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## FEATURED Q&A

# How Much Can the Summit of the Americas Achieve?



Heads of state from across the Americas are to gather next month in Los Angeles for the Summit of the Americas. A meeting of the most recent summit, in Lima in 2018, is pictured. // File Photo: Peruvian Government.

**Q Leaders of Venezuela, Nicaragua and Cuba are unlikely to be invited to the upcoming Summit of the Americas in Los Angeles, Assistant Secretary of State Brian Nichols said on April 27. Summit organizers hope the gathering will encourage multilateral collaboration and cooperation during a period of heightened geopolitical tensions and concerns about democratic backsliding in Latin America. What are the most important issues and initiatives on the agenda, and what regional challenges may present themselves? How useful is the Americas Business Dialogue component of the Summit, and what outcomes would make this summit a success? How have hemispheric priorities changed since the last time the United States hosted the summit in 1994?**

**A Roberta Lajous, former Mexican ambassador to Cuba and Bolivia:** "It's high time that President Biden is devoting attention to the Americas. The Trump tsunami on hemispheric relations—he didn't even attend the last summit in Peru—left a bad impression of the United States in the region. The pandemic, increasing U.S. competition with China and the Russian invasion of Ukraine have put additional strains on inter-American relations. The invitation to Los Angeles will hopefully have a soothing impact if commitments are made to improve the dire situation in most economies in the region, where more than 60 million are hungry and many more are experiencing food insecurity. Beyond the good will that the summit can provide, the Americas need to develop a vision for the future amid a changing world order. Democracy and the rule of law are in peril throughout the region, an issue that must

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## TODAY'S NEWS

### BUSINESS

### Itaú Unibanco Posts 15% Increase in Recurring Profit

Brazil's Itaú Unibanco on Monday posted a 15 percent increase in recurring net income for the first quarter. The bank's loan portfolio growth drove the increase in profit.

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### ECONOMIC

### Venezuela Begins Importing Iranian Oil in Swap Deal

Venezuela has started to import Iranian oil for processing at its domestic facilities. The imports followed last week's visit to Venezuela by Iran's oil minister, Javad Owji.

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### POLITICAL

### Ecuador Prison Riot Leaves at Least 44 Dead

A clash among gang members left at least 44 inmates dead Monday in the Bellavista prison in Ecuador. President Guillermo Lasso tweeted condolences to family members of those killed.

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Lasso // File Photo: Ecuadorean Government.

## POLITICAL NEWS

## At Least 44 Killed as Rival Gangs Clash in Ecuador Prison

At least 44 inmates were killed in fighting among rival gang members in an Ecuadorean prison, officials said Monday, the Associated Press reported. The violence at the Bellavista prison in Santo Domingo, west of Quito, happened just a month after another prison clash in Ecuador left 20 inmates dead. Most of the people killed in the latest riot died of stab wounds, Ecuadorean Interior Minister Patricio Carrillo said at a news conference. In the melee, one group of inmates left their cells in order to attack another group, said Carrillo, who offered family members help in transporting the bodies back to their hometowns.

**Officials said 220 prisoners escaped during the riot, and authorities recaptured 112 of them.**

Authorities found explosives, firearms and other weapons at the scene after police assault teams help to reassert control of the prison, he added. Officials also said that 220 prisoners escaped during the riot and that authorities had recaptured 112 of them. "My deepest condolences to the families and loved ones of those who died in the riot in Sto. Domingo prison. This is an unfortunate result of gang violence," Ecuadorean President Guillermo Lasso said in a tweet. The country's prison system has been under a state of emergency since last September when 118 people were killed in prison clashes that involved automatic weapons and grenades, CNN reported. Lasso "should prioritize addressing the crisis in the country's prison system," Tamara Taraciuk, acting director of the Americas division at Human Rights Watch, told the Advisor in a [Q&A](#) published March 25. "Prisons in Ecuador are overcrowded, with some holding roughly twice

as many detainees as they have capacity for, and they have insufficient and poorly trained guards," she added. More than 300 inmates were killed in prison violence last year, according to data from SNAI, the country's prison service, CNN reported. Amnesty International said in March that at least 316 prisoners were killed in clashes in Ecuadorean prisons in 2020, including 119 who were killed in just one riot in September of that year, the AP reported.

## BUSINESS NEWS

## Itaú Unibanco Posts 15 Percent Increase in Recurring Profit

Brazil's Itaú Unibanco on Monday posted a 15 percent increase in recurring net income for the first quarter amid a growing volume of credit that the bank extended, Reuters reported. Itaú also reaffirmed its guidance for the year, the wire service reported. Itaú, Brazil's largest bank, posted recurring net income of 7.36 billion reais (\$1.45 billion) for the first quarter, a figure that was in line with the expectations of analysts in a Refinitiv survey. The bank also had earnings of 13 cents per share, the Associated Press reported. Itaú reported the higher profit even as its loan-loss provisions soared 57.8 percent to 6.998 billion reais, the bank said in a securities filing, Reuters reported. "Our first quarter results show the consistency and sustainability of our performance even in a challenging scenario," said Itaú's chief financial officer, Alexsandro Broedel. The bank also had all conditions necessary to maintain an "extremely robust balance sheet" this year, Reuters reported. BTG Pactual analysts said Itaú had a "clean quarter" and added that the first-quarter results do not change their view for the bank's performance this year. Guide Investimentos characterized Itaú's results as solid overall, though it added that some of the bank's key indicators, such as its default ratio, worsened as Brazil's macroeconomic scenario became weaker. Itaú added that its return on profitability was 20.4 percent in the first quar-

## NEWS BRIEFS

## Ex-Honduran President Hernández Expected to Plead Not Guilty Today

Former Honduran President Juan Orlando Hernández is expected to plead not guilty today to drug and weapons charges in U.S. federal court in New York, his lawyer said, Reuters reported. Hernández, who left office in late January, was arrested weeks later in Tegucigalpa and was extradited last month to the United States. Prosecutors accuse Hernández of accepting millions of dollars in bribes from drug traffickers in order to protect them from arrest. He denies the allegations.

## Colombian Government Reinforces Deployment Against Drug Cartel

Colombia's government on Sunday deployed 2,000 additional troops and police officers, who will join 50,000 others already on the ground in the northern part of the country, to restore order amid chaos created by the Gulf Clan drug cartel, Agence France-Presse reported. Cartel members have burned cars and threatened people in retaliation for the extradition last week to the United States of the cartel's leader, Dairo Antonio Usuga, or "Otoniel." Usuga has pleaded not guilty to drug trafficking charges.

## Siemens Gamesa Installing New Turbines to Generate Wind Power in Brazil

Siemens Gamesa has started to install a new generation of turbines in order to generate wind power in Brazil, Felipe Ferres, the company's general director for Brazil, told Reuters Monday. The South American country will be the first in the world to operate turbines from the company that operate with 6.2 megawatts of power and a 170-meter rotor, the world's largest in onshore wind power generation, the wire service reported. The machines are being installed in Bahia state.

ter, similar to the 20.2 percent figure that the bank reported in the fourth quarter of last year, Reuters reported. Itaú added that it expects its loan book to grow between 9 percent and 12 percent this year, and it added that it expects a financial margin with clients of between 20.5 percent and 23.5 percent. The bank also said its cost of credit was between 25 billion and 29 billion reais, Reuters reported.

## ECONOMIC NEWS

# Venezuela Begins Importing Iranian Oil in Swap Deal

Venezuela has started importing Iranian oil to process at its domestic refineries, documents from the state oil firm PDVSA show, Reuters reported Monday. The oil swap deal came just a week after a 12-member delegation led by the Iranian oil minister was in Caracas to ink deals related to closer energy cooperation between the two U.S.-sanctioned countries. Venezuela and Iran last year agreed to an oil-swap deal, with PDVSA importing Iranian condensate to dilute and process its extra heavy oil for export. In return, Venezuelan crude is being shipped to international markets via the National Iranian Oil Company, Reuters reported. Iran's heavy crude, which is similar in quality to Venezuela's Mesa 30 crude, is set to augment domestic oil processed in PDVSA refineries, according to documents seen by Reuters. In April, at least 200,000 barrels of Iranian oil were delivered to the Cardón refinery, Venezuela's second largest, with an output capacity of 310,000 barrels per day, the wire service reported. Another 400,000 barrels of Iranian oil, which arrived on the very large crude carrier (VLCC) Dino I, is discharging its load of heavy crude this week at the Venezuela's José port, the report added. While Venezuela has been able to produce growing amounts of oil in recent months, it struggles to source medium and light grades for its refineries, contributing to limited production and intermittent scarcity of motor fuels domestically.

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be addressed. A nearsourcing strategy has to be developed for the North American powerhouse by promoting investment in the rest of the continent. It is necessary to secure value-added supply chains and sources of raw materials amid growing Chinese investment in Latin America. Migration from Cuba, Nicaragua and Venezuela and the Northern Triangle requires hemispheric coordination when the U.S. economy is short of labor and needs to look courageously at the issue. The summit should announce regional public policy coordination to support democratic institutions and investment, as well as a process of consultation to develop a vision for the future which was present in 1994."

**A Peter DeShazo, visiting professor of Latin American, Latino and Caribbean Studies at Dartmouth College and former U.S. deputy assistant secretary of state for Western Hemisphere affairs:** "Next month's Summit of the Americas meeting will bear scant resemblance to the 1994 inaugural Summit in Miami. The United States in 1994 basked in the glow of the unipolar moment, with its status in the Americas on the rise, the Soviet Union had dissolved, and China was not yet a global competitor. The heads of state in Miami committed themselves to strengthening representative democracy and to hemispheric trade integration, reflecting a degree of regional consensus that has long since eroded. The likelihood that the Biden administration will not invite Cuba—as well as Nicaragua and the Maduro regime in Venezuela—to Los Angeles has prompted consideration from within the Caricom group of possible nonparticipation in the summit, with other leaders in the region also criticizing Cuba's probable exclusion. While not inviting authoritarian regimes to a summit of hemispheric democracies is the right decision—especially given the backdrop of Russia's invasion of Ukraine—it puts even more pressure on the Los Angeles meeting to demonstrate the relevance of the summit

process itself. Los Angeles must produce tangible results that have meaning for the citizens of the Americas. That requires agreement on concrete steps to counter social and economic inequality, promote green energy, handle the issue of migration and improve democratic governance. The U.S. side needs to be prepared with funded deliverables and to demonstrate a deeper commitment to rebuilding ties to the Americas, including new approaches in dealing with the authoritarian regimes that will not likely be present in Los Angeles."

**A Katya Rimkunas, deputy director for Latin America and Caribbean programs at the International Republican Institute:**

"The Summit of the Americas will occur at a time when the region is facing daunting challenges. Economic woes, civil unrest, discontent with government responsiveness and authoritarian clampdowns have only worsened due to the pandemic. In turn, more citizens are growing disillusioned with their prospects and fleeing. Thus, the summit and its various stakeholder forums present an opportunity for the United States and participating governments to establish concrete regional initiatives on economic recovery and restoring and strengthening democratic institutions, both crucial for a prosperous future. The Americas Business Dialogue, like the Civil Society Forum, is an opportunity for cooperation across sectors and provides governments the chance to build partnerships to implement the agreements that result from the summit. With Chinese economic and political influence growing across the region, the Business Dialogue is a space that can be used to fortify American support and leadership, while identifying alternatives to China's economic expansion. Similarly, the Civil Society Forum provides a platform from which civil society leaders can highlight their priorities and proposals to heads of state. Given the growing discontent among citizens, governments should look to form

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alliances with civil society to address their priorities. In the almost three decades since the United States hosted the first summit, the region has changed, and priorities have shifted. While the original summit held an undertone of optimism, the ninth summit will take place under opposite circumstances. Yet, if managed correctly, the summit's host could take full advantage of this opportunity to demonstrate regional leadership and the effectiveness of these summits."

**A** **Maureen Meyer, vice president for programs at the Washington Office on Latin America:** "With a broad set of themes on the agenda and a region facing significant challenges, the heads of state and governments participating in the upcoming Summit of the Americas should ensure that it concludes with more than lofty statements. Two decades after the Inter-American Democratic Charter was mandated at the third summit in 2001, the region is experiencing setbacks in the democratic norms that were once celebrated. Public support for democracy is declining, and several democratically elected leaders likely participating in the summit have taken alarming steps to concentrate executive power, undermine judicial inde-

pendence and attack government critics. Addressing this rising authoritarianism through enhanced regional tools and cooperation, including stronger mechanisms to protect courageous actors working to uphold human rights and the rule of law, should be at the forefront of summit discussions. Other agenda items, including recovery from the Covid-19 pandemic and the climate crisis, contribute to the high regional migration flows which are likely to be a topic of many discussions. A top priority for the Biden administration, U.S. officials have announced the goal of signing a regional declaration on migration and protection at the summit. Recent years have illustrated that an 'enforcement first' approach is not effective at addressing migration flows. A regional response should address the drivers of migration, access to protection, complementary legal pathways and humanitarian assistance through shared responsibility; the latter is particularly important given how the United States has outsourced its international obligations in its regional engagement on migration in recent years."

*The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta at [ekuleta@thedialogue.org](mailto:ekuleta@thedialogue.org).*

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