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FEATURED Q&A

Did North America's Three Amigos Make Significant Progress?



Mexican President Andrés Manuel López Obrador, U.S. President Joe Biden and Canadian Prime Minister Justin Trudeau met last week in Washington. // Photo: Mexican Government.

Q U.S. President Joe Biden, Mexican President Andrés Manuel López Obrador and Canadian Prime Minister Justin Trudeau met Nov. 18 in Washington to discuss economic integration in North America. It marked the first time since 2016 that the three countries' leaders have met for the so-called Three Amigos Summit. What were the most important advancements that came out of the meeting, and what challenges remain? What is the status of one of the main economic sticking points among the countries—a proposed U.S. electric vehicle tax credit that is intended to favor unionized manufacturers that are based in the United States? How well are the three countries working together on migration?

A Michael C. Camuñez, CEO of Monarch Global Strategies, former U.S. assistant secretary of commerce and principal architect of the U.S.-Mexico High Level Economic Dialogue:

"The North American leaders should be given credit for achieving an important public diplomacy 'win' by affirming the value of the North American partnership. Regrettably, that appears to be the extent of their ambition. For starters, one could discern no clear priorities for the meeting, as evidenced by the joint statement, which included everything except the kitchen sink. Yes, the relationship is complex, but the times require an urgent focus on the most critical challenges we face as North America—from the existential threat of climate change to a fierce economic battle with China. Yet the summit produced very little other than the same rhetorical pledges to 'deepen our integration and cooperation,' with few concrete commitments. Speaking of rhetoric, the disconnect

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TODAY'S NEWS

POLITICAL

U.S. Planning to Drop FARC From Terror List

The administration of U.S. President Joe Biden is planning to drop Colombia's former FARC rebel group from its list of foreign terrorist organizations. The move comes five years after the Colombian government's peace accord with the FARC.

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ECONOMIC

Mexico Announces Temporary Tariffs on Steel Imports

The Mexican government announced that it would reinstate its 15 percent tariff on some forms of steel until next June.

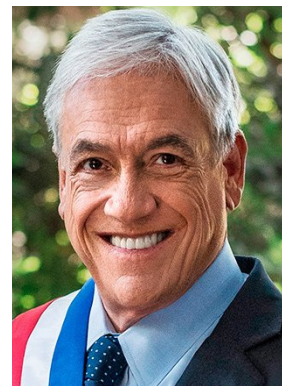
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POLITICAL

Chile's Congress Approves Same-Sex Marriage

The lower house of Chile's Congress approved same-sex marriage and adoption rights, following the Senate's earlier passage of the measure. President Sebastián Piñera is expected to sign the bill into law.

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Piñera // File Photo: Chilean Government.

POLITICAL NEWS

U.S. Planning to Drop Colombia's FARC From Terror List

The administration of U.S. President Joe Biden is planning to drop the former Revolutionary Armed Forces of Colombia, or FARC, from a list of foreign terrorist groups, The Wall Street Journal reported Monday. The move is intended to show U.S. support for the South American country's peace deal, which Colombia's government signed with the FARC in 2016. The White House has notified Congress of its intention to drop the FARC from the list, though the administration plans to issue new terrorism designations for at least one splinter group that has broken with the FARC, The Washington Post reported. The administration is planning to list the new Marquetalia group, which is headed by a former FARC commander and operates along the Colombia-Venezuela border, as a terrorist organization, The Wall Street Journal reported. Additionally, the Biden administration is still planning to keep intact existing indictments against individual rebels for crimes including drug trafficking, The Washington Post reported. On Tuesday, State Department spokesman Ned Price called Colombia's 2016 peace accord "a seminal turning point" in the half-century conflict between numerous Colombian presidential administrations and the FARC. "It is something to be commended" and "we have sought to preserve" it, he said. Price added that there would be "upcoming actions ... with regard to the FARC," but he declined to specify what they would be. U.S. law requires the White House to notify Congress seven days before adding or removing groups from the foreign terrorist list. The FARC began to demobilize

shortly after the peace deal was signed five years ago today, and Colombia's Congress ratified it six days later, on Nov. 30, 2016. Some 13,000 rebels laid down their weapons shortly after the deal took effect, though splinter groups remain. "For the Biden administration, this is a low-cost thing to do," Sergio Jaramillo, the Colombian government's architect of the peace talks, told The Wall Street Journal. "It sends the signal to the FARC, 'it has been five years, you've done your bit, behaved properly, and we're delisting you.' "

Old Tactics Remain in Venezuela's Local Elections: E.U.

Venezuela's regional elections last Sunday occurred under better conditions than past votes, but problems such as the use of public money to benefit pro-government candidates still plagued the vote, European Union monitors announced Tuesday, the Associated Press reported. The disqualification of some opposition candidates and the death of a voter near a polling station also marred the balloting, the monitors said in announcing their preliminary findings. The country's main opposition parties participated in the election for the first time since 2018, but pro-government candidates still won most of the regional and local offices. "The regional and municipal elections of November 21 were a first and crucial test for the return of most of the opposition parties to the elections in Venezuela," the E.U. observers said in their initial report, which they presented in Caracas, the AP reported. "The electoral process showed the persistence of structural deficiencies, although electoral conditions improved compared to the three previous national elections." Irregularities highlighted in the E.U. report included delays in balloting stations' opening and closing times, preferred access to gasoline for pro-government candidates, disproportionate coverage for pro-Maduro candidates on state television and the distribution of food and other goods for political purposes. "Throughout the country, except in the state of Amazonas, an abuse of the assisted vote was

NEWS BRIEFS

Chile's Congress Approves Same-Sex Marriage, Adoption Rights

Chile's lower house of Congress on Tuesday approved a bill to legalize marriage and adoption by same-sex couples, the Associated Press reported. While Chile legalized same-sex civil unions in 2015, the law did not allow the adoption of children by same-sex couples. The Senate has already approved the measure after it was stalled for about four years. President Sebastián Piñera is expected to sign it into law.

Nicaragua's Interior Ministry Ends Visa Requirements for Cubans

The Nicaraguan interior ministry announced the removal of visa requirements for Cuban citizens in the country on Monday, the Associated Press reported. According to a statement from the ministry, the government made this decision "with the purpose of promoting commerce, tourism and humanitarian family relations." Nicaraguan President Daniel Ortega, who was re-elected earlier this month in a vote viewed internationally as a sham, has been a longtime ally of the Cuban government.

Guatemala Declares State of Emergency Amid Conflict at Nickel Mine

Guatemala's government has declared a state of emergency in the eastern town of El Estor amid a conflict between Indigenous residents and the owners of a Swiss-owned nickel mine, which they accuse of pollution, Agence France-Presse reported. Subsistence fishermen in the area accuse the Guatemalan Nickel Company's Fénix mine of polluting Lake Izabal, which they say has taken a toll on fishing. The company is a subsidiary of Swiss-based Solway Investment Group. The government's decree restricts gatherings and movement in the area.

SUBSCRIBER NOTICE

The Latin America Advisor will not be published on Thursday and Friday of this week in observance of the Thanksgiving holiday in the United States. We will resume publishing on Monday, Nov. 29.

observed,” the report said. Vanessa Neumann, a former Venezuelan ambassador to the United Kingdom appointed by opposition leader Juan Guaidó, told the Advisor that participating in the election could benefit the opposition in the future. “To be fair, the opposition never had a chance, but, as I have argued previously in this publication, Norway and the Europeans wanted them to participate, and the opposition does need to lay the groundwork for the electoral mechanisms that will one day hopefully be needed—perhaps even in 2024,” Neumann told the Advisor.

ECONOMIC NEWS

Mexico Announces Temporary Tariffs on Some Steel Imports

The Mexican government announced Monday that it would reinstate the 15 percent import tariff on some forms of steel until the end of June 2022, when it will begin to gradually decrease it until the end of 2024, according to the country’s Official Gazette. The tariff’s reinstatement a year after its cancellation aims to boost the recovery of Mexico’s steel industry following the effects of the Covid-19 pandemic, *El Financiero* reported. The Mexican steel industry “requires a period of adjustment that allows it to resort to the necessary legal instruments against unfair trade practices,” the government said in the decree. Mexico previously imposed steel tariffs in 2018 after then-U.S. President Donald Trump slapped 25 percent tariffs on steel imports citing national security, Reuters reported. Following the suspension of these “Section 232” tariffs on U.S. trading partners including Mexico, the Mexican government canceled its own steel import tariffs. Mexico’s new temporary measure will apply to more than 100 steel products. The move follows the September relaunching of high-level economic talks between U.S. and Mexican officials. [Editor’s note: See related [Q&A](#) in the Sept. 27 issue of the Advisor.]

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between what was said, especially by AMLO’s public opening remarks, and the reality on the ground in Mexico, was truly breathtaking. Anyone trying to do business in Mexico right now was left scratching their head given the challenges in a rapidly deteriorating business climate that shows no signs of improving. The Canadians appeared ready to speak truth to power—challenging U.S. protectionist policies in the electric vehicle manufacturing sector—but there is no indication the United States followed suit, especially with respect to the energy counter-reform that could well be adopted in Mexico and the calamitous environmental and economic consequences it threatens. If, as AMLO purportedly stated to his counterparts, the leaders were ‘speaking the same language, though in a different tongue,’ then the North American Leaders’ Summit looks regrettably like an economic Tower of Babel. Until we can talk honestly, as amigos, about our common challenges and concerns, we will be resigned to watch China eat our lunch.”

A **Arturo Sarukhan, board member of the Inter-American Dialogue and former Mexican ambassador to the United States:**

“Two drivers triggered the reconvening of the summit. The first was Biden’s laudable efforts to rescue and reconstruct the institutional framework of U.S. diplomacy. That the summit occurred after a five-year hiatus at a time of ongoing disruptions to joint supply chains and production platforms in North America, a pandemic, the race against climate degradation and an unprecedented number of people on the move—migrants and refugees—across the Americas was prescient. As Washington recalibrates its relationship with China, it will hopefully help underscore to U.S. policymakers that that goal will only be achieved if Mexico and Canada are an integral part of the strategy, particularly regarding trade, ally-shoring, the digital economy and cybersecurity. Second,

whereas in the past Canada tended to resist the trilateralization of North American ties (because, the thinking went, it subtracted from its relationship with Washington) and Mexico tended to foster it (to provide a united front vis-à-vis a common neighbor), this time around it was the United States that likely sought to trilateralize the agenda, particularly with Mexico in mind. Doing so might erect Canadian and U.S. guardrails around some of López Obrador’s more onerous policies, particularly regarding renewables, a green economy, climate change and energy efficiency, and in the process ensure the administration does not frontally antagonize Mexico and jeopardize its willingness to continue supporting Biden’s main priority in the relationship: abating migration. But this could end up being a race against time and a policy prescription that could eventually lead to self-inflicted wounds for the United States, as López Obrador doubles down on his pet policies in his remaining three years in office and as the flow of undocumented Mexicans to the United States continues to grow, the Mexican economy continues to deteriorate, attacks on Mexico’s checks and balances and democracy persist, and the rule of law deteriorates further.”

A **Carlo Dade, director of the Centre for Trade and Investment at the Canada West Foundation and member of the Mexican Council on Foreign Relations:**

“The overriding tone of disappointment and trepidation in Canada during the 2021 North American Leaders’ Summit mirrors recent public opinion polling by Angus Reid, which shows Canadians to be ‘at best more skeptical—and at worst more cynical’ about North American relations, which for Canadians means relations with the United States. As bad as the national picture is in Canada, the mood in western Canada is worse. Attention at the summit focused on subsidies for electric vehicles but ignored the more egregious threat of new Mandatory Country of Origin

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Labeling (MCOOL) rules for meat. Here, Senator Cory Booker (D-N.J.) is joining western U.S. senators in instructing the U.S. trade representative and secretary of agriculture to, if necessary, ignore World Trade Organization rulings and reinstate MCOOL within one year of passage of the Senate bill. As bad as electric vehicle subsidies are, the beef industry is also an integrated cross-border industry. Yet, this more egregious attack on Canadian and Mexican interests, not to mention the idea of free trade on the continent, received no mention. Agriculture, which will play a significant role in greenhouse gas reduction and cooperation on joint initiatives and standards, would be low-hanging fruit for cooperation. Yet, the absence of any announcement of discussions on this introduces concern that initiatives to reduce greenhouse gases in agricultural production will instead become an arena for conflict and competition. One positive of the meeting was the specific focus and deliverables on racial justice, including continued support for the Trilateral Working Group on Violence Against Indigenous Women.”

A **Amanda Mattingly, security fellow at the Truman National Security Project:** “Resetting the relationships with Mexico and Canada is vitally important to President Biden. After a five-year hiatus from the ‘Three Amigos Summit’—thanks to former President Trump, who nixed the meetings during his tenure—seeing Biden, López Obrador and Trudeau together felt like a nice family reunion. Just beneath the warm and fuzzy surface, however, are some pretty thorny issues related to trade, supply chains, labor shortages and migration. Coursing through these topics are questions of protectionism and nationalism. The most

important advancement from the summit was the announcement of the Covid-19 vaccine donations and distribution in Latin America and an agreement to develop a regional pandemic preparedness plan. Aside from these commitments, the biggest ‘win’ from the summit was the symbolic unity

“**Resetting the relationships with Mexico and Canada is vitally important to President Biden.**”

— Amanda Mattingly

of the three leaders together, especially as North America should be looking to counter China’s growing global influence by demonstrating regional, economic and political alignment. But the summit did not resolve growing Canadian frustration with Biden’s ‘Buy American’ agenda and the proposed U.S. electric vehicle tax credit, which favors American manufacturers. Nor did the summit resolve the significant challenge of record-setting illegal immigration. Approximately 1.7 million migrants, largely from Central America, Haiti and Venezuela have tried to enter the United States from Mexico in the last year—the highest number of illegal crossings since 1960. ‘Locking arms’ is important diplomatic theater, but the hope is that the summit can be a launching pad for the United States, Mexico and Canada to deal more successfully with these bilateral and trilateral issues going forward.”

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

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