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THEDIALOGUE

FEATURED Q&A

Are Mexico-Spain Relations Off on the Wrong Foot?

Mexico's new president, Claudia Sheinbaum, did not invite Spanish King Felipe VI to her inauguration last week, leading Spain's government to boycott the ceremony. // File Photos: @Claudiashein via X, Spanish government.

Q Mexican President Claudia Sheinbaum's inauguration on Oct. 1 brought dignitaries from around the world to Mexico City, but a delegation from Spain's government was not among them. Spain's government boycotted the ceremony after Sheinbaum confirmed that she had not invited Spanish King Felipe VI to her inauguration. Sheinbaum said the king had not responded to a request by her predecessor, Andrés Manuel López Obrador, to apologize for Spain's 16th century conquest of Mexico. What does the spat mean for diplomatic relations between Mexico and Spain? What is the state of the trade relationship between Spain and Mexico, and how could it change under Sheinbaum's government? To what extent will the inauguration controversy affect Mexico's relationship with Europe?

A Roberta Lajous, former Mexican ambassador to Cuba, Bolivia and Spain: "Mexico's economic relationship with Spain reached its peak in the 21st century when Spain became the second-largest investor in Mexico after the United States. Mexico also became the largest Latin American investor in Spain when Mexicans bought companies under financial stress after the 2008 crisis. Two of the largest banks in Mexico are Spanish, and direct investment spans various sectors, including renewable sources of energy, road construction and railways. However, there was also a significant political dialogue as both countries celebrated their successful transitions to democracy and intense cultural relations based on a common language and shared heritage. Trade between Mexico and Spain is important, but even more significant is that it is promoted by the modernization of the Mexi-

Continued on page 3

TODAY'S NEWS

POLITICAL

Mexico's Sheinbaum Announces Plan for Security

Mexican President Claudia Sheinbaum on Tuesday announced her security strategy to fight drug cartel-fueled violence in the country.

Page 2

BUSINESS

Indian Refiners Buy Two Million Barrels of Venezuelan Crude

Two Indian state refining companies have reportedly purchased two million total barrels of Venezuelan crude from commodity trading company Vitol.

Page 3

BUSINESS

Brazil's Supreme Court Clears X to Resume Operation

Brazil's Supreme Court on Tuesday said it was allowing billionaire Elon Musk's social media site X to resume operations in the country after it complied with its orders.

Page 2

Musk // File Photo: TED Conference via Creative Commons.

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POLITICAL NEWS

Mexico's Sheinbaum Announces Plan to Fight Cartel Violence

Mexican President Claudia Sheinbaum, who took office last week, on Tuesday announced her security plan to fight drug cartel-fueled violence in the country, the Financial Times reported. Sheinbaum's plan focuses on fighting the most dangerous criminals in the six states that have seen the highest level of violence and also strengthening intelligence capacity, the newspaper reported. "We will use prevention, attention to causes and intelligence and physical presence," Sheinbaum said. Sheinbaum tapped Omar García Harfuch, a former Mexico City police chief, to oversee the plan's implementation. "The need is to convert the intelligence the country has into investigations," said García Harfuch, the Associated Press reported. García Harfuch added that the strategy is a "continuation" of the security plan of Sheinbaum's predecessor, Andrés Manuel López Obrador, the Financial Times reported. The former president's "hugs, not bullets" plan focused on the root causes of violence in Mexico and avoiding clashes between criminals and security forces. Some security analysts have said López Obrador's approach led to organized crime groups increasing their control of territory in Mexico and high numbers of homicides and abductions, the Financial Times reported. Sheinbaum's announcement of the security strategy came days after the killing of the mayor of Chilpancingo, the capital of Guerrero state. Alejandro Arcos was sworn in less than a week before he was found decapitated on Sunday. García Harfuch said Tuesday that four mayors had requested protection from federal authorities after Arcos' remains were found, the Associated Press reported. The requests came from mayors in Guerrero and Guanajuato states. For the first eight months of this year, Mexico's homicides were down 10.7 percent from their record levels in 2018, though that year was unusually deadly because of cartel turf battles, the AP reported.

BUSINESS NEWS

Brazil's Supreme Court Allows X to Resume Operations

Social media site X now has authorization to resume service in Brazil, Supreme Court Justice Alexandre de Moraes announced on Tuesday, Reuters reported. After publicly refusing to do so, X, formerly known as Twitter, has complied with orders from the Brazilian justice system, including selecting a national representative from the company and paying previously unsettled fines, the wire service reported. "X is proud to return to Brazil ... we will continue to defend freedom of speech, within the boundaries of the law," X's global affairs corporate account said in a statement released on the social media platform late Tuesday. The announcement followed a months-long feud between X's owner, billionaire Elon Musk, and De Moraes, who ordered X to be shut down in Brazil for more than a month, saying it had failed to comply with misinformation laws. "We showed the world that here our laws should be respected, by whomever it may be," Brazil's communications minister, Juscelino Filho, said in a statement on Tuesday, Reuters reported. Around the time of the initial ban, Brazilian President Luiz Inácio Lula da Silva told CNN Brasil in September that governments around the world are "not obliged to put up with Musk's far-right ideology just because he is rich."

Foxconn Seeking to Build 'Superchip' Factory in Mexico

Taiwanese technology conglomerate Foxconn plans to build a "superchip" factory in Mexico capable of manufacturing Nvidia's next-generation processing units, Reuters reported on Tuesday. The new facility aims to be the largest in the world in terms of making U.S.-based Nvidia's recently launched GB200 superchips, the global demand for which is expected to

NEWS BRIEFS

Authorities in Dominican Republic Deport Nearly 11,000 Haitians

The Dominican Republic's government has deported or repatriated nearly 11,000 Haitians over the past seven days, fulfilling a promise that Dominican President Luis Abinader made last week, the Associated Press reported. Haiti's permanent representative to the Organization of American States Gandy Thomas described the deportations as "a strategy of ethnic cleansing" during an emergency meeting of the organization on Tuesday, the AP reported. Thomas said the move will likely worsen Haiti's spiraling gang violence.

Colombia's Electoral Council Requests Probe of Petro's 2022 Campaign

Colombia's National Electoral Council said Tuesday that it has requested an investigation of alleged violations of campaign financing limits by President Gustavo Petro's campaign in 2022, Reuters reported. A majority of the magistrates on the council voted to approve the probe of Petro and Ricardo Roa, who was his campaign manager and now heads state oil company Ecopetrol. Weeks ago, Petro said he was the target of a plot to assassinate him or remove him from power through the courts.

Cuba Seeks 'Partner Country' Status in BRICS

Cuba has formally asked to join BRICS, the Cuban Foreign Ministry confirmed on Tuesday, the Kyiv Independent reported. Cuba sent a letter to Russian President Vladimir Putin, who currently holds the presidency of the non-Western-aligned economic alliance, requesting "partner country" status, which entails slightly less status than full membership. Last year, the bloc declined Cuba's request for full membership.

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be measured in billions of dollars for the final quarter of 2024, according to Reuters. Foxconn is currently responsible for around 40 percent of global server manufacturing output and is Nvidia's primary artificial intelligence server provider, according to Nikkei Asia. Foxconn's new 450-meter-long plant will be built in Guadalajara, but it's unclear how much will be invested or when construction will be completed, the Financial Times reported. "Future server production will happen in the countries that require it," Young Liu, Foxconn's chairman, said Tuesday at a company showcase event in Taipei, the Financial Times reported. Amid simmering geopolitical tensions and trade disputes over recent years, Foxconn has tried to diversify its portfolio, which is heavily concentrated in mainland China—the company operates the world's largest iPhone factory in Zhengzhou, Henan province—and expand into other jurisdictions with fewer long-term risks, Reuters reported. Foxconn already has a presence in Mexico and has invested at least $500 million to date in projects in various manufacturing and energy efficiency projects in the country, according to Reuters.

Indian Refiners Buy Two Million Barrels of Venezuelan Crude

India is expecting two million barrels of crude oil from Venezuela to be delivered next month, Reuters reported on Tuesday, after two Indian state-run refiners made purchase agreements with trading intermediary Vitol. Indian Oil Corp, the country's largest oil refiner, is set to receive 1.2 million barrels of heavy Venezuelan crude, while Mangalore Refinery and Petrochemicals will receive 800,000 barrels. Although the U.S. Treasury Department authorized Venezuelan crude export transaction licenses in late 2023, it is unclear whether Vitol has a license to market oil directly purchased from Venezuelan state-run PDVSA, or if the company is reselling crude oil purchased from a different source, Reuters reported. Indian oil imports have steadily climbed over the past decade, according to the International Energy Agency.

FEATURED Q&A / Continued from page 1

co-European Union Global Agreement, which was stalled during the six years Andrés Manuel López Obrador was president. Spain has been our main advocate in Brussels, but due in part to the so-called pause he imposed on bilateral relations, negotiations are at a standstill. As ambassador to Spain, I appreciated King Felipe's dedication to enhancing Spanish trade and investment with the entire Western Hemisphere. He is also keen on Mexican history and Spanish cultural heritage in the United States. President Sheinbaum presented herself in her inaugural speech as a scientist looking toward the future. Hopefully, she will come to appreciate that Mexico has a long-lasting friend in the head of state of Spain, find a way to turn the page and take full advantage of its partnership with Spain and the European Union."

Amanda Mattingly, former U.S. diplomat and founder of ACM Global Intelligence: "The absence of a Spanish delegation at the inauguration of Mexican President Claudia Sheinbaum is a diplomatic shame. Rather than taking this moment to celebrate Sheinbaum as the first female president of Mexico, former President Andrés Manuel López Obrador undermined her nascent presidency by reigniting old grievances with Spain and creating a needless diplomatic controversy. Further, and perhaps more tellingly, his spat with Spain was yet another loyalty test for Sheinbaum. So far, she has passed his test. Despite Spain being a 'priority economic partner for Mexico,' Mexico's 11th largest trading partner worldwide, and the top investor in Mexico among European Union countries, Sheinbaum followed López Obrador's lead and has done nothing since to defuse the situation. Indeed, Sheinbaum won the presidency with nearly 60 percent of the vote on the promise to continue with López Obrador's policies, including his belief that 'the best foreign policy is a good domestic policy.' Yes, Mexican nationalism, sovereignty and independence—from Spain or the United States—plays well with a domestic Mexican audience. But Sheinbaum must know that 'diplomatic pauses,' such as this or recently with the United States and Canada over their objections to judicial reforms in Mexico, can damage Mexico's foreign relations and, potentially, trade and security relations. A lot is at stake for Mexico given the urgent security issues along the U.S.-Mexico border and renegotiations for the United States Mexico Canada Agreement coming up in 2026. Hopefully, Sheinbaum will soon emerge as her own woman and break with some of 'López Obradoxy' to reestablish trust with Mexico's allies and strengthen Mexico's leadership role on the world stage."

Francisco E. González, associate professor of international political economy and Latin American politics at The Johns Hopkins University: "A rise in claims for national apology demands regarding major crimes of the past such as slavery and colonialism took off internationally after the murder of George Floyd in Minneapolis in May 2020. Decades earlier, in 1985 and 1992, Pope John Paul II issued apologies for the Catholic Church's participation in the slave trade. While debates about the differences between slavery and colonialism have raged for centuries, major Western European countries have officially issued apologies in the 2020s. Public authorities of countries such as Denmark, France, Great Britain, Germany, the Netherlands and the European Union have issued such apologies. In the context of a nationalist leftist coalition in power in Mexico since the end of 2018, it was unsurprising that a consummate nationalist-nativist-populist leader like ex-President López Obrador issued a letter to the king of Spain in 2020 demanding an apology for 'La Conquista.' There was no reply. The main cost to both countries' diplomatic, business and political relations is that having had a

Continued on page 4

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FEATURED Q&A / Continued from page 3

window of opportunity to potentially reset the relationship at President Claudia Sheinbaum's inauguration, both sides decided not to engage. Private business relations, tourism, science and education exchanges will continue. The spat was and will continue to be for domestic consumption in both countries, where stirring nationalism is a cheap shot at harnessing social cohesion and political support."

Arturo Sarukhan, board member of the Inter-American Dialogue and former Mexican ambassador to the United States: "Like Janus, the two-faced Roman god, with one visage peering at the past, another into the future, AMLO lived with two obsessions during his tenure. The first, looking forward, was to ensure that he didn't pass on the presidential sash to an opposition candidate. The second has to do with the past, to 2006 and his unsubstantiated assertion of a stolen election. This is all germane to the opera buffa we witnessed in the run-up to the inauguration and his decision to once again pick a fight with Spain; one of the grudges that he holds is the fact that it was precisely the then-Spanish social democrat government that placed the first phone call to congratulate Felipe Calderón on the night of his election. While this episode has been the cherry on the cake of six years of diplomatic vandalism, what's troubling is that the new president made this her spat too. When an uproar ensued after invitations went out to Vladimir Putin for the ceremony, the justification was that Mexico invites all heads of state with which it has diplomatic relations. Then why not invite Spain's head of state, the monarch? They then spun that the reason was that he had not responded to AMLO's letter seeking an apology for Spain's conquest and colonial rule; Biden never answered any of the farcical letters that AMLO sent him either, and yet he received an invitation. This smoke-and-mirrors gimmick could hurt Mexico—Spain accounts for almost 14 percent of Mexico's foreign direct investment, making it the second-biggest investor after the United States, and the country plays a critical role in how the European Union engages with Latin America. With a revamped Mexico-E.U. free trade agreement awaiting ratification in Brussels, and with a 'Democratic Clause' that could be activated there in response to the weakening of Mexican democracy, the stunt could be costly."

Viri Ríos, Mexican academic and political analyst: "Spain's refusal to issue an apology for the conquest reveals a reluctance to confront its historical responsibilities, a standard practice among many European nations that have acknowledged past wrongs. In today's global context, where human rights violations are widely understood and condemned, such an apology is not only expected but a reasonable step toward historical accountability. Spain's position appears increasingly irrational given the modern understanding of global injustices. However, this stance is unlikely to alter today's diplomatic or economic relations, just as it did not alter them when President López Obrador first made the apology request. Neither Mexico nor Spain can afford to jeopardize their partnership, which is sustained by mutual economic interests and the strong presence of citizens from both nations living and traveling between them."

The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta.

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