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FEATURED Q&A

What Factors Are Drawing Tourists to Mexico?

Mexico saw an 11.5 percent increase in tourism in June. The resort city of Cancún is pictured. // File Photo: jdross75 via Adobe Stock.

Q More than eight million visitors entered Mexico in June, an increase of 11.5 percent as compared to the same month last year, according to a report released Aug. 12 by Mexico's National Institute of Statistics and Geography (INEGI). Spending by visitors also increased in June, to $2.75 billion, a 5.7 percent increase as compared to the same month last year. What are the main factors driving tourism to Mexico? What is the outlook for Mexico's tourism sector for the rest of this year and next year? What headwinds could Mexico's tourism sector face in the coming months?

A Blanca Alejandra Camargo, professor at the business school of the University of Monterrey: "While these figures are encouraging, it is important to contextualize the success of Mexican tourism with a critical perspective. Historically, 40 to 50 percent of all international visitors to Mexico stay within border cities, with the average trip costing approximately $107 in 2024—significantly lower than the $1,046 spent by tourists who explore the entire country. From 2023 to 2024, border tourist arrivals increased by 17 percent, whereas overall inbound tourists grew by only 1.4 percent, according to official statistics. This indicates that much of the growth stems from border tourists who typically do not contribute substantially to local economies. Government statistics do not account for other important tourist segments, such as digital nomads, expatriates and other 'invisible' tourists. Additionally, Mexico's heavy reliance on U.S. tourists—who represent about 64 percent of all international visitors—poses vulnerabilities when the U.S. government issues travel warnings or other restrictions. To

Continued on page 3

TODAY'S NEWS

POLITICAL

U.S. Sending Eight Warships to Caribbean, Pacific off Latin America

The United States is reportedly sending a total of eight warships to Caribbean and Pacific waters off the coasts of Caribbean and Latin American countries as part of the Trump administration's anti-drug efforts.

Page 2

ECONOMIC

Mexico Planning to Raise Tariffs on Chinese Imports

Mexico is planning to raise import tariffs on goods from China. President Claudia Sheinbaum is expected to send the tariff hike to Congress on Sept. 8.

Page 3

POLITICAL

Ex-Puerto Rico Governor Pleads Guilty to Finance Violation

Former Puerto Rico Governor Wanda Vázquez pleaded guilty Wednesday to violating a campaign finance law.

Page 2

Vázquez // File Photo: Diegocb123 via CC BY-SA 4.0.

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POLITICAL NEWS

U.S. Sending Eight Warships to Waters Near Latin America

The United States is sending eight Navy warships to Caribbean and Pacific waters off the coast of several Latin American and Caribbean countries as part of an "enhanced counternarcotics operation," an unnamed defense official told The Washington Post on Wednesday. U.S. officials said last week that the Trump administration was sending three destroyers—the USS Gravely, the USS Jason Dunham and the USS Sampson—to the area. The defense official told The Washington Post that the USS Sampson was in the Pacific off the coast of Panama as of Tuesday and the other two ships were most recently in the Eastern Caribbean. The official added that the military vessels being deployed also include two landing dock ships, a littoral combat ship, an amphibious assault ship and a cruiser, the newspaper reported. The U.S. Navy has not said exactly where the vessels would be operating, but the defense official told The Washington Post that the destroyers are "not right off the coast of Venezuela." The deployment came weeks after U.S. officials said they were looking into plans to use military force against drug cartels in Latin America, the newspaper reported. The U.S. military deployment has raised tensions with Venezuela, whose president, Nicolás Maduro, is accused by the United States of operating a drug cartel. Earlier this month, the Trump administration doubled the U.S. government's reward for Maduro's capture to $50 million. Maduro confirmed Monday that he was sending 15,000 troops to his country's border with Colombia to "ensure peace in the area," The Washington Post reported. Maduro also has also called for Venezuelans to join militias to "fight the empire." On Tuesday, Venezuelan Defense Minister Vladimir Padrino said the country was deploying military vessels to a key artery for oil exports off Venezuela's coast, Bloomberg News reported. The vessels were being sent to areas north of Lake Maracaibo and the Gulf of Venezuela, he added. In his weekly television show on Monday, Maduro criticized U.S. Secretary of State Marco Rubio over the U.S. deployment. "Unfortunately this gentleman, with his madness and extremism, could lead President Donald Trump to the worst possible scenario in Latin America and the Caribbean," he said, Bloomberg News reported. "We will emerge victorious from this situation," Maduro added.

Teen Who Admitted Shooting Colombian Senator Sentenced

A 15-year-old boy who admitted to fatally shooting Colombian Senator Miguel Uribe Turbay was sentenced Wednesday to seven years in a youth detention facility, the Associated Press reported. The boy shot Uribe three times, including twice in the head, during a June 7 event in Bogotá, Agence France-Presse reported. Uribe was hospitalized for more than two months and died of his injuries on Aug. 11. Before Uribe's death, the boy was charged with attempted murder and illegal possession of weapons, AFP reported. He was not charged with homicide because Colombian law does not allow for modifying charges against a minor after the defendant has accepted them. The teenager "must remain in a specialized care center for seven years, deprived of liberty," prosecutors said in a statement, AFP reported. Authorities arrested the boy near the scene of the shooting and later arrested five others, the AP reported. They have not announced the motive for the attack. Uribe, 39, last October had announced his campaign for president in the country's May 2026 election. His father, former Senator Miguel Uribe Londoño, announced on Tuesday that he would run for president in his son's stead, the AP reported. [Editor's note: See related **Q&A** in the June 20 Advisor.]

The senator died Aug. 11, more than two months after being shot.

NEWS BRIEFS

Argentina's Milei Rushed Out of Event After Protesters Hurl Objects

People threw items including rocks and vegetables at Argentine President Javier Milei during a political rally in the suburbs of Buenos Aires on Wednesday, Reuters reported. Milei, who was campaigning for his party ahead of local elections in Buenos Aires province on Sept. 7, was unharmed and was quickly rushed away from the crowd of protesters, the wire service reported. Milei was standing in the back of a pickup truck next to his sister, Karina, who is also his chief of staff. The administration is managing the fallout from an ongoing a criminal bribery investigation involving the former head of Argentina's disability agency, who was fired last week, Reuters reported.

Ex-Puerto Rico Governor Pleads Guilty to Campaign Finance Violation

Former Puerto Rico Governor Wanda Vázquez pleaded guilty to a charge of violating a campaign finance law Wednesday at a U.S. federal courthouse in San Juan, the Associated Press reported. Vázquez, who served the remainder of Ricardo Rosselló's term from 2019 to early 2021, was charged with illegally accepting a donation from a foreigner during her unsuccessful bid for a full gubernatorial term in 2020. Vázquez faces sentencing on Oct. 15.

CFI Financial Group Gets Approval for Office in Colombia

Dubai-based online brokerage CFI Financial Group has received authorization from the Financial Superintendency of Colombia to establish a representative office in the South American country, the company said today in a statement. The office will focus on market awareness and promotional efforts, CFI said.

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ECONOMIC NEWS

Mexico Planning to Raise Tariffs on Imports From China

Mexico's government plans to raise its import tariffs on China next month, sources close to the matter told Bloomberg News on Wednesday. The tariff increases will affect product categories including automobiles, plastics and textiles; exact tariff rates have yet to be determined, the sources said. The administration of President Claudia Sheinbaum is expected to send the tariff hike to Congress as part of next year's federal budget proposal, the delivery of which is currently scheduled for Sept. 8. The move is designed to safeguard domestic industries from foreign competition, as well as align trade policy toward China more closely with that of the administration of U.S. President Donald Trump, sources told the news service. Trump has repeatedly urged Mexico's government this year to implement higher tariffs on Chinese imports, Reuters reported. Sheinbaum in March said at a press conference that she was interested in "reviewing" Mexico's duty regime for Chinese goods; she pointed to textiles as a sector where an oversaturation of Chinese imports poses a threat to Mexican industry, Bloomberg News reported. Preliminary negotiations ahead of a scheduled review of the U.S.-Mexico-Canada free trade agreement are expected to begin as soon as next month, Mexican Economy Secretary Marcelo Ebrard announced earlier this year, Reuters reported. [Editor's note: See related **Q&A** in the May 30 issue of the Advisor.]

The tariff increases will affect products including automobiles, plastics and textiles.

FEATURED Q&A / Continued from page 1

foster sustainable growth, Mexico should diversify its tourism base, targeting different segments based on travel motivations and country of origin. In the short term, Mexico has several opportunities to boost tourism. The decline in U.S. travel—driven by new policies and border treatment—has opened gaps that Mexico can exploit. For example, Canadians' travel to the United States decreased by 16 percent from January to May 2025, as did travel from other countries. Furthermore, Mexico will host the 2026 FIFA World Cup, providing a prime platform to showcase its attractions, culture, natural beauty and hospitality—encouraging visitors to explore or return to the country. To capitalize on these opportunities, the government must prioritize tourism as a strategic sector. This includes reinvigorating centralized marketing efforts—after dismantling the tourism marketing office—and leveraging big data to understand tourist movements and preferences. Upgrading infrastructure, supporting sustainable projects and investing in quality improvements are also crucial. Overall, Mexico's tourism outlook remains positive if policymakers are willing to rethink and reorient the country's tourism strategies toward diversification and sustainable growth."

Thomas M. Fullerton Jr., professor and Trade in the Americas Chair at the University of Texas at El Paso: "Against a backdrop of generally weak economic performance, one segment of the tourism sector has performed well in 2025. That segment is cross-border tourism. Although several ports of entry along Mexico's southern borders with Belize and Guatemala are very active, the biggest volumes of these tourists came from the United States. Data that INEGI released from the first half of 2025 are revealing. Compared to the same period in 2024, the total number of international visitors grew by 13.8 percent to 47.4 million. While cruise ship passenger arrivals have increased, cross-border tourism accounts for an even bigger portion of the growth. In contrast, international air arrivals have declined nearly every month this year. Air visitors usually spend more money than tourists who walk or drive across the border. That is still true this year, but foreign currency income has still increased by 6.3 percent to $18.7 billion. In other words, many tourists are spending more this year than they were in 2024. Several factors have contributed to these developments. A combination of political events in Mexico and the United States caused the peso to weaken between May 2024 and January 2025. Even though the peso performed better between February and July, it still remains below year-ago levels in real terms. That has increased the effective purchasing power of anyone with dollar earnings and almost always increases cross-border visits to Rosarito, Puerto Peñasco and elsewhere. Reduced Covid-19 fears are also drawing more tourists into Mexico."

Wolfram F. Schaffler González, foreign trade administrator of Laredo, Tex.: "Mexico's tourism boom is due to both the country's natural and cultural attractions and changes in the way things work that have happened in the last few years. There are now many more flights between cities, thanks to low-cost airlines that connect smaller cities to international markets. Also, cross border-mobility and proximity to the United States continue to support short-term tourism. At the same time, digital lodging and travel review platforms have made more types of places to stay available and have made travel possible beyond traditional hubs like Cancún or Los Cabos. Also, the strength of the U.S. dollar versus the peso has made Mexico an even more affordable destination for tourists from other countries to visit. The future seems good for late 2025 and 2026. It seems we will be witnessing an increased flow of tourists, especially in domestic and regional trips, with projects

Continued on page 4

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FEATURED Q&A / Continued from page 3

like the Tren Maya and events like Formula 1, cultural festivals and conventions, all of which make the industry stronger. Mexico's role as a nearshoring hub also indirectly helps business travel and the growing trend of people who combine work travel with leisure travel. But you can't ignore the headwinds. Real problems including feelings of insecurity, poor infrastructure in secondary locations and environmental stress on coastal areas might continue to affect travel. Policy consistency will be essential. If tourism is perceived not merely as leisure but rather as an integral component of Mexico's overall economic strategy, interconnecting it with business, trade, regional development and sustainability, it may continue to be one of the nation's most powerful engines of growth. If not, it might in the short term show its real vulnerabilities."

Bonnie Lucía Campos Cámara, senior research professor in the Division of Political, Economic and Administrative Sciences at the Autonomous University of the State of Quintana Roo: "Tourism is considered an economic engine in Mexico, which has established itself as one of the world's most important destinations. However, the sector's development faces challenges and contradictions in the social, environmental and territorial spheres. The sector's expansion has been haphazard, both in terms of infrastructure and in the touristification that has affected sensitive territories. Mexico must not only maintain its national and international competitiveness, but also consolidate a sustainable tourism model that protects its ecosystems, promotes cultural diversity and fosters social equity. To achieve this, public territorial tourism planning policies are required, as is the strengthening of community projects based on the solidarity economy. It is also necessary to increase and manage greater engagement with academia, civil society and the private sector to promote innovation with social and environmental responsibility that guarantees a sustainable future."

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>
> **— Bonnie Lucía Campos Cámara**

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