforts to ensure that students still receive some level of learning. Even as the region's governments reported that school enrollment rates remained stable throughout 2020, they had little evidence of whether students were engaged in meaningful learning activities. Our in-depth study of schooling indicators in 11 Latin American countries shows that roughly half of all students were disconnected from learning during much of the lockdowns. The pandemic has been particu-

Continued on page 3

TODAY'S NEWS

ECONOMIC

Venezuela to Resume Exports of Diluted Crude

Venezuelan state oil company PDVSA will reportedly resume exports of diluted crude oil for the first time in nine months.

Page 2

BUSINESS

Chile's Codelco to Begin Lithium Exploration in Chile Salt Flats

Chilean state-owned mining company Codelco will start exploring early this year for lithium in Chile's Maricunga salt flats. The metal is needed for electric vehicle batteries.

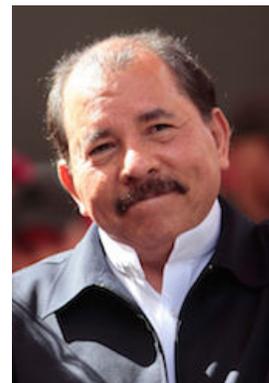
Page 3

POLITICAL

Ortega Sworn in for Fourth Consecutive Term in Nicaragua

Nicaraguan President Daniel Ortega, who has been in office for 15 years, was sworn in for his fourth consecutive term. His re-election last November was widely considered a sham.

Page 2



Ortega // File Photo: Nicaraguan Government.

POLITICAL NEWS

Nicaragua's Ortega Sworn in for Fourth Consecutive Term

Nicaraguan President Daniel Ortega was sworn in Monday for a fourth consecutive term following his election last November in an election widely viewed as rigged amid his government's crackdown on the opposition, which began several months before the vote, the Associated Press reported. Ortega's wife, Rosario Murillo was also sworn in for a second consecutive term as Nicaragua's vice president. "We are going to continue fighting to defend the people so they have health care, education and housing," Ortega told supporters in Managua's Revolution Plaza, the AP reported. Ortega has been Nicaragua's president since 2007, having returned to the position after more than a decade in power between 1979 and 1990. His latest inauguration on Monday came as the United States slapped a new round of sanctions on officials of his government. The U.S. Treasury said it will freeze any assets in the United States held by Ortega's defense minister and five other officials in the country's army as well as in the mining and telecommunications sectors, the AP reported. "Since April 2018, the Ortega-Murillo regime has cracked down on political opposition and public demonstrations, leading to more than 300 deaths, 2,000 injuries and the imprisonment of hundreds of political and civil society actors," the Treasury Department said in a statement. "More than 100,000 Nicaraguans have fled the country." U.S. Secretary of State Antony Blinken also announced that the State Department would impose visa restrictions on 116 individuals "complicit in undermining democracy in Nicaragua, including mayors, prosecutors, university administrators, as well as police, prison and military officials." Ortega's "regime continues to hold 170 political prisoners, with many of those detained suffering from a lack of adequate food and proper medical care," Blinken added. In a crackdown that began last May, Ortega's government has overseen the pursuit and jailing of numerous

opposition leaders, including seven potential presidential candidates who were seen as challengers to Ortega. Late Monday, Ortega accused U.S. President Joe Biden of having "more than 700 political prisoners," referring to people jailed after they broke into and ransacked the U.S. Capitol a year ago. In a [Q&A](#) published Nov. 5, Lucía Pineda Ubau, a journalist at 100% Noticias in Nicaragua, told the Advisor that Ortega will continue "forcibly" remaining in power. "Every day that Daniel Ortega and Rosario Murillo are in power, they hurt the people of Nicaragua," said Pineda Ubau. "Without freedom there is no democracy. They intend to continue with the Cuban model, imprisoning all of Nicaragua," she added.

ECONOMIC NEWS

Venezuela Reportedly to Resume Exports of Diluted Crude Oil

Venezuelan state oil company PDVSA will resume exports of diluted crude oil (DCO) this week for the first time in nine months, Reuters reported, citing a document. PDVSA was forced to cease production of DCO following U.S. trade sanctions, given the lack of diluents that aid in the production of the export. Following a September agreement between Venezuelan President Nicolás Maduro's government and Iran, however, PDVSA now has access to an Iranian condensate, allowing for the alteration of DCO production and shipping strategies, Reuters reported. Given the increase in stocks of diluted crude oil, PDVSA has resumed exports to Asia, so that the DCO does not continue to take up storage space. In a [Q&A](#) published in the Dec. 24 issue of the Dialogue's weekly Energy Advisor, Jeremy Martin and David Voght, vice president for energy and sustainability at the Institute for the Americas and managing director at IPD Latin America, respectively, said PDVSA needs international assistance in order to restore its oil exports. "The increased production would not be possible without help from Iran, which provides condensate

NEWS BRIEFS

Haiti's Senate Reconvenes for First Time in a Year, Seven Members Present

Haiti's Senate reconvened for the first time in a year on Monday, with only seven members present to see Senate President Joseph Lambert deliver his speech, the Associated Press reported. The Senate, which should have 30 members, has only 10 due to Haiti's lack of legislative elections originally scheduled for October 2019. The vote has since been postponed several times. Lambert emphasized the need for elections in Haiti to strengthen the country and its international legitimacy, the AP reported. "This should be a year of dialogue," he said.

Colombian E-commerce Start-up Tul Raises \$181 Mn in Funding

Colombia's Tul, an e-commerce start-up that focuses on construction materials, has raised \$181 million in an equity funding round led by venture capital firm 8VC, Bloomberg News reported Monday. The funding round, in which Avenir Growth Capital, Coatue, Tiger Global and the SoftBank Latin America Fund also participated, valued the Bogotá-based company at approximately \$800 million.

AXA XL Taps Matsumura-Martins for Underwriting Chief Role in São Paulo

Insurance provider AXA XL has tapped Thisiani Matsumura-Martins as its global chief underwriting officer for aerospace, a role that is based in São Paulo, the company said Monday. Matsumura-Martins has worked in insurance and reinsurance for 27 years and first joined AXA XL in 2014. She previously worked for Allianz and Liberty and as an underwriter in several business lines including aerospace, property, construction, marine, personal accident and life, said AXA XL.

to facilitate heavy oil production,” Martin and Voght said. Malaysia and Singapore have also become “crucial transit points” for Venezuelan crude oil, they added.

Ecuador’s Lasso to Visit China for Debt Renegotiation Talks

Ecuadorean President Guillermo Lasso is planning to visit China in early February in an effort to renegotiate his country’s debt with Beijing, Ecuadorean Foreign Minister Juan Carlos Holguín said Monday, Reuters reported. “The issue is dealing with our current debt-payment mechanisms in a transparent and direct manner,” Holguín told reporters. “They’re innovative proposals that have broad interest in the international community and we believe that China will be able to accept some of these mechanisms.” During the trip, which is set to begin Feb. 3, Lasso also plans to sign a memorandum of understanding to start talks on a bilateral trade deal, and he will discuss issues including environmental sustainability with Chinese officials, the wire service reported. Ecuador owes China more than \$3 billion, most of which is to be paid over the next three years. [Editor’s note: See [Q&A](#) on Ecuador in the Sept. 17 issue of the Advisor.]

BUSINESS NEWS

Codelco to Begin Lithium Exploration in Chile Salt Flats

Chilean state-owned copper mining company Codelco said Monday that it is planning to begin lithium exploration in Chile’s Maricunga salt flats in the first three months of this year, Reuters reported. Codelco, the world’s largest copper producer, is launching the project as part of an effort to develop the metal necessary for electric vehicle batteries. The exploration process will include observations on groundwa-

FEATURED Q&A / Continued from page 1

terly damaging for young women. In Mexico, the number of hours that 15- to 17-year-old girls devoted to household activities such as cleaning, cooking or caring for children and the elderly increased by 18 percent during the lockdowns, compared to just 2 percent for young men. This represents a tragic reversal of decades of sustained progress in narrowing the education gender gap in the

“**The pandemic has been particularly damaging for young women.**”

— Mercedes Mateo-Berganza

region. Preventing mass dropout will require both immediate action and a long-term strategy. In the short term, it is imperative to reopen all schools and launch systematic efforts to trace and re-engage with every single student. Administrators should prioritize the highest-risk students, using aggressive social interventions to ensure they return to class. Teachers should evaluate the extent of learning losses and define customized remedial plans to help restore foundational learning skills. If they succeed in pulling youth back from the brink, the region’s school systems will be poised to undertake deeper transformations. The pandemic has revealed a huge hunger for change, along with vast reserves of resilience and creativity that should be channeled toward a new model of equitable education. Governments

ter conditions and the concentration of lithium in the saltwater brine of the Maricunga area, Codelco told Reuters. Codelco’s statement followed protests in Santiago on Friday about the use and exploitation of lithium. Demonstrators voiced opposition to the bidding process of a 20-year contract to extract 400,000 tons of the metal, a process that will close this month, Agence France-Presse reported. The country

must start by ensuring that none of their students are left behind.”

A Sarah Stanton, senior associate in the Education Program of the Inter-American Dialogue: “Although there is currently limited data regarding the effects of the Covid-19 pandemic on learning outcomes (indeed, the pandemic is ongoing, and students, teachers and families are still feeling its impact), we know that education systems in Latin America and the Caribbean have already paid a high price; as of October, schools in the region had closed an average of 231 days, far more than anywhere else in the world. Despite valiant efforts from school communities and policymakers to ensure instructional continuity, several concerning trends are already emerging. In some countries, as much as 50 percent of children have had minimal contact with the formal education system since early 2020, which will likely lead to increases in exclusion and drop-out rates. Even in countries that had robust e-learning platforms and connectivity infrastructure before the pandemic, a lack of teacher digital competencies has curtailed the impact of the instruction that students do receive. Given current conditions, it’s clear that the pandemic will severely affect student learning (not to mention social and emotional wellbeing), but it’s still hard to determine precisely what education systems are up against. Nearly all countries in the region canceled national testing in 2020, and only a few restarted in 2021, leaving teachers, school leaders and policy makers

Continued on page 4

is actively trying to reclaim its position as the world’s largest lithium producer, one that it has not had since 2016, despite having the world’s largest lithium reserves. President-elect Gabriel Boric, who is to take office in March, has proposed the creation of a “national lithium company,” similar to the likes of Codelco, to further develop Chile’s reserves of the metal, Reuters reported.

FEATURED Q&A / Continued from page 3

in the dark. As schools reopen, efforts should focus on teacher-led assessments to measure learning and flexible curriculums to meet students' most fundamental needs."

A **Emanuela di Gropello, practice manager for education in Latin America and the Caribbean at the World Bank:** "World Bank estimates show that the learning-adjusted years of schooling (LAYS) have decreased from 7.8 years to 6.4-6.7 years on average in Latin America and the Caribbean (LAC), due to the Covid-19 pandemic. As an indication of long-term impact, the proportion of adolescents unable to adequately understand and interpret a text of moderate length could have increased from about 50 percent up to a dramatic 70 percent or more, highlighting a dramatic loss of readiness for further education. Furthermore, the projected annual earnings of the average LAC student at school today could decline by more than 10 percent during their lifetime: a stark impact on living standards. This situation requires urgent action to address two critical challenges. First is that of the return to school, which will require the right policies and incentives to re-enroll and keep children and adolescents in school. Countries such as Chile, Brazil and Peru have been piloting promising early warning systems to identify and support youth at risk. Second, and arguably even

tougher, is the learning recovery challenge. This will require learning assessments to help diagnose learning losses, the prioritization of core foundational subjects and

“All of LAC’s education systems have a very steep curve ahead of them.”

– Emanuela di Gropello

the implementation of remedial programs and individualized teaching to accelerate the learning recovery. Countries such as Chile, Ecuador and Brazil have developed comprehensive learning recovery plans, but all of LAC’s education systems have a very steep curve ahead of them. In the midst of the anxiety that this situation generates lies a unique opportunity of building back better, which includes building on technology innovations to improve the effectiveness and reach of hybrid learning, strengthen education management information systems and adaptive learning platforms, and scale-up early warning systems."

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

LATIN AMERICA ADVISOR

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

Erik Brand

Publisher
ebrand@thedialogue.org

Gene Kuleta

Editor
gkuleta@thedialogue.org

Leticia Chacón

Reporter
lchacon@thedialogue.org

Mark Kennedy

Reporter
mkenedy@thedialogue.org



Michael Shifter, President

Rebecca Bill Chavez, Nonresident Senior Fellow

Bruno Binetti, Nonresident Fellow

Sergio Bitar, Nonresident Senior Fellow

Joan Caivano, Senior Advisor

Santiago Cantón, Director, Rule of Law Program

Kevin Casas-Zamora, Nonresident Senior Fellow

Julia Dias Leite, Nonresident Senior Fellow

Ariel Fiszbein, Director, Education Program

Sandra García Jaramillo, Nonresident Senior Fellow

Selina Ho, Nonresident Senior Fellow

Edison Lanza, Nonresident Senior Fellow

Nora Lustig, Nonresident Senior Fellow

Margaret Myers, Director, Asia Program

Manuel Orozco, Senior Fellow

Xiaoyu Pu, Nonresident Senior Fellow

Jeffrey Puryear, Senior Fellow

Tamar Solnik, Director, Finance & Administration

Lisa Viscidi, Director, Energy Program

Denisse Yanovich, Director of Development

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

www.thedialogue.org

Subscription inquiries are welcomed at ebrand@thedialogue.org

The opinions expressed by the members of the Board of Advisors and by guest commentators do not necessarily represent those of the publisher. The analysis is the sole view of each commentator and does not necessarily represent the views of their respective employers or firms. The information in this report has been obtained from reliable sources, but neither its accuracy and completeness, nor the opinions based thereon, are guaranteed. If you have any questions relating to the contents of this publication, contact the editorial offices of the Inter-American Dialogue. Contents of this report may not be reproduced, stored in a retrieval system, or transmitted without prior written permission from the publisher.

Q&A

EVERY
BUSINESS
DAY

LATIN AMERICA ADVISOR

Readers can suggest topics or trends to be covered in the Latin America Advisor's daily Q&A section.

ASK HERE