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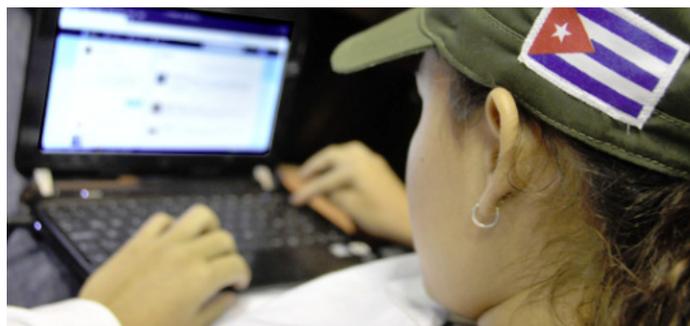
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FEATURED Q&A

Will Mobile Internet Access Bring More Freedom to Cuba?



Cuba's government is planning to expand Internet access this year, though the price could be prohibitive for many Cubans. // File Photo: Juventud Rebelde.

Q Cuba is preparing to roll out 3G services nationwide by the end of the year, with state-run telecommunications monopoly Etecsa pledging to provide Internet access to some five million mobile phone users for the first time in the island's history. Some critics have raised concerns about the affordability and quality of the services, as the cost of connecting to the Internet through private and public Wi-Fi networks in Cuba is relatively high. What is the state of wireless service strength, cost and accessibility on the island, and how big of a change will mobile Internet access be on Cubans' daily lives? How might better wireless phone and Internet service affect political activity and economic vitality on the island?

A Michael J. Bustamante, assistant professor at the department of history of Florida International University: "Any improvement of Internet access in Cuba is, of course, welcome. Indeed, when Etecsa recently ran two pilot tests on the new service, temporarily opening up mobile access for free, many Cuban friends posted on social media with veritable glee. But the critics are right that access speeds may likely be spotty, and the prices high given most Cubans' incomes—with many relying on relatives abroad to top-up their accounts. Etecsa has not yet released the structure and prices of data packages it plans to offer. The Internet is not a panacea. It is a tool. On the economic front, Cuba is still a ways away from either the state or non-state sector embracing e-commerce more fully. Talented Cuban programmers and web designers who moonlight for foreign clients require cheaper, faster access in their homes, not just on their phones, and new,

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TODAY'S NEWS

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Brazil's Bolsonaro Needs Major Surgery, Remains in Intensive Care

Presidential front-runner Jair Bolsonaro needs surgery to rebuild part of his intestines and will need to recover for weeks following a knife attack.

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ECONOMIC

Venezuela Cedes Oil Fields in Effort to Boost Output

Venezuela's government has reached a deal to hand over at least seven oil fields to small companies that have no known experience in managing such operations.

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BUSINESS

América Móvil Challenges Pemex Internet Contract

América Móvil, controlled by billionaire Carlos Slim, is challenging a contract that was awarded to competitor Televisa to provide Internet services to state oil company Pemex.

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Slim // File Photo: Carlos Slim Foundation.

POLITICAL NEWS

Brazil's Bolsonaro Needs Major Surgery, Remains in ICU

Far-right Brazilian presidential candidate Jair Bolsonaro needs major surgery to rebuild part of his intestines and remains in the intensive care unit of a São Paulo hospital following his stabbing during a campaign event last week, the Globo television network reported. Bolsonaro lost about two liters, or about 40 percent



Bolsonaro remains in intensive care in a São Paulo hospital.
// Photo: @FlavioBolsonaro via Twitter.

of his blood, according to doctors at the Albert Einstein Israelite Hospital, where Bolsonaro was airlifted last Friday, a day after he was attacked and rushed to a local hospital in the city of Juiz de Fora, in Minas Gerais State. He is expected to be hospitalized for seven to 10 days and needs to recuperate for at least 20 days before resuming his activities. The first round of the country's presidential election is Oct. 7. A new poll showed Bolsonaro with stronger support following the stabbing. The BTG Pactual survey, conducted by FSB Pesquisa on Saturday and Sunday, showed Bolsonaro as the front-runner, with 30 percent support, four percentage points higher than the previous survey. Former lawmaker and finance minister Ciro Gomes polled in second place, with 12 percent support. Candidates Marina Silva, Geraldo Alckmin and Fernando Haddad all had 8 percent support in the poll. Two thousand respondents were surveyed, and the poll has a margin of error of two percentage points. If no candidate receives more than half of the votes in the first round, a runoff is to be held on Oct.

28. Meantime, former Brazilian president Luiz Inácio Lula da Silva is expected to withdraw from the race today, Reuters reported, citing unnamed sources of his Workers' Party. Lula, who has been jailed since April after being convicted on corruption charges, has fought to remain in the race. However, Brazil's top electoral court on Sept. 1 barred Lula from running because of his conviction and loss on appeal. Lula's withdrawal would allow the Workers' Party to name Haddad, a former São Paulo mayor, as his replacement. Haddad will become the party's official candidate in an announcement outside the Federal Police headquarters in Curitiba, where Lula is jailed and serving a 12-year sentence, two sources with knowledge of the matter told Reuters. Lula and Haddad met Monday in Lula's jail cell to draft a letter in which Lula endorses Haddad as the party's presidential candidate.

ECONOMIC NEWS

Venezuela Cedes Oil Fields in Effort to Boost Production

The Venezuelan government has reached an agreement to cede at least seven oil fields to small companies that will be paid to increase production in a plan similar to contracts rolled back under late President Hugo Chávez, according to two unnamed sources and an internal document obtained by Reuters. The companies would control the fields for six years and receive a compensation fee for the value of additional barrels of oil they produce in an attempt to boost the country's oil revenues as Venezuela nears total economic collapse. However, most of the companies involved have no evident experience operating oilfields, and U.S. sanctions curtail more experienced firms from participating, Reuters reported. The draft document is similar to contracts known as "operating agreements" during the 1990s, under which state oil company PDVSA handed out oil fields to companies that were paid for the crude they produced. Chávez, who took office

NEWS BRIEFS

Protesters Block Roads in Guatemala in Protest of Barring of CICIG Chief

Hundreds of protesters blocked major roads in Guatemala on Monday, demanding that President Jimmy Morales reverse a policy that shuts down a U.N.-backed anti-graft agency that has been investigating him, Reuters reported. Morales, who has denied wrongdoing, last week banned Iván Velásquez, the head of the International Commission Against Impunity in Guatemala, or CICIG, from returning to Guatemala, days after announcing he would not renew the agency's mandate after it expires next year. Groups organizing the protests said they planned demonstrations for today and tomorrow.

Probes of Cuba 'Sonic Attacks' Reportedly Focusing on Russia

Russia is the main suspect in ongoing investigations by U.S. intelligence agencies into mysterious attacks that caused brain injuries in U.S. personnel in Cuba, according to several U.S. officials, NBC News reported. Twenty-six government workers have been injured at their homes and hotels in Havana starting in 2016 and through this year, with symptoms including hearing loss and problems with cognition, balance and vision.

Mexico Poised to Proceed With Bilateral Deal With U.S.: Finance Minister

Mexico's finance minister, José Antonio González Anaya, on Monday told the Financial Times that Mexico will move ahead with a bilateral trade deal with the United States if Canada cannot reach an agreement to revamp the North American Free Trade Agreement with the Trump administration. He said the Mexican government hoped Canada would resolve remaining issues with the United States.

in 1998, criticized the operating agreements for years, calling them “disguised privatization.” In 2005, he converted the contracts into joint ventures in which PDVSA held a majority stake. Current President Nicolás Maduro last month

The deals are similar to ones criticized by late President Hugo Chávez.

implemented a new economic plan, which included launching a new “sovereign bolívar” currency, to mitigate the hyperinflation crisis, The New York Times reported. On Aug. 28, the Venezuelan government announced a plan to boost oil output, with PDVSA President Manuel Quevedo saying the plan would involve \$430 million in investment and a production increase of 641,000 barrels of oil per day. Neither PDVSA nor the companies involved have formally announced an agreement.

BUSINESS NEWS

América Móvil Challenges Contract Awarded to Televisa

Mexico’s América Móvil has filed complaints and a legal challenge against Pemex, saying it unfairly lost a contract to provide Internet services to the state oil company, Reuters reported. A rival bid from a group including broadcaster Televisa won the contract, worth almost \$36 million, in June. However, América Móvil had presented a cheaper proposal, of approximately \$24.5 million, a company spokesman told the wire service. On Monday, a representative of Pemex said the company expects to respond within the next several days, though it has not set a date for doing so. A spokesman of América Móvil said Scitum, an arm of the telecommunications company’s Telmex unit, started filing complaints in June to internal auditors and the audit committee of Pemex. The legal challenge that Améri-

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more restrictive small business regulations keep their activities in the shadows of illegality anyway. Politically, improved access to the Internet does raise the possibility of Cubans participating more actively in virtual debates about the future of their country. But my bet is that most, especially younger Cubans, have more mundane goals in mind: posting on Instagram, watching European soccer highlights on YouTube or calling their friends and family abroad via WhatsApp and IMO, without having to walk to the nearest sunbaked, Wi-Fi-equipped public park.”

A Ted Henken, professor of sociology at Baruch College in New York and specialist in contemporary Cuban culture

and society: “Access to the Internet changes the way the information and media game is played, particularly in authoritarian contexts such as contemporary Cuba. However, greater access to unfiltered information in and of itself does not predetermine a winner. We need look no further than the current media crisis in the United States, where we are dealing with the problem of ‘too much information,’ a glut of digital ‘fake news’ and a demagogic president who repeatedly declares the media ‘the enemy of the people.’ Thus, as the Cuban government gradually increases access to the Internet via Wi-Fi hotspots and mobile access plans, it would be useful to shift our focus from simply celebrating greater digital access—certainly a net positive—to the nuances of increased access. This is because the devil of the impact of the Internet is in the details of the quality of that access in terms of price, universal openness, speed and government surveillance. Moreover, a focus on greater

ca Móvil filed seeks the suspension of the contract while the case remains open. Triara, a subsidiary of Telmex, was also part of the group that was seeking the Pemex contract alongside América Móvil. Rodrigo Becerra, the chief information officer at Pemex, said the

access to the Internet should not distract us from the much more important issue of the multiple legal and practical obstacles that continue to exist for the free flow of information and ideas both online and offline. The Cuban government will continue to increase Internet access to the extent that it can be assured of, first, a continued economic

“It would be useful to shift our focus from simply celebrating greater digital access—certainly a net positive—to the nuances of increased access...”

— Ted Henken

windfall as the monopoly ISP for all Cuban subscribers, and two, a continued control of the mass media so that it remains within tolerable pro-socialist and pro-system limits. The draft Constitution makes some small but potentially important changes to the current language that explicitly outlaws private media ownership which seem to replace that prohibition with a line declaring state media will remain merely ‘dominant.’ Such a shift already recognizes that the state media has lost its popular hegemony, even if it remains a legal and practical monopoly. To the extent that civil society takes advantage of this shift and forces a wider berth for the legal recognition of Cuba’s emergent independent media, greater access to the Internet will effectively translate into greater political and civic pluralism on the island.”

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group including América Móvil made mistakes in its bid. A company spokesman denied that assertion. Technical qualifications outweighed price in the bidding, said Televisa subsidiary Operbes, which won the bid with technology firm T1 America.

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A Collin Laverty, president of Cuba Educational Travel and senior partner at Havana Strategies: "Cell phone service and Internet connectivity in Cuba remain expensive and spotty, but within the context of Cuba, there has been tremendous improvement in recent years. Not long ago, cell phones were not permitted for Cubans, and it was impossible to get online. Now, most young Cubans have mobile phones and are able to get online at any time. Mobile Internet access and the expansion of home Internet will push Cuba closer to the rest of the world in terms of connectivity. It's a positive development, clearly desired and demanded by the Cuban people, albeit with its shortcomings. Like most changes in Cuba, it will be gradual and should be viewed as significant in terms of economic development and personal freedoms, but not as a game changer. It will be interesting to see whether pushback by the population about the high cost results in reduced tariffs, something that has happened with mobile and Wi-Fi rates. Moreover, the innovation of Cubans has allowed Cuban techies to regularly hack the system with apps like Connectify, allowing dozens of Cubans to use the same connection for free or at a heavily reduced rate. Will the same happen with mobile connections? As pricing comes down, it will spur economic opportunity and growth for the state and non-state

sectors, which are currently handcuffed by limited connectivity. The openness has already had a social and political impact, as intellectuals use email to debate policy issues, entrepreneurs utilize social media to advocate and criticize government measures

“As pricing comes down, it will spur economic opportunity and growth for the state and non-state sectors...”

— Collin Laverty

and calling apps are used to connect Cubans on and off the island like never before. Any aggressive policies by the U.S. government to force the Internet down the throats of Cubans will be met with defensive mechanisms and minimize positive gains. Our best hope is that the Cuban people and the Cuban government manage and negotiate this newfound openness and that it continues in the right direction.”

The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta at gkuleta@thedialogue.org.

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