

BOARD OF ADVISORS

- Diego Arria**
Director, Columbus Group
- Merike Blofield**
Director, Institute for Latin American Studies, GIGA
- 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
- 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

Will More Nations Establish Warmer Ties With Maduro?



Argentine President Alberto Fernández (pictured) said last month that he wants to re-establish full diplomatic relations with Venezuelan President Nicolás Maduro's government. // File Photo: Argentine Government.

Q Argentine President Alberto Fernández said April 18 that he wants to restore full diplomatic ties with the government of Venezuelan President Nicolás Maduro. The statement led to an angry response from Venezuelan opposition leader Juan Guaidó. Argentina recognized Guaidó as Venezuela's legitimate president in 2019, though Fernández retracted that recognition after taking office. What would renewed Argentine relations with Venezuela mean for Maduro's government, and which other Latin American countries that previously sided with Guaidó might follow suit? What forces are leading countries in the region to consider warmer relations with Maduro? Would the election of leftists in the upcoming presidential elections in Brazil and Colombia lead to more regional support for the regime?

A Maria Eugenia Vidal, former governor of Buenos Aires province: "Resuming full diplomatic relations with the Nicolás Maduro regime means a setback in the fight for democratic normalization and the search for respect for human rights and political, individual and press freedoms. At Juntos por el Cambio, we have expressed our firm rejection of the Nicolás Maduro dictatorship's appointment of a new ambassador to our country and also Argentina's appointment of an ambassador to Venezuela until full democracy is restored there. In our government, President Macri was very active in his interest in seeking a normalization of the internal political situation in Venezuela through a peaceful and democratic solution. Without interfering in the internal affairs of another state, we closely follow the investigations and serious complaints that weigh on the Venezuelan government

Continued on page 3

TODAY'S NEWS

HEALTH

Brazil Reports Sharp Rise in Dengue Cases

Brazil's health ministry said it had recorded an increase of nearly 114 percent in probable cases of dengue fever in the first four months of this year as compared to the same period last year.

Page 2

ECONOMIC

Chile Sees Mining Royalties Double

Historically high commodities prices have led to a doubling of tax payments to Chile's treasury from the 13 top mining companies that extract copper, iron and gold in the country.

Page 3

POLITICAL

Colombia's Petro Cancels Events Over Threats

Colombian presidential candidate Gustavo Petro on Monday canceled events in the country's coffee-growing region scheduled this week, citing a plot by a crime gang to attempt to take his life. National police officials said they were not aware of the plot.

Page 2



Petro // File Photo: Colombian Government.

POLITICAL NEWS

Colombia's Petro Cancels Campaign Events Over 'Threats'

Colombian presidential candidate Gustavo Petro on Monday canceled events in the country's coffee-growing region, citing a plot by a crime gang to attempt to take his life, Reuters reported. Petro, a leftist who is leading polls ahead of the May 29 election, was scheduled to travel to the city of Manizales this week. But Petro's security team got information the La Cordillera crime gang was planning an attack, his office said in a statement. Colombia's National Police said later on Monday that it had no information regarding a plot against Petro, and the Minister of the Interior, Daniel Palacios, told reporters that both Petro and his vice-presidential running mate, Francia Márquez, have some of the most robust security protections "that any candidate has today in the presidential race," El Tiempo reported. Petro leads the presidential race in opinion polls with more than 40 percent of voting intentions, followed by Federico "Fico" Gutiérrez, a right-of-center candidate who has nearly 27 percent support, according to a poll released on Friday by Invamer. If Petro does not garner 50 percent of the vote on May 29, a second round of voting between the top two candidates is scheduled for June 19. [Editor's note: See related [Q&A](#) in the April 29 issue of the Advisor.]

Brazil Reports Sharp Rise in Dengue Cases

Brazil's health ministry said Monday it had recorded an increase of nearly 114 percent in probable cases of dengue fever in the first four months of this year as compared to the same period last year, Agência Brasil reported. There were 542,038 probable cases reported during the period, which is nearly the total number of 544,000 probable cases of dengue recorded in all of 2021. The disease, caused by a virus, is transmitted by the bite of the *Aedes aegypti*

mosquito. In the most severe forms, dengue can cause internal bleeding in organs and tissues, and lead to death. The state of Goiás has been one of the most affected areas of the country, reporting 1,366 cases per 100,000 inhabitants. In related news, last month Brazilian Health Minister Marcelo Queiroga announced the end of the coronavirus pandemic health emergency in the country, EFE reported. In an official statement broadcast on national radio and television, Queiroga said 73 percent of Brazil's 213 million people had received a complete dosage of the Covid-19 vaccine. Brazil has reported more than 661,000 deaths due to the pandemic, among the highest number in the world, along with the United States and India, according to the report.

ECONOMIC NEWS

Mexico Receives Record Remittances

Mexico received \$12.5 billion in remittances from workers living abroad in the first quarter of the year, an increase of nearly 18 percent as compared to the same period of the previous year, the Bank of Mexico, or Banxico, said on Monday, EFE reported. In the first three months

Mexico's annual remittances are now double the receipts it receives from crude oil exports.

of the year, the average individual remittance was \$380, higher than the \$356 in the same quarter of 2021, and the number of operations went from 29.83 million to almost 32.93 million, most of which were electronic transfers, according to the report. Investment bank Goldman Sachs told clients in a research note that remittances reached a record high last quarter. Overall, remittances grew 27.9 percent in the 12-months through March, reaching a new record-high of \$53.5 billion, a figure more

NEWS BRIEFS

Mexico's Pemex Posts \$6 Billion in Q1 Profit

Mexican state oil company Pemex on Monday reported a first-quarter net profit of \$6.17 billion, Reuters reported. The figure reverses a nearly \$2 billion loss in the same period last year. Higher prices for crude oil, as well as favorable foreign exchange conditions and growing output helped boost the results. Meanwhile, Pemex's debt edged down slightly to \$108 billion from \$109 billion at the end of 2021, an amount that still leaves Pemex among the most debt-laden national oil companies in the world. [Editor's note: See related [Q&A](#) in the Jan. 21 issue of the weekly Energy Advisor.]

Dominican Republic Calls for Safe Return of Envoy Kidnapped in Haiti

The Dominican Republic on Monday urged Haiti's government to ensure the safe release of one of its diplomats who was kidnapped on Friday, BBC News reported. Carlos Guillén, the trade attaché at the Dominican embassy in Port-au-Prince, was seized by members of the 400 Mawozo gang, a group known for demanding high ransoms, according to the report. The same gang abducted 16 US citizens and a Canadian missionaries last October, holding them for two months before their release.

FMC Says Latin America Revenue Lifts Results

Philadelphia-based crop sciences company FMC Corporation said Monday that its revenue in the first quarter of this year rose to \$1.35 billion, an increase of 13 percent versus the first quarter of 2021. A 6 percent "currency tailwind" in the region helped strengthen results, the company said. Latin American profits were also driven by growing use of herbicide and insecticides. Argentina and the Andean countries also saw double-digit growth in the quarter, the company said.

than double the \$26.2 billion in crude oil export receipts the nation has received, Goldman Sachs economist Alberto Ramos said.

Chile Sees Mining Royalties Double

Historically high commodities prices have led to a doubling of tax payments to Chile's treasury from mining companies that extract copper, iron and gold in the country, La Tercera reported Monday. Tax payments from mining royalties paid by 13 companies totaled nearly \$1.31 billion in 2021, a 125 percent increase from the previous year, when they reached \$580 million. Global copper prices rose 51 percent in 2021, according to the report. In related news, London-based miner Anglo American said Monday that Chile's Environmental Assessment Service had issued its formal decision to reject its environmental permit application for the Los Bronces Integrated Project (LBIP). "Anglo American is examining the details of the [decision] and expects to continue following the regulated permitting process in Chile, which includes the potential to request a review by a Minister's Committee to evaluate the full breadth of merits of the project," the company said in a statement. The Los Bronces Integrated Project seeks to expand the current open pit within Los Bronces' operating site and replaces future lower grade ore by accessing higher grade ore from a new underground section of the mine.

BUSINESS NEWS

BBVA Expects Better Performance in Mexico, Spain

Spanish multinational bank BBVA is expecting an improved performance this year in its units in Mexico and Spain, CEO Onur Genç said Friday. In the first quarter of this year, the bank's net interest income rose 20 percent year-on-

FEATURED Q&A / Continued from page 1

in the International Criminal Court and the results of the Bachelet report, which certified the existence in Venezuela of a system of abuses and torture to which the regime has subjected the population and opposition dissidents. This has caused a major humanitarian and migratory crisis that has forced millions of Venezuelans to leave their homeland. I cannot speak for other countries and their leaders, but what is happening in Venezuela, Cuba and Nicaragua should not fail to draw our attention. There is a risk that the condemnation of what is happening in Venezuela will be relaxed. However, I believe that upcoming elections in Latin America may still hold surprises. The problem is populism, which disguises itself as left-wing and right-wing alike. Human rights and essential freedoms must be respected regardless of ideology. There is no room for new support for regimes that attack their citizens."

A Geoff Ramsey, director for Venezuela at the Washington Office on Latin America: "President Fernández's unfortunate remarks are notable given that Argentina never fully cut diplomatic relations with Venezuela. Like most Latin American and European countries that initially recognized Juan Guaidó as interim president of Venezuela in January 2019, Argentina continued to maintain an active diplomatic mission in Caracas. This was the case even under the previous government of Mauricio Macri, who kept limited consular relations with Venezuela. Argentina is not alone in this.

year "driven by higher business volume, improved spreads, and a significant improvement in cost-to-income," Genç said in a statement. Based on that performance, BBVA has revised upward its outlook for lending this year, including in Mexico, the statement said. The bank had expected 5 percent lending growth, but now it expects nearly 10 percent growth. BBVA also said it expects a double-digit increase this year in net interest income. "This translates

Even countries such as Panama, the United Kingdom, Canada and Switzerland that have issued targeted sanctions against members of the Maduro regime have maintained diplomatic missions in Caracas. In some cases, countries such as Chile and Spain have even offered their embassies and residences to shield dissidents and perceived government

“ President Fernández and his administration's officials are dangerously close to normalizing a brutal dictatorship.”

— Geoff Ramsey

opponents from repression. Other countries have used their embassies on the ground to celebrate the work of Venezuelan human rights defenders who have been vital in documenting crimes against humanity committed by officials and government supporters. The experience of these countries shows it is possible to carry out strategic diplomatic engagement in authoritarian contexts while also working actively for a return to democracy. With these latest remarks, however, the Argentine government is missing the mark. By claiming that Venezuela's human rights crisis is 'dissipating' and by backpedaling from condemning the lack of democracy in the country, President Fernández and his administration's officials are dangerously close to normalizing a brutal dictatorship.

Continued on page 4

into better figures in terms of activity and net interest income," said Genç. He added that while Mexico's central bank has raised its key interest rate 100 basis points this year, BBVA is expecting an additional three-quarter point hike this year, said Genç. "In my view, the milestone of the quarter is that we attained very good numbers in all segments and in all countries," he said. "We have achieved significant incremental growth in Mexico and Spain."

FEATURED Q&A / Continued from page 3

That would be a tremendous disservice to countless Venezuelans in the country, as well as the more than six million who have fled in recent years.”

A **Beatrice Rangel, member of the Advisor board and director of AMLA Consulting LLC:** “While I do not believe there can be warm relationships with a regime that has clearly intervened in the internal affairs of too many nations in Latin America, one cannot deny that suspension of diplomatic relations has done little to entice the Venezuelan regime into respecting human rights and renouncing authoritarianism. The international community at large and Latin American nations are thus in search of more effective tools to deal with a regime that has brought havoc not only to its own people but also to neighboring nations by means of triggering the worst refugee exodus in the history of the Western Hemisphere. The six million fleeing Venezuelans have placed an unexpected and difficult burden to bear on already deficient public services throughout South America. With respect to Argentina, reinstating diplomatic relations with Venezuela should not surprise anyone. The Fernández-Kirchner administration benefited from Venezuelan largesse when the oil boom

allowed President Hugo Chávez to contribute to Kirchner campaign financing. They are fruits of the same tree. With respect to the Guaidó conundrum, I believe the international community has clung to the only legitimate authority existing in Venezuela in

“With respect to Argentina, reinstating diplomatic relations with Venezuela should not surprise anyone.”

— Beatrice Rangel

the hope that the current regime would agree to conduct fair and clean elections. This did not happen. Meanwhile, the mandate of Venezuela’s National Assembly expired. The international community now needs to rethink its strategy toward Venezuela.”

[Editor’s note: The Advisor requested a commentary for this issue from Argentina’s ambassador to the United States but received no response.]

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



Rebecca Bill Chavez, President

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 Fiszbain, 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, Director, Migration, Remittances and Development Program

Xiaoyu Pu, Nonresident Senior Fellow

Jeffrey Puryear, Senior Fellow

Michael Shifter, Senior Fellow

Tamar Solnik, Director, Finance & Administration

Lisa Viscidi, Nonresident Senior Fellow

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.

LATIN AMERICA ADVISOR

Tap Into the Archive

Subscribers can access more than 5,000 archived editions of the **Latin America Advisor** through an online keyword search portal. Libraries at leading universities such as Harvard, Notre Dame, Baylor and Berkeley subscribe. Send an email to ebrand@thedialogue.org for access.

SUBSCRIBE