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FEATURED Q&A

Will a Joint U.S.- Ecuador Military Effort Curb Gangs?



Ecuadorean President Daniel Noboa's government this month launched a joint military operation with the United States to fight organized crime groups in the South American country. // File Photo: Ecuadorean Government.

Q The United States and Ecuador began joint military operations on March 3 targeting organized criminal groups operating in the South American country, the U.S. Southern Command announced. The U.S. State Department designated two Ecuador-based groups, Los Choneros and Los Lobos, as foreign terrorist organizations last September; U.S. forces are providing logistical and intelligence support to Ecuador's anti-gang operations, an unnamed official told The New York Times. What does the beginning of U.S.-Ecuadorean joint operations say about the direction of Ecuadorean President Daniel Noboa's security strategy? How feasibly can Ecuador's armed forces regain control of territory and trafficking routes from criminal groups without U.S. troops on the ground? How could the U.S. military's presence in Ecuadorean anti-gang operations affect the country's domestic political situation?

A Renato Rivera, senior researcher at the Global Initiative Against Transnational Organized Crime (GI-TOC): "The joint operations between U.S. Southern Command and Ecuador's Armed Forces in early March should be understood not as an isolated or unexpected development, but rather as the deepening of a sustained trend toward greater reliance on the United States to confront the country's security and violence crisis since 2018. However, this new phase introduces two distinctive elements. On the one hand, it expands the traditional focus historically centered on drug trafficking toward other criminal economies such as illegal mining. On the other hand, it incorporates a territorial emphasis on the Amazon, a region that has been largely

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TODAY'S NEWS

ECONOMIC

U.S. Treasury Eases Restrictions on Venezuela's State Oil Firm

The U.S. Treasury on Wednesday issued a license to Venezuelan state oil company PDVSA that allows it to do business with U.S. companies.

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BUSINESS

U.S. Court Blocks Collection by Ex-Shareholders of Argentina's YPF

A U.S. federal court has halted former shareholders of now-state-run Argentine oil company YPF from collecting \$18 billion in claims.

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POLITICAL

Venezuelan Interim President Replaces Padrino as Defense Chief

Interim Venezuelan President Delcy Rodríguez on Wednesday replaced longtime Defense Minister Vladimir Padrino.

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Padrino // File Photo: Mil.ru via Wikimedia Commons [CC BY 4.0](https://creativecommons.org/licenses/by/4.0/).

POLITICAL NEWS

Venezuela's Interim President Replaces Defense Minister

Interim Venezuelan President Delcy Rodríguez on Wednesday removed General Vladimir Padrino as defense minister, replacing him with Gustavo González López, who is seen as an ally of Rodríguez, the Financial Times reported. In a post on social media site Telegram, Rodríguez thanked Padrino for “his loyalty to the homeland, and for having been, throughout all these years, the foremost soldier in the defense of our country.” Padrino had run Venezuela’s military for 11 years under President Nicolás Maduro, Reuters reported. Padrino’s ability to continue as defense minister was considerably weakened after U.S. forces seized Maduro in an early-morning raid on Jan. 3 in an operation that left dozens of Venezuelan and Cuban bodyguards dead and not a single U.S. casualty, the Financial Times reported. After Rodríguez took over as acting president following the raid, she appointed González López as the head of the presidential guard and the General Directorate of Military Intelligence (DGCIM), Reuters reported. González López, whom the United States and European Union have sanctioned over accusations of corruption and human rights abuses, was previously Venezuela’s director of domestic intelligence until mid-2024, the wire service reported. Later that year, he started to work with Rodríguez as state oil company PDVSA’s head of strategic affairs. At the time, Rodríguez oversaw the state oil company as energy minister. “She trusts him,” Rick de la Torre, a retired Central Intelligence Agency officer and founder of consulting firm Tower Strategy, told The Wall Street Journal. “He’s a soldier at heart that carries out his orders dutifully, and that makes him valuable to her,” he added. On Wednesday, Rodríguez tapped navy Admiral Germán Gómez Lárez as the head of DGCIM and General Henry Navas as the leader of the presidential guard, Reuters reported. Since Rodríguez became acting president, she has replaced at least 12

ministers who had served under Maduro, the Financial Times reported. [Editor’s note: See related [Q&A](#) on Venezuela in the Jan. 15 issue of the Advisor.]

ECONOMIC NEWS

U.S. Treasury Eases Restrictions on Venezuela's PDVSA

The U.S. Treasury Department’s Office of Foreign Assets Control (OFAC) on Wednesday issued a general license to Venezuelan state-run oil firm PDVSA that authorizes the company to conduct business with U.S. firms. The license will allow PDVSA to immediately increase its imports of diluents, which are needed to process the ultra-heavy crude oil that is found in Venezuela’s Orinoco belt, the Financial Times reported. OFAC’s license does not eliminate all sanctions against PDVSA and Venezuela’s oil sector—the guidance prevents PDVSA from conducting business with people and businesses based in China, and OFAC said that the license does not permit any transactions involving equity in oil refiner Citgo or its parent company, which PDVSA controls. Venezuela’s oil exports have already reached their full capacity relative to levels recorded before the U.S. military began a blockade in preparation of the operation to depose Venezuelan President Nicolás Maduro, Reuters reported. OFAC’s new license for PDVSA comes as the administration of U.S. President Donald Trump looks to boost global oil supplies amid an escalating energy crisis brought by conflict in the Middle East and the effective closure of the Strait of Hormuz to commercial traffic. Brent crude oil was trading at \$113 per barrel on Thursday morning, up more than 50 percent from late February before the outbreak of hostilities between Iran and Israel and the United States, according to MarketWatch data. On Wednesday, the Israeli military launched missile strikes against infrastructure at Iran’s South Pars field, the country’s largest gas-producing region, marking a significant escalation in a conflict that was

NEWS BRIEFS

At Least Eight Killed in Rio de Janeiro Raid Targeting Drug Gangs

At least seven presumed drug traffickers and a local resident who was caught in crossfire were killed Wednesday in a police operation targeting drug gangs in several Rio de Janeiro slums, the Associated Press reported. Among the alleged criminals killed in the raid in the Prazeres, Fallet, Fogueteiro, Coroa, Escondidinho and Paula Ramos favelas was an accused drug boss, Cláudio Augusto dos Santos.

Brazil's Central Bank Cuts Key Interest Rate by Quarter Point

Brazil’s central bank on Wednesday began a cycle of easing interest rates by cutting the benchmark Selic rate by a quarter percentage point, Bloomberg News reported. The unanimous decision by the central bank’s monetary policy committee lowered the Selic to 14.75 percent. The central bank also signaled that future rate cuts will depend on the extent to which the war in Iran affects inflation. [Editor’s note: See related [Q&A](#) in Tuesday’s issue of the Advisor.]

Petrobras, Ecopetrol Find Offshore Gas Deposit in Colombia's Caribbean

Brazilian state-run oil firm Petrobras on Wednesday announced a new natural gas discovery at an exploratory well off Colombia’s northern coastline. The well is in a deep-water block that Petrobras operates in partnership with Colombia’s Ecopetrol as part of the Sirius gas project, which is set to begin commercial operations in 2029 or 2030, Reuters reported. The well is located approximately five miles away from two other exploratory wells that are part of the Sirius project, Petrobras said on Wednesday.

previously limited to mostly military targets, the Financial Times reported. Brent oil has increased in value by approximately 10 percent since Wednesday morning.

Colombia's Bre-B Hits 500 Million Transactions

The Colombian central bank's new electronic instant-payment system Bre-B has processed more than 500 million transactions since its nationwide launch last October, ACI Worldwide, a core technology provider for the system, said today. The rapid growth of Bre-B makes it "one of the most rapidly scaled real-time payment systems in Latin America," the company said in a statement. The system allows "instantaneous, interoperable transfers across all participating financial institutions," the company added.

BUSINESS NEWS

U.S. Court Halts Ex-Shareholders of YPF From Collecting

A U.S. federal court has halted efforts by former shareholders of now state-run Argentine oil firm YPF to collect \$18 billion from Argentina's federal government as compensation for an investment dispute stemming from YPF's nationalization in 2012, the Associated Press reported on Wednesday, citing a private ruling. The U.S. Court of Appeals for the Second Circuit in New York earlier this month told Petersen Energía, which is backed by litigation fund Burford Capital, to pause the discovery process, the AP reported. A U.S. District Court judge in September had ordered Argentina's government to compensate the plaintiffs, but the appeals court paused that ruling two months later. During the appeal, the plaintiffs sought evidence of Argentine government

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marginal in bilateral military cooperation. Taken together, this suggests a broader effort at political alignment, through which Ecuador is advancing toward the internationalization of security capacities, increasingly relying on external support to compensate for operational, logistical and intelligence deficits. In this context, the ability of Ecuador's armed forces to regain control over territory and trafficking routes without the direct presence of U.S. troops remains limited. While intelligence-sharing and technological support may enhance operational effectiveness, military operations alone—whether supported externally or not—are unlikely to dismantle entrenched forms of criminal governance. These structures are sustained not only through coercion, but also through local legitimacy and corruption networks embedded within state institutions. As such, reliance on external support risks reinforcing a functional dependency without necessarily translating into sustainable territorial control. Domestically, a more visible U.S. military role could carry political costs for President Daniel Noboa. A recent referendum showed that 60 percent of voters rejected the presence of foreign military bases, reflecting sensitivities around sovereignty. In a volatile political environment, deeper cooperation, especially if it entails direct military presence, could be politicized by opposition actors and affect the government's electoral prospects. Nonetheless, the fluidity of Ecuadorean politics makes it difficult to establish a clear causal link between these decisions and electoral punishment."

assets located in the United States, including the location of gold bars held by Argentina's central bank, the AP reported. Argentina's government has argued that it should not be forced to pay an amount in excess of \$4 billion, Bloomberg News reported. The South American country's total federal budget was roughly \$84 billion last year, according to economy ministry data. "This decision represents a historic milestone in the defense of the Argen-



María Gabriela Palacio Ludeña, assistant professor in development studies at the Latin American Studies Program at Leiden

University: "Recent joint operations between Ecuador and the United States indicate the consolidation of President Daniel Noboa's security strategy: a militarized response to organized crime framed as an internal armed conflict. Since early March, Ecuador has intensified cooperation with Washington through intelligence sharing and logistical support, signaling a deepening of bilateral security coordination. Domestically, the government has deployed large numbers of soldiers and police across several coastal provinces central to drug trafficking routes and imposed emergency measures to facilitate operations against criminal organizations. These actions reflect an effort to reassert territorial control in a country that has rapidly become a key logistical corridor in global cocaine trafficking networks linking production zones in southern Colombia with markets in Europe. However, Ecuador's security crisis cannot be understood solely through the activities of criminal organizations. Over the past decade, institutional erosion, fiscal austerity and the weakening of social protection systems have reduced the state's regulatory capacity while expanding opportunities for illicit economies. Drug trafficking networks intersect with port logistics, financial flows and global production and consumption networks. Military operations may disrupt particular criminal groups, but they are unlikely to dismantle the

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tine Republic in litigation that, for more than 12 years, has imposed enormous economic, legal and reputational costs on the country," Argentine President Javier Milei said Wednesday in a statement posted on social media site X. YPF is Argentina's largest hydrocarbons firm by output and revenue; the company has the second-largest market capitalization of any firm headquartered in Argentina, behind only fintech giant MercadoLibre.

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political economy that sustains organized crime. Without addressing these structural dynamics, policies centered primarily on militarization risk reproducing cycles of violence rather than resolving them.”

A Grace Jaramillo, professor at the School of Public Policy & Global Affairs at the University of British Columbia: “The beginning of U.S.-Ecuadorean joint operations means that President Noboa wants to rely mainly on high military-kinetic escalation to curb criminal gangs. The announcement raised positive expectations among citizens, but when Interior Minister John Reinberg talked about large-scale operations and warned the population to stay in their homes to avoid ‘collateral’ damage while shunning access to information and coverage to journalists and civil society organizations, there was real fear across the country, especially in the four provinces where those operations are taking place. It also moved all human rights organizations accredited in the country to issue a declaration warning the government of potential judicial consequences if the operations violate basic human rights. Notably, the operation started in the same week that the Constitutional Court deemed the torture and disappearance of four children in Guayas (The Malvinas Four) a state crime. The military presence is affecting and

will continue to deteriorate the fragile political system of the country. President Noboa has used the joint operations to stonewall access to information and attack independent journalism and the independence of the judiciary, all necessary elements to help

“**The military presence is affecting and will continue to deteriorate the fragile political system of the country.**”

— Grace Jaramillo

to rid the country of illegal markets and the corrupting power of drug trafficking within the state system. The joint operations might regain some territorial control, but it won’t last without a comprehensive strategy to control at least the prison system and the incredible flow of weapons and money that are still untapped. Moreover, the government needs to also revive the economy by neglecting basic investment in services and infrastructure that can provide jobs and quick relief for the majority.”

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

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Gene Kuleta
Editor

Jack Quinn
Reporter



Rebecca Bill Chavez, Ph.D., President & CEO

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Bruna Santos, Director, Brazil Program

Peter Hakim, President Emeritus

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Upcoming Event

ONLINE EVENT: Evidence in Motion – A Regional Dialogue on the Challenges of Measuring Child Development

March 25, 2026 | 11:00 a.m. ET

