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FEATURED Q&A

Will the Military Bring Law & Order to Rio de Janeiro?



Brazilian President Michel Temer last month ordered the country's military to oversee security in Rio de Janeiro, which has been suffering an escalating rate of violence. // File Photo: Brazilian Government.

Q Following months of escalating violence, Brazilian President Michel Temer on Feb. 16 put the country's military in charge of public security in Rio de Janeiro State. The action marked the first federal intervention in a Brazilian state since the country's return to democracy three decades ago. Why has violence worsened in Rio de Janeiro? Was Temer's decision to deploy the military the right move? Will the military be able to rein in the state's violence, and how long will it take before civilian policing can be restored? What safeguards are needed to prevent human rights abuses and other potential misdeeds by troops?

A Peter Hakim, member of the Advisor board and president emeritus of the Inter-American Dialogue: "The outsourcing of public security in Rio de Janeiro to the country's military forces is another demonstration of Brazil's diminished capacity to address the multiple governance challenges it confronts. Was this purely a political maneuver by President Temer to shore up his dismal poll numbers, compensate for his failing to deliver promised economic reforms and perhaps to set the stage for a presidential run later this year? There's no doubt that political considerations influenced the decision, as they do in every politician's choice, but Rio is suffering an uncontrolled wave of violent crime that cannot simply be ignored. Not too long ago, Rio was considered a success story in curbing urban violence. With innovative policing measures, crime rates and homicides dropped as specially trained police established a continuing presence in the city's notoriously

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TODAY'S NEWS

POLITICAL

Venezuela Delays Presidential Vote Until May

The government said the election will be held on May 20, a month later than originally scheduled. Officials said the later date would give more time for candidates to campaign. However, politicians of the main opposition alliance reiterated that they would boycott the election, calling it rigged.

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ECONOMIC

Brazil's Economy Returns to Growth

South America's largest economy returned to growth last year with GDP expansion of 1 percent. The country's economy had suffered two consecutive years of contraction.

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ECONOMIC

Trump Rolls Out Plans for Steel Tariffs

U.S. President Donald Trump announced plans to impose tariffs on steel and aluminum, drawing rebuke from U.S. trading partners and rattling financial markets.

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Trump // File Photo: White House.

POLITICAL NEWS

Venezuela Delays Presidential Election Until May

Venezuela's government announced Thursday that it had reached an agreement with some small opposition parties to delay the country's presidential election until May 20, El Universal reported. Officials said that allowing an extra month will give candidates more time to campaign and also allow millions of Venezuelans abroad an opportunity to register to cast ballots. In addition to delaying the election, which had originally been scheduled for April 22, the government said it would allow the participation of international observers. Additionally, the government said Venezuelans would also choose regional councils in the balloting, The New York Times reported. Though several small opposition parties said they would participate in the election, politicians

from the country's main opposition coalition, the Democratic Unity Roundtable, or MUD, reiterated that they would boycott the vote, saying the government is sure to rig it. "We're not participating because there are no open elections, because they are not respecting the right to vote, the right to choose or the will of every Venezuelan," said Juan Pablo Guanipa, of the Primero Justicia party.

ECONOMIC NEWS

Trump Announces Plans for Steel Tariffs

U.S. President Donald Trump on Thursday announced plans to impose tariffs of 25 percent on steel imports and 10 percent on aluminum imports, following through on campaign promises to protect domestic U.S. producers, The Wall Street Journal reported. The move sparked fears of a global trade war and rattled

NEWS BRIEFS

Brazil's Economy Returns to Growth Following Two Years of Contraction

Brazil's economy, the largest in Latin America, returned to growth last year following two years of contraction, state statistics agency IBGE said Thursday, The Wall Street Journal reported. Gross domestic product grew a seasonally adjusted 0.1 percent in the fourth quarter as compared to the third and 1 percent for the year.

Mexico's Congress Approves Measure to Regulate Fintech Sector

Mexico's lower house of Congress on Thursday approved a bill to regulate the financial technology sector, Reuters reported. The bill, which has already passed the Senate and is now expected to receive President Enrique Peña Nieto's signature, seeks to establish stability and prevent money laundering across a host of emerging areas such as crowdfunding, cryptocurrencies and new payment methods. The law permits open banking, or the sharing of user information by financial institutions through public application programming interfaces, or APIs.

Pan-American Life Announces 6.8% Rise in Revenues for 2017

New Orleans-based Pan-American Life Insurance Group on Thursday said its revenues reached \$1.08 billion in 2017, a 6.8 percent increase over 2016, with total premiums growing 3 percent, to \$1.10 billion. Net income last year reached \$60 million, as compared to \$48.9 million in 2016. The company employs nearly 2,000 people and has branches and affiliates in Costa Rica, Colombia, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Panama and the United States, as well as 13 Caribbean markets.

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dangerous favelas and worked closely with residents and community leaders to deter crime and protect vulnerable populations. And the police work was supplemented by social and educational initiatives. Surprisingly, once perilous favelas even began to attract foreign tourists. But the progress ended abruptly, mostly because Rio ran out of money—a consequence of Brazil's prolonged recession, compounded by the enormous sums spent on the World Cup and the Olympic games and pervasive political corruption. The evidence from many countries—Mexico and Central American nations for example—suggests that soldiers are not especially effective in fighting urban crime and often end up intensifying the problems. But Rio today faces a huge demand for improved security, without the money or the time to rebuild policing and social programs. Covered largely by the federal government and immediately available, the military has come to represent the only option. And

just maybe, the troop presence may reduce criminal violence in the short run, and also give some time to put new policing and related efforts in place. But it could also make things worse, as it has in so many other places."

A Henrique Rzezinski, member of the executive committee and former president of Amcham Rio and member of the board of the Council of Foreign Relations of Brazil (CEBRI): "There are no simple answers that

can explain why the security situation in Rio has deteriorated so fast in the last years. There are numerous causes. We cannot definitely dissociate Rio's situation with the endemic corruption that has prospered all over the country during the last decade and specifically in Rio de Janeiro State. Rio has become one of the most important world centers for the trafficking of arms and drugs, as corruption in the state's police

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markets, as the Dow Jones Industrial Average sank 420 points on the news, or 1.68 percent. Trump also drew sharp rebukes from trading partners around the world. Brazil, Mexico and Canada would be particularly affected by the increased levies, CNBC reported. Canadian and Brazilian steel respectively comprised 16 percent and 13 percent of U.S. steel imports as of September 2017, according to Commerce Department data. Mexican imports made up 9 percent, about the same as South Korea and Russia. Mexico has been working on plans to place retaliatory tariffs on U.S. goods in the event of a new steel tax, Bloomberg News reported this week. Members of Trump's own Republican Party also spoke out against the decision. "The president is proposing a massive tax increase on American families," said Sen. Ben Sasse, a Nebraska Republican, according to The Wall Street Journal. "You'd expect a policy this bad from a leftist administration, not a supposedly Republican one." The largest federation of labor unions in the United States has praised Trump's tariff plan, however. "For years, we have called attention to the predatory practices of some steel exporting countries... We applaud the administration's efforts today to fix this problem," AFL-CIO President Richard Trumka said in a statement, The Hill reported.

BUSINESS NEWS

Brazil's Lower House OKs Lighter Rules for Car-Hailing Apps

The lower house of Brazil's Congress voted late Wednesday to approve lighter regulations on car-hailing apps than previously proposed, Bloomberg News reported. As it stands, the legislation will give city authorities the power to regulate such services, but the bill does not require individual motorists to acquire expensive permits. President Michel Temer can still veto all or part of the bill. Ride-sharing companies such as Uber, 99 and Cabify worked together in recent months to rally public support against tighter restrictions on the growing industry.

COMINGS & GOINGS

Jacobson Resigning as U.S. Ambassador to Mexico

The United States ambassador to Mexico plans to resign from her post in May, according to a memo circulated on Thursday to embassy staff, The New York Times reported. Roberta S. Jacobson, 57, has been considered one of the most experienced Latin America experts in the State Department, having spent most of her 31 years there focusing on the region. "This decision is all the more difficult because of my profound belief in the importance of the U.S.-Mexico relationship and knowledge that it is at a crucial moment," Jacobson wrote in the memo. As her replacement, the Trump administration is looking to name Edward Whitacre Jr., a former chief executive of General Motors and AT&T who also has worked with Mexican business magnate Carlos Slim, Reforma reported.



Jacobson // File Photo: U.S. State Department.

J. Walter Thompson Shakes Up Americas Team

J. Walter Thompson on Monday announced it is shaking up its Americas leadership team, AdWeek reported. Stefano Zunino, who joined the company in 2005 as CEO of Brazil and in 2014 was promoted to CEO for Latin America, has been given the additional title of chief transformation officer, a newly created role at the WPP-owned agency. Simon Pearce has expanded beyond the U.S. to become CEO for North America. Pearce previously served as mcgarrybowen's CEO for the United States. Brent Choi has been made president of JWT Canada and has been named CCO of global brands.

Broadpeak Taps Peredo for Latin America Role

France-based Broadpeak, a technology firm servicing content providers and pay-television operators, on Monday said it has appointed David Peredo as sales director for Mexico and Central America. Peredo has spent more than seven years working in marketing and sales in the telecommunications sector. Prior to joining Broadpeak, he worked at WOBI as the director for Latin America TV affiliates.

Sepulveda Named to New Post at MediaMath

Daniel Sepulveda has been named vice president for global government relations for MediaMath, a tech, media, and marketing company based in New York with multiple offices in the United States, Europe, Asia and Latin America. He will remain a nonresident fellow with the German Marshall Fund based in Washington. Previously he served as a U.S. ambassador, deputy assistant secretary of state, and U.S. coordinator for international communications and information policy, as well as working as a senior legislative aide to three U.S. senators, including then Senators Barack Obama and John Kerry.

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and politics have become institutionalized. There are many other reasons that have contributed to the present chaotic situation, such as a landscape that favors the favelas' growth and the state's difficulty in combating criminal organizations that have been established in Rio. Many others also exist. President Temer's decision to deploy the military in Rio de Janeiro State was the only possible option that the government had for reversing a very difficult situation. It is important to note that since the country's return to democracy in the 1980s, the military has played an important role in maintaining democracy as a fixture of Brazilian society. It is also the only institution that has the intelligence and logistic resources to combat corruption in the police and intervene in the trafficking of arms and drugs. A majority of Rio's population also supports the move. The military has developed elite troops who are primarily trained for insurgency situations that are very similar to what is needed in Rio. It is very difficult to foresee the level of violence that will arise from the field operations to be launched, but the plans that are being worked out are deeply concerned with minimizing casualties of innocents. Many grassroots organizations are mobilizing to avoid human rights abuses. We can only hope for the best and raise our voices in defense of democracy and social peace and justice."

A Benjamin Lessing, assistant professor in the department of political science at the University of Chicago: "Politically, Temer's takeover is a Hail-Mary pass—in his words a 'very risky play'—but logical for an unelected president who many see as illegitimate. Pivot from your unpopular right-wing economic policies to a muscular crackdown that you hope makes people feel safer. It worked for Colombia's Álvaro Uribe, who became one of the most popular right-wing presidents in Latin American history. Not so much for Mexico's Felipe Calderón, who—inspired by Uribe—launched a militarized

cartel crackdown that triggered more than a decade of withering drug-war violence. Whether it works for Temer depends on how the intervention plays out operationally. Rio's policing has been partially militarized, brutal and corrupt for decades. If the generals

“Rio's policing has been partially militarized, brutal and corrupt for decades.”
— Benjamin Lessing

simply crack down harder, with even less respect for residents' rights (as talk of 'collective warrants,' guarantees of impunity for soldiers, and gang members as 'enemy combatants' suggests) and no systematic rooting out of corruption, the situation is likely to worsen. As my research suggests, crackdowns amid widespread corruption give traffickers an incentive to fight back harder, via the logic of 'plata o plomo' (bribe or bullet). Moreover, inevitable human-rights abuses and bribe-taking by soldiers would tarnish the armed forces' reputation. Alternatively, if troops simply occupy Rio's main thoroughfares and most violent favelas, safety could temporarily improve, possibly saving Temer's legacy if not his electoral prospects. But this would have little long-term effect, judging by nearly a dozen such military occupations since 1992. Best would be a reboot of the once-successful Pacification/UPP program. This, alongside strategic integration of policing policy with management of the prison system (the true nerve center of Rio's gangs), and removal of the most corrupt police—the 'banda podre'—could have a real impact. But where is the political will and know-how to do this?"

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