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## FEATURED Q&A

# What Is Behind Rising Support for Brazil's Bolsonaro?



Despite Brazil's struggle with the coronavirus pandemic, President Jair Bolsonaro, pictured Monday at the inauguration of a thermoelectric plant in the city of Aracaju, has seen rising approval ratings. // Photo: Brazilian Government.

**Q** Brazil, the world's sixth-largest country by population, has the second-highest number of Covid-19 cases and deaths, after the United States. Its president, Jair Bolsonaro, who has himself been infected but recently tested negative, has downplayed the threat of the disease, touted an unproven drug to treat it and called for businesses to reopen, even as the virus has killed more than 100,000 Brazilians in recent months. However, Bolsonaro's approval ratings in late July showed strengthening support for him, according to polls by news magazine *Veja*, news site *Poder360* and brokerage firm *XP Investimentos*. What are the reasons for Bolsonaro's rising support? How will his approval ratings affect his agenda? How strong are Bolsonaro's opponents, and how has the pandemic changed Brazilians' support for them?

**A** Katya Rimkunas, regional deputy director for Latin America and the Caribbean at the International Republican Institute: "Recent polls, including a Datafolha poll published Aug. 14, show Brazilian President Jair Bolsonaro continuing to defy political gravity. He maintains rising approval ratings despite being broadly criticized for his response to the Covid-19 pandemic in Brazil, home to one of the world's worst outbreaks. A closer look at the numbers reveals two reasons for this paradox. First, stimulus measures in response to the pandemic have generated strong approval from lower-income Brazilians. Bolsonaro's government has enacted economic aid packages that have halved Brazil's rate of extreme poverty from 6.2 percent at the beginning of this year to 3.3 percent in June, according to the Getúlio Vargas

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## TODAY'S NEWS

### POLITICAL

## U.S., Colombia Launch New Anti-Drug Strategy

The anti-drug initiative, which will include work to increase investment in areas hit by violence in Colombia, is part of a new strategy for the Western Hemisphere that the White House announced Monday.

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### ECONOMIC

## Panama Allows Some Businesses to Reopen

Panama allowed some businesses, including hair salons, retail shops and car lots, to restart operations.

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### ECONOMIC

## Undersecretary Latest to Step Down in Brazil's Economy Ministry

Brazil's undersecretary for macroeconomic policy, Vladimir Kuhl Teles, has become the latest ministry official to submit his resignation. Two other officials have resigned in recent weeks.

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Teles // File Photo: Brazilian Government.

## POLITICAL NEWS

## U.S., Colombia Launch New Anti-Drug Strategy

The United States and Colombia on Monday launched a new anti-drug strategy that is to include investments in areas hit by violence in the South American nation, Agence France-Presse reported. Colombian President Iván Duque and U.S. National Security Advisor Robert O'Brien announced the new plan in a joint statement in the presidential palace in Bogotá. The United States "will support all of Colombia's efforts ... to ensure security in the country, to combat criminal organizations, some of which are transnational, and in doing so, we will help create the conditions for economic growth" in both the United States and Colombia, said O'Brien. Duque said the United States "has not only seen the importance of ... continuing to effectively combat drug trafficking and terrorism," but has also seen the need for "combining those efforts ... with quality investment in places that have been affected by violence," AFP reported. The two countries' governments will also work together to increase investment by harnessing as much as \$5 billion in private money for rural areas over three years, O'Brien told Colombian newspaper *El Tiempo*. In a joint video statement with Duque, O'Brien added, "This initiative will focus on key elements of the 21st-century growth in Colombia, the rule of law, security, infrastructure, rural development and democracy," Reuters reported. The partnership between the two countries will also be part of a pilot program to incentivize U.S. businesses to near-shore operations, Reuters reported. Duque reiterated Colombia's support for Mauricio Claver-Carone, the U.S. nominee to head the Inter-American Development Bank. Also on Monday, El Salvador's government co-nominated Claver-Carone as its candidate to lead the IDB, a move previously made by Guyana, Reuters reported. U.S. President Donald Trump's nomination of Claver-Carone has led to controversy because he would be the first person from outside

Latin America to lead the bank. The developments came as the White House on Monday announced the Western Hemisphere Strategic Framework, a larger strategy for its partnerships in the Americas. "Our deep geographic, economic, and cultural ties make the region critical to United States national security, peace, and prosperity," the White House said in announcing the strategy. "Shared values are key drivers for security, peace, and prosperity throughout the region." The announcement added that the United States wants an "end state" in which "all citizens are represented by leaders elected through free and fair elections, and democracy and the rule of law have peacefully returned to Nicaragua, Venezuela, and Cuba." The statement also said, "Additionally, this is a future in which bilateral and regional partnerships are strong, and criminals and malign actors are denied a permissive environment." The framework identifies goals involving security, such as preventing illegal migration and human trafficking, fighting drug trafficking, and advancing defense and security relationships in the region. It also seeks to advance economic growth, reaffirm commitments to democracy and the rule of law, "counter economic aggression" from countries such as China and work through international forums to build consensus on political, economic, security and defense issues.

## ECONOMIC NEWS

## Panama Allows Some Businesses to Reopen Following Lockdowns

Panama on Monday allowed some businesses, including hair salons, retail shops and car lots, to reopen after five months of lockdowns imposed to curb the spread of Covid-19, the Associated Press reported. The government also allowed public and private construction projects to resume and nongovernmental organizations to open, in a move intended to stimulate the economy. There have been some doubts as to whether citizens were complying

## NEWS BRIEFS

## Undersecretary Latest to Resign From Brazil's Economy Ministry

Brazil's undersecretary for macroeconomic policy, Vladimir Kuhl Teles, has resigned, according to an announcement published in the country's official gazette on Monday, Reuters reported. It is the latest in a series of resignations from the economy ministry in recent weeks, after Salim Mattar stepped down as special secretary for privatization and Paulo Uebel quit as special secretary of deregulation. Pro-market Economy Minister Paulo Guedes acknowledged there was a "stampede" out of his team but has said he is not planning to resign.

## Volaris to Offer More Flights Between California, Mexico City

Volaris will begin offering nonstop flights between San Jose, Calif., and Mexico City this year, the airline announced Monday, Mercury News reported. The new flights would be the first new international service for San Jose International Airport since the coronavirus outbreak began. The air carrier said it would add three weekly flights between the two cities in a move it said might connect families that have been separated in recent months due to pandemic restrictions. Volaris said it would follow new anti-virus health and safety protocols.

## U.S. to Partner With Panama on Money Laundering Task Force

The U.S. Embassy in Panama City announced Monday that it would establish a new task force to help Panama fight money laundering, Reuters reported. The task force will include training for regulators and prosecutors in Panama by officials of the U.S. Federal Bureau of Investigation, or FBI. The initiative is part of a new U.S. strategy for the Western Hemisphere.

with the lockdown in recent weeks, the AP reported. The government-imposed isolation measures were among the strictest in the region, but traffic jams had again become commonplace, and there have been increasingly frequent reports of visits to the beach and parties at the homes of government officials. As of Monday, Panama had registered a total of 82,543 confirmed cases of Covid-19 and 1,788 related deaths, La Estrella de Panamá reported. The Central American country's economy is expected to contract between 2 percent and 4 percent this year, and unemployment has doubled to 14 percent.

## BUSINESS NEWS

# Mexico's López Obrador Wants to Cancel Ethane Deal

Mexican President Andrés Manuel López Obrador said Monday that an ethane supply contract a previous administration signed with a consortium led by Brazilian construction giant Odebrecht should be canceled, Reuters reported. Under the contract, signed between state oil company Pemex and the consortium made up of Odebrecht unit Braskem and Mexico's Grupo Idesa during the administration of former President Felipe Calderón, Pemex has had to supply ethane well below current market prices. Calderón was president of Mexico from 2006 to 2012. "That contract has to be canceled in my opinion because it is unfair," López Obrador said during his daily morning news conference. "It has to be reviewed," he added. A former head of Pemex who is under investigation on several corruption charges, Emilio Lozoya, recently testified that the ethane plant received "economic benefits" and price privileges for its supply, according to Attorney General Alejandro Gertz Manero, *El Financiero* reported. Braskem Idesa told Reuters it denied any wrongdoing and said its own investigations showed it had not participated in any illegal activity or corruption in Mexico. Pemex did not respond to Reuters' request for comment.

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Foundation. The \$115 monthly stipend created by the aid package is reaching about half of Brazilians who desperately need it, preserving their economic fortunes even as the overall economy is expected to contract by almost 6 percent this year. Second, despite numerous scandals surrounding Bolsonaro, citizens who blame government institutions for Brazil's rampant corruption see him as uniquely able to confront the establishment. In a *Veja*/FSB poll released earlier this year, only 11 percent of Brazilians rated legislators' job performance as good or excellent. Low support for institutions coupled with favorable views of the military solidify Bolsonaro's influence over his base. Rising approval will embolden Bolsonaro to pursue his favored mix of populist neoliberal policies with a light-on-substance authoritarian-like agenda. The ability of Bolsonaro's opponents to check him will depend on whether they can muster a united and politically effective response. Thus far, the signs are not encouraging."

**A** **Anya Prusa, senior associate at the Brazil Institute of the Wilson Center:** "President Jair Bolsonaro's approval rating has bounced back from a low point in May, but the political environment remains volatile. The increase in the president's approval is likely tied to the success of the government's Covid-19 emergency income program. After a fitful start, the program delivered cash payments to nearly 50 percent of the population in June and has reduced the level of extreme poverty despite Covid-19's impact on employment. Tellingly, support for Bolsonaro increased among lower-income Brazilians, including in the Northeast, and a greater number of Brazilians now believe the economy is on the right path. In an effort to shore up this support, the Bolsonaro government extended the emergency income program past the original end-date, and it is now proposing a redesigned long-term cash transfer program, *Renda Brasil*. However, this new

focus on social spending, combined with the exit of Sérgio Moro from the administration and the stalling of Finance Minister Paulo Guedes' fiscal reform agenda—both of which cost Bolsonaro support among wealthier, urban voters—seems to be shifting Bolsonaro's base of support, and with it, his agenda. This change is evident in the growing tensions within the administration over whether to increase spending or double down on reform efforts as the government considers its 2021 budget. Meanwhile, political maneuvering to determine Rodrigo Maia's successor as president of the Chamber of Deputies is threatening to disturb Bolsonaro's recent efforts to build a governing coalition. In short, although Bolsonaro benefits from the lack of a unified opposition, the current instability of his alliances and a portion of his electoral base will be an ongoing challenge."

**A** **Charles H. Blake, professor of political science at James Madison University's School of Public & International Affairs:**

"The Bolsonaro administration's approval ratings and pandemic-handling evaluations improved by 3 to 4 percentage points during the second half of July. These increases remain within the margin of error for those polls. For that reason, the question at issue here is: why haven't President Bolsonaro's approval ratings declined further? After his inauguration in January 2019, the administration initially enjoyed positive ratings from around 40 percent of the population and negative ratings from around 20 percent. From mid-2019 through February 2020, roughly one-third of the population approved of the Bolsonaro government, while slightly more than one-third disapproved. With the onset of the pandemic and the associated economic disruptions, approval ratings slid to below 30 percent, while disapproval ratings moved into the upper 40s by June. With an economy in a long, deepening recession and widespread press coverage of the president's efforts this spring to quash corruption

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investigations of his family and of his efforts to block the release of data related to the pandemic, his approval slipped over the past year before perhaps stabilizing in July. Bolsonaro seems to retain the resilient support of nearly one-third of Brazilians. This number aligns with public support for reducing gun control, the issue that has become perhaps the signature initiative of a president who ran as a 'law-and-order' candidate. The atomization of the political opposition, including a Workers' Party struggling to renew its leadership, also makes it easier for Bolsonaro's support to withstand the twin economic and health crises."

**A James Bosworth, author of the Latin America Risk Report newsletter:** "President Bolsonaro's approval ratings have been relatively steady in spite of a totally mismanaged response to coronavirus that has killed more than 100,000 Brazilians. The president has retained a solid base of support of about a third of the population. While that's not enough to win the next election, it is significantly better than several other presidents in Latin America, including Chile's Sebastian Piñera, a testament to the power of polarization within a political system. Public opinion aside, Bolsonaro's political coalition is having a hard time holding together. Military commanders have leaked comments to the media about their embarrassment at the president's poor handling of the pandemic and absurd personal behavior. Members of Congress are considering impeachment, though the congressional leadership has held off so far to avoid sparking a greater political crisis amid the pandemic. Bolsonaro has clashed with nearly everyone, including popular governors and mayors, his own health ministers and the Supreme Court, while doing almost nothing to build alliances outside of his family connections. It's a recipe for political disaster in the coming year."

**A Joel Korn, president of WKI Brasil and senior international partner at UPITE Consulting Services:** "Except perhaps for the effects of Covid-related financial assistance to approximately 65 million people, there have been no significant developments that would justify an improvement of President Bolsonaro's approval ratings. His popularity level, though, remains pretty close to the historical 30 percent support revealed by previous polls. Economic recession, escalating unemployment rates, limited progress toward approval of complex tax and administrative reforms, an extremely poor track record in health, education and environmental conservation policies are not contributing factors. On the political front, Bolsonaro's sudden less-confrontational posture toward Congress and the Supreme Court did not mitigate by much the administration's strained relationship with the judicial and legislative systems. Moreover, ongoing investigations about the huge fake news scheme orchestrated by his close supporters and corruption charges against one of his sons, Senator Flávio Bolsonaro, continue to threaten the president's image. The absence of meaningful economic, social and political developments in the second half of the year will likely lead to increased populist measures, including a possible return in the drive to incite supporters for street demonstrations and intensified polarization. Nevertheless, although it is too early to predict the outcome of the 2022 presidential election, Bolsonaro's solid 25 percent to 30 percent approval rating and the competitive advantages of being in power make him a strong candidate for re-election. Evidently, the chances for the opposition will depend upon the ability of coming up with a well-articulated candidate with proven track record who is capable of mobilizing the political forces and population around a credible platform. So far, none of the possible candidates appear to catch voters' attention."

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**Erik Brand**  
Publisher  
[ebrand@thedialogue.org](mailto:ebrand@thedialogue.org)

**Gene Kuleta**  
Editor  
[gkuleta@thedialogue.org](mailto:gkuleta@thedialogue.org)

**Anastasia Chacón González**  
Reporter & Associate Editor  
[achacon@thedialogue.org](mailto:achacon@thedialogue.org)



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Subscription inquiries are welcomed at [ebrand@thedialogue.org](mailto:ebrand@thedialogue.org)

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