LEADERSHIP FOR THE AMERICAS
2015–2016 REPORT
THE DIALOGUE
Leadership for the Americas
You can’t be truly great unless you live in a great neighborhood—and we all need to be doing everything we can to be part of a great neighborhood.

—US SENATOR ROY BLUNT (R-MO)
Speaking at the II Leadership for the Americas Awards Gala
MESSAGE FROM THE PRESIDENT

The Western Hemisphere today faces complex problems and new opportunities that call for a fresh mindset, and shared resolve. The momentous events of the past two years—culminating with a US presidential election that in many ways has unsettled its neighbors around the region—underscore how critical it is for leaders from across the spectrum of politics, business, and academia to come together to address the many and diverse challenges we face, together.

For more than three decades, this has been the central mission of the Inter-American Dialogue: to analyze, debate, and find consensus solutions to the core issues we confront as a hemisphere—and to bring new policy proposals to the attention of decision makers.

It’s a mission that we believe is more essential today than it has ever been.

Through successive Republican and Democratic administrations, and many changes of leadership elsewhere in the hemisphere, the Dialogue has helped shape the agenda of inter-American relations. Our programs cut across issues fundamental to the future of the Americas: education policies and social reform; energy, natural resources, and climate change; migration and development; the rule of law; and the region’s dynamic relationship with the rest of the world, especially Asia.

The credibility and trust that the Dialogue has earned as the preeminent independent hemispheric forum is supported by our rigorous focus on exchange, analysis, and fact—and underscored by our ranking as a leading think tank. In sometimes contentious areas such as trade, energy policy, climate change, immigration, and democratic governance, we look at problems from a broader perspective, gather evidence, and endeavor to bring a thoughtful, balanced approach—as always, focused on our goal of providing clear analysis and cooperative solutions to our constituents.

At the Dialogue we have undergone our own renewal, with new initiatives and much progress to report. Our brand new headquarters in Washington, with its beautiful, state-of-the-art conference facilities, and the opening of our first-ever Latin America office in Guatemala, represent major milestones for our organization. Our reports and experts once again have generated significant media coverage. We have testified before the US Congress and briefed executive branch officials on issues ranging from immigration reform and Cuba policy to analysis of regional trends and political events.

We launched a high-level Commission on Education, co-chaired by former presidents Ricardo Lagos and Ernesto Zedillo, a new Energy Committee, and our distinguished President’s Leadership Council. We also announced the Peter D. Bell Rule of Law Program, in honor of a Dialogue co-founder, which aims to deepen our ongoing work on democracy and human rights.

Our programs continue to grow and contribute meaningfully to our core goal of building cooperation and fostering democratic governance, social equity, and prosperity across the Americas.

I want to thank you, our valued Board of Directors, members, collaborators, and friends, for the absolutely critical role you are playing in making our work possible. In a challenging and uncertain policy environment, we will continue to partner with you to advance our mission of helping make relations among the nations of Latin America, the Caribbean, North America, and the rest of the world more constructive, and more mutually beneficial.

With much appreciation,

Michael Shifter
President
The recent election cycle in the United States has revealed deep divisions in the US electorate, and bruised relations between long-standing allies. A liberal international order founded seven decades ago on cooperation among nations, open trade, and shared values is at risk. In unsettling times such as these, strong organizations like the Inter-American Dialogue are more crucial than ever. Developments that undermine relationships among neighbors drive home the urgency of our mission to build bridges among people with differing, and often conflicting, views.

We still believe that despite the enormous challenges our hemisphere faces, progress is possible. We also know that this progress will require hard work, creative thinking, and cooperative solutions. The Dialogue is up to the task. Indeed, devising sober, balanced, effective solutions in times of disruption and deep change has been, and will continue to be, the core of our mission.

This confidence is rooted in real, practical experience. In the early 1980s, when the Dialogue was established amid civil strife in the region and great discord between the United States and many Latin American countries, our founders helped weather the storm by engaging actors at all levels of society—from diverse sectors and across the political spectrum. And although recent rhetoric has heightened uncertainty about the current state and future of hemispheric cooperation, we must not forget that the Americas is in a much stronger position than it was three decades ago.

To build on this legacy, and meet the new challenges of the 21st century, the Dialogue has upgraded our primary convening space, located just blocks from the White House. Our organization continues to be an important platform for communication and conveying diverse perspectives on challenges, tradeoffs, and opportunities—and we look forward to the many dialogues that will take place on the 8th floor at 1155 15th Street in 2017, and beyond.

We have also invested in the development of new and innovative projects to address some of the most pressing questions that emerged from this year’s debates—immigration, climate change, energy policy, education, jobs, trade and globalization, inequality, security, corruption, rule of law, and multilateral cooperation. We will continue to push for effective and pragmatic policy-making in these areas, guided by the aims that have underpinned and animated our work since the beginning.

Without the crucial support and commitment of our closest constituents, none of the accomplishments described in this report would have been possible. With your continued engagement, we look forward to carrying out our ambitious plans for the coming years, in line with our mission—one which has never been more critical.

With our thanks,

Ernesto Zedillo
Co-Chair

Carla A. Hills
Co-Chair
PETER D. BELL
RULE OF LAW
The notion of equality before the law and respect for the law can not be imposed, it needs to be rooted in society.

—FERNANDO HENRIQUE CARDOSO
Former President of Brazil and Co-Chair of the Dialogue

**Discontent Boils Over: Signs of Failure or Progress?**

Since 2013, Latin America has seen a dramatic surge in corruption scandals and voter discontent, while crime and violence rates remain among the highest in the world. Ordinary citizens are angry about graft, abuse of power, impunity, insecurity, and lack of justice. Incidents from Mexico to Chile have led to acute political crises, as well as prosecutions of government officials and business executives at the highest level.

The resignation and arrest of Guatemala’s president Otto Pérez Molina in September 2015 on corruption charges was a break with the past in a country long defined by impunity. In Brazil the heads of both legislative chambers and the top officials of some of the country’s largest business conglomerates, among many high-profile defendants, have all been prosecuted in connection with the massive fraud uncovered in the state-owned oil company, Petrobras. More concerning, growing authoritarianism and governance failures have pushed Venezuela into a full-blown crisis, with few signs of reconciliation in the fiercely polarized country. Even Colombia, the region’s most optimistic recent story, faces massive post-conflict security and governance challenges in the years ahead.

The Cost of Democracy

There is no politics without money, but money in excess can erode democratic politics. Political parties need financing to maintain their organizational structures, to wage electoral campaigns, to train their active members and sympathizers, to conduct research and education, to disseminate and publicize their ideas and proposals, to appear in major media outlets, and to pay their professional staffers. Given the centrality of money to the very process of democracy, every country with political pluralism has attempted to adopt some type of regulation of political financing. Yet, clearly this is a work in progress.

Drawing on their experiences in a number of Latin American countries, Kevin Casas-Zamora and Daniel Zovatto offer a comprehensive and sober analysis of political financing practices in their new book, *The Cost of Democracy: Essays on Political Finance in Latin America.*
These and many other cases add up to a Latin America transformed, yet with shaken confidence in state institutions in almost every country.

In the long run, many of these rule of law developments are profoundly positive—the product of newly empowered citizenries, decades of anti-corruption and transparency measures, and other efforts to deepen democracy. In the short run, however, these upheavals bring countless risks to democratic order and political stability. This is a moment of significant opportunity for the rule of law in Latin America—but only if managed carefully, strategically, and with an eye on the instabilities of democratic politics.

In the midst of this volatility, the Peter D. Bell Rule of Law Program has maintained, and intensified, its focus on facilitating positive, productive engagement across the hemisphere—through high-level events, publications, and policy roadmaps in the critical areas of anti-corruption, campaign finance, transparency, citizen security, judicial independence, freedom of the press, and access to justice. The program has hosted public and private events—approximately one a week—both in Washington and across Latin America, including sessions with Honduran president Juan Orlando Hernández and former president Sebastián Piñera of Chile, as well as a one-day conference on the rule of law with George Washington University’s Elliott School of International Affairs and the Inter-American Development Bank.
We will have a much better Colombia for the future. The role of the Dialogue has been very important. I have simply followed what the Dialogue is all about: instead of killing each other, let’s start a dialogue.

—JUAN MANUEL SANTOS
President of Colombia
Speaking at the II Leadership for the Americas Awards Gala

Since the 1980s, the Dialogue has worked to support the pursuit of peace in Colombia, as well as US aid for the country’s transformation. At long last, in 2016 the Colombian government and the FARC rebels signed a peace accord, bringing an end to a half century of conflict. For the first time in history, the Western Hemisphere is without war. For this, the Dialogue awarded President Juan Manuel Santos—recipient of the 2016 Nobel Peace Prize and a longstanding Dialogue member, Board member, and former vice-chair—our Distinguished Leadership Award for Peace at the Dialogue’s annual awards gala.

The Dialogue has worked tirelessly to further conversations about the peace process and the ensuing post-conflict, welcoming seven different members of the Colombian cabinet since 2015, as well as numerous other political, business, and civil society leaders with varied political perspectives. Dialogue experts regularly publish and are cited in the international press on peace in Colombia. We remain committed to engaging diverse, democratic sectors, and helping build a sustainable peace in the years ahead.

Peace in Colombia, A Hemisphere Without War
EDUCATION
Our countries are at a crossroads. Improving the quality of education means the difference between stagnation and development.

—ERNESTO ZEDILLO, Former President of Mexico and RICARDO LAGOS, Former President of Chile

Education Coverage: Check. Education Quality: Pending.

Latin America has made significant progress in expanding the coverage of its education systems. But despite these long-overdue investments, learning deficits remain alarming. Across the continent there is widespread dissatisfaction with the quality of education available: teachers are generally underperforming, students are not meeting standards, and readiness to meet the demands of today’s job market is falling short. The lack of adequate skills represents a bottleneck to productivity growth and to the ability of workers to obtain gainful employment in Latin America.

Education and economic development are symbiotically connected. Unlike economic reform, however, education reform takes a great deal of time. A nation can liberate its foreign exchange market overnight. It can reduce inflation over a few quarters. But improving the quality of an education—the kind that can ultimately drive growth and equity—is a long and arduous process. The reforms are complex and must be sustained over decades, or even generations. This poses a challenge for countries that have been politically or economically unstable, and where longer-term policy consensus is hard to come by.

The Dialogue’s Education Program is at the forefront of finding solutions to this seemingly intractable issue. Our innovative analyses, combined with a broad network of stakeholders, have made us the strongest private voice on education in the region, at every stage of the learning process.

Quality Education for All

Chaired by former presidents Ricardo Lagos of Chile and Ernesto Zedillo of Mexico, and comprising 12 prestigious members representing different perspectives and countries, the Commission for Quality Education for All is a high-level initiative created by the Dialogue to support profound, sustainable educational change in Latin America. The goal is to promote long-term strategies that transcend governments, creating conditions to ensure that the agreements are translated into concrete actions, with enough time to obtain the results required. To that end, the Commission seeks to mobilize the commitment of political and business leaders, the media, and civil society.

As laid out in its report, Building Quality Education: A Pact with the Future of Latin America, the Commission recommends taking action in six priority areas: (1) early childhood development, (2) teaching excellence, (3) learning assessments, (4) new technologies, (5) relevance of education, and (6) sustainable financing. Additionally, the Commission proposes the creation of a series of “social pacts for quality education” to make reform objectives transparent, set goals and resources, and establish mechanisms of mutual responsibility.
Quality education is central to building a more equitable future, with more opportunity, less poverty, and more development. This is a notion that transcends the realm of government: it is a matter of social vision and commitment.

—MARCOS PEÑA
Chief of Staff to President of Argentina Mauricio Macri
Speaking at a Dialogue event in Buenos Aires
First, recognizing that the fundamental abilities that define our capacity to learn are developed early in life, we have made important progress in the area of early childhood development (ECD). We have engaged governments, international organizations, and experts in a concerted effort to promote better ECD policies and to monitor their implementation. Second, we have started an initiative to evaluate the state of teacher policies in Central America. Together with a network of civil society organizations, we are promoting policies focused on improving the quality of teaching. Finally, acknowledging that weak human capital has become a serious bottleneck to growth and competitiveness in Latin America, we are analyzing the main skills development challenges in the region—and identifying solutions in areas such as technical education, workforce development, and English teaching.

These ambitious goals can only be achieved with “social pacts,” on three fronts: targets that serve as guidance and direction; leadership that is committed to turn these targets into realities; and social participation to guarantee the sustainability of these efforts. The good news is that, to a large extent, the seeds have already been planted. Now they need to be nurtured and protected so that they can grow and thrive over time.
MIGRATION, REMITTANCES & DEVELOPMENT
This is a critical time for the Dialogue to open its first office in Latin America, and in no better place.

—EDUARDO STEIN
Former Vice President of Guatemala

Migrants, Money & Mobility

Northbound migration from Latin America—whether driven by political instability or by violence and severe economic hardship in the Northern Triangle of Central America—continues to surge. At least 300,000 people have tried to leave their home country every year since 2009. These migration flows represent the second largest migration in the world after the Syrian exodus, a fact that has largely gone unnoticed by analysts and decision-makers.

Remittances to Latin America and the Caribbean exceeded US$70 billion in 2016—a significant sum that has had a substantial impact on the region’s economic development. What’s more, the marketplace for money transfers has contributed to that impact by increasingly offering low transaction costs, a wide range of financial products, and opportunities for financial inclusion.

The Migration, Remittances, and Development program continues to analyze the complex drivers behind this exodus, and to focus on finding positive solutions at the intersection of migration, financial inclusion, and economic development. As the US$70 billion figure suggests, the key is leveraging those economic activities where migrants are engaged with their homeland.

By providing tools for migrants and their families to gain financial literacy and understand the mechanics of asset building, the program is helping promote economic development in areas of high emigration.

For example, in addition to insecurity and violence, Guatemala’s economic growth has historically been hampered by a poorly performing economic model largely based on agricultural exports, as well as by high rates of inequality. More than half of Guatemala’s gross domestic product (GDP) is derived from labor-intensive industries such as agriculture, the economic enclaves in the maquila industry,

The Remittances Scorecard

Since 2006, the Inter-American Dialogue has produced a quantitative framework to rate more than 50 Remittance Service Providers (RSPs) on a range of indicators. The Remittances Scorecard project analyzes how remittance flows can facilitate development through financial access and inclusion, and sheds light on the variables that affect competition in the marketplace.

The 2016 Scorecard—our fourth edition—presented results for 30 RSPs working in 11 Latin American and Caribbean countries. Among the findings are the emergence of new competitors, the continued decline of transfer costs, and a widespread expansion of over 500,000 banking and non-banking financial institutions paying money transfers in at least ten countries.
High levels of poverty and low per-capita income are attributable to an under-educated, unskilled, and underpaid workforce. Yet access to the knowledge-based economy—driven by human capital, education, and innovation—remains limited, making it very difficult for average Guatemalans to attain a better quality of life.

These structural issues are pushing Guatemalans in large numbers to migrate in search of better opportunities. Currently, a migrant population remits to nearly one million households. The local economic benefit of these flows generate important stocks of savings—and of disposable income—and present an opportunity to factor migration into development strategies.

The Dialogue created the Opportunities for My Community project to advance this goal—with an innovative, three-year strategy focused on integrating migration, remittances, savings, and education into programs promoting both wealth and knowledge in Guatemala. As part of the project, the Dialogue is expanding its work, as well as its physical presence in Latin America and has opened an office in Guatemala City (see page 50).
REMITTANCES TO LATIN AMERICA AND THE CARIBBEAN IN 2016—US$ MILLIONS
(Percentage of change from 2015)

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<td>BELIZE</td>
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If we see less—or less-productive—US engagement in Latin America, this leaves more room for China to open doors.

—MARGARET MYERS
(The Wall Street Journal)

Reaching Across Oceans

Converging geopolitical factors could be pointing to an inflection point for Latin America in its relationships with the rest of the world. Latin America continues to diversify its economic and political partnerships, strengthening ties with Asia in particular through novel sub-regional initiatives such as the Pacific Alliance, and serious consideration of new multiregional trade arrangements—some of which could gain strength from the collapse of the Trans-Pacific Partnership (TPP).

Despite slowing growth at home and a slight decrease in demand for some of the region’s major commodities, China continues to play an especially prominent role in Latin America—an engagement driven not only by food and energy security concerns, but also by the Chinese leadership’s efforts to achieve domestic reforms and find new markets for Chinese goods, companies, and brands. China’s numerous infrastructure and other proposals in Latin America further support such objectives.

These deepening cross-border synergies are likely strengthened by growing US resistance to trade—and in particular trade involving both Latin America and China. US President Donald Trump’s withdrawal from the TPP; along with his critical view of NAFTA, stand in stark contrast to the trade-related outreach and cooperative frameworks proposed by Chinese President Xi Jinping during

China-Latin America Finance Database

The Latin America and the World program continues its groundbreaking work on Chinese finance in Latin America, with annual updates to the online China-Latin America Finance Database. Having tracked over $140 billion in Chinese loans to Latin America since 2005, our database remains the principal source for empirical analysis on Chinese finance in the region.
his 2016 trip to Latin America. This contrast presents an opportunity for China and other Asian countries to play an increasingly prominent role in the region—notably with traditional US partners Mexico and Colombia.

Chinese engagement is likely to deepen in coming years, as public and private companies adapt to new political conditions in Latin America, invest in increasingly diverse industries, and establish new public and private sector partnerships. At the same time, Japanese, Korean, and other firms are seeking to build on their historical engagement with the region, with new opportunities brought about by recent political transitions in several Latin American countries.

Against this backdrop of deep change, the Dialogue’s Latin America and the World program continues to focus on its mission of providing credible information and unique
analysis, and promoting productive engagement across borders. We work with a wide variety of actors to determine and communicate the many ways in which policymakers can be supportive of responsible and growth-promoting ties throughout the region.

The Dialogue has held high-level forums in Beijing, Shanghai, and Tokyo, in addition to major Latin American cities. Through conferences such as these, as well as private roundtable meetings and publications, we continually examine the ways in which Latin America’s increasingly diverse partnerships are shaping economic, political, environmental, and social landscapes in the region.

China’s Governance Impact in Latin America

Serious work must be done on both sides of the Pacific to strike the right balance between growth-promoting investment and social and environmental stewardship, as well as to promote business practices and policy-making that are supportive of equitable growth and development. The Dialogue has pursued a targeted research agenda in Latin America to determine the extent to which the promise of Chinese finance and investment has affected standards, regulations, or other policymaking in Latin America in recent years. We are also working closely with Chinese companies, Latin American investment promotion agencies, and Chinese and Latin American NGOs to promote mutually beneficial and sustainable engagements throughout the region.
ENERGY, CLIMATE CHANGE & EXTRACTIVE INDUSTRIES
The Dialogue’s work on energy and environment is “well-focused and timely, taking into account global oil prices and the growing influence of Latin American governments on climate negotiations and actions.”

—PROSPECT magazine

Latin America Confronts Low Prices, Climate Risks

The drop in global oil prices has had significant and diverse impacts on many Latin American countries. These impacts range from budget cuts, regulatory reforms, and new openness to foreign capital and expertise, and even political upheaval. Venezuela, with the world’s largest proven oil reserves—and an economy hugely dependent on oil exports—offers the starkest example of how a commodity-price collapse, catalyzed by economic and political dysfunction, can spiral into crisis, civil chaos, and shortages of basic goods. Unfortunately, absent political resolution, there is no clear path forward for either an increase in oil production, which could bring cash back to the country’s coffers, or the kinds of reforms that could begin to lead Venezuela back on the road to economic stability.

The Dialogue provided timely analysis of the commodities price collapse, and examined the consequences of market trends for net exporting and importing countries across the region. We also analyzed the impact of the US shale boom on Latin American crude oil and natural gas markets; published on the decline of resource nationalism in the region; and led panel discussions with follow-up articles on specific countries, including Venezuela, Argentina, Brazil, and Colombia.

The US Energy Boom: Implications for Latin America & the Caribbean

The surge in unconventional oil and gas production in North America has dramatically shifted energy markets in the Americas. The Dialogue produced three reports and a series of expert workshops examining the implications for Latin American refining markets, crude oil exports, and natural gas markets.

Facing growing competition for a shrinking US market, Latin American crude oil producers have been forced to seek new export markets. At the same time, with the growth of US refined product exports, Latin American countries have had to choose between building new plants and taking advantage of surplus US capacity to delay costly downstream investments.

Natural gas markets have also been affected. Even with an uncertain outlook for global demand, Latin American and Caribbean countries are well positioned to capitalize on the surplus of US gas exports in a buyer’s market. Access to cheap US gas can contribute to lower electricity prices, reduced carbon emissions, and more secure energy supplies across the region.
There were also bright spots for the energy sector. Latin America has emerged as a key player in climate change mitigation efforts, boasting extremely low-carbon electricity generation and significant reductions in deforestation. With nearly 80 percent of its population living in cities, demand for public transportation is second only to China’s, and governments are looking to reduce emissions by improving fuel efficiency and expanding cleaner vehicles. While Latin America faces some of the toughest obstacles to halting energy emissions—including rapidly increasing rates of car ownership—several countries also have significant opportunities to reach climate goals. In many respects, Latin America leads other global regions in sustainable transport and clean energy.

In the wake of the historic 2016 Paris climate change agreement, the program published reports and articles on the prospects for low-carbon energy development in Latin America, the role of electric transportation in reducing emissions, opportunities for clean energy innovation, and tackling deforestation in post-conflict Colombia.
Many Latin Americans have been keenly following the negotiations in Paris and are deeply concerned about climate change.

—LISA VISCIDI (LatinOne)
Latin America must strengthen its ability to plan forward and deepen its strategic reflection if it is to govern better. A national perspective is not sufficient; a global vision is essential.

—SERGIO BITAR

Why and How Latin America Should Think about the Future

It is in the nature of globalization to cause outcomes that cannot be controlled by individual countries. Therein lies both an obligation and an opportunity for Latin American governments. By broadening their perspective to encompass the rest of the world, regional governments could improve their capacity to anticipate events and—when those events occur—to respond effectively. Through strategic planning, Latin American nations may be able to skirt damage, or even identify advantageous responses, when faced with situations of uncertainty or rapid change.

Under the direction of Sergio Bitar, a former minister and senator in Chile, the Dialogue’s Long-Term Global Trends project aims to increase Latin America’s engagement with the growing global trends network. In cooperation with the Inter-American Development Bank (IDB), this initiative provides governments, banks, corporations, universities, think tanks, and other institutions based in Latin America with fresh, continual access to vital information on trends growing outside the region.

As part of this initiative, the Dialogue created an online resource, Global Trends and Future Scenarios Database of Reports, launched in 2015 by IDB president Luis Alberto Moreno. In 2016, in conjunction with UN ECLAC (the United Nations Economic Commission for Latin America and the Caribbean), we published an updated version of Bitar’s report, Why and How Latin America Should Think about the Future (in English and Spanish), along with a newsletter discussing how to enhance the implementation of the UN’s 2030 Sustainable Development Goals in developing countries.
COMMITMENT TO EQUITY

A joint initiative of Tulane University’s Center for Inter-American Policy and Research and Department of Economics, and the Inter-American Dialogue, the Commitment to Equity (CEQ) project was designed to analyze the impact of taxation and social spending on inequality and poverty in individual countries, and provide a roadmap for governments, multilateral institutions, and nongovernmental organizations in their efforts to build more equitable societies. The Commitment to Equity project is directed by Dialogue member Nora Lustig, Samuel Z. Stone Professor of Latin American Economics and Director of the CEQ Institute at Tulane University, which houses the initiative.

Extreme Poor Pay More in Taxes Than They Receive in Transfers

CEQ studies have shown that in many countries, the poor pay more in taxes than they receive in transfers—primarily due to consumption taxes. An analysis of 28 low- and middle-income countries reveals that fiscal systems, while equalizing, often reduce the actual consumption of private goods on the part of a significant number of the poor. In Latin America, this happens most prominently in Bolivia, Guatemala, and Nicaragua.

This inequitable result underscores the challenges faced by the domestic resource mobilization agenda, a process supporting sustainable development unanimously backed by the world’s leading multilateral organizations. If the policy community is committed to eradicating income poverty, governments will need to explore ways to redesign taxation and transfers so that the poor—especially the extreme poor—do not end up as net payers.

The CEQ framework would allow the IMF to operationalize the inequality talk.

—CHRISTINE DIETERICH
Deputy Division Chief, International Monetary Fund

Nora Lustig, non-resident senior fellow and project director, Commitment to Equity.
HEALTH & WOMEN’S RIGHTS

The Dialogue is committed to spotlighting key issues at the intersection of health and gender—including reproductive rights, gender-based violence, human trafficking, and Zika’s disproportionate impact on women due to governments’ failure to guarantee access to safe reproductive health care.

“The Dialogue’s work on reproductive rights is rooted in our values, our mission, and our commitment to human rights and citizenship. Our goal is to put reproductive rights squarely on the agenda and—by engaging diverse perspectives and stimulating discussion—to deepen policy makers’ understanding of the complex consequences arising from inadequate access to contraception, lack of sex education, and total bans on abortion.”

—VLADO MIROSEVIC VERDUGO
Member of Congress of Chile
Speaking at a Dialogue event on Reproductive Rights

The Pending Agenda: Reproductive Health & Gender Violence

The Dialogue’s work on reproductive rights is rooted in our values, our mission, and our commitment to human rights and citizenship. Our goal is to put reproductive rights squarely on the agenda and—by engaging diverse perspectives and stimulating discussion—to deepen policy makers’ understanding of the complex consequences arising from inadequate access to contraception, lack of sex education, and total bans on abortion.

In private and public sessions, Dialogue experts and members of the US Congress stressed that the rise of the Zika virus in the Americas is emblematic of the threats to women’s health that can arise from public policy failures—and an illustration of why a lack of access to safe reproductive health care is a violation of human rights. At a Dialogue discussion on criminal abortion laws in Latin America—featuring Georgetown University’s O’Neill Institute for Global Health Law, global NGO Ipas, and the OAS Inter-

FROM LEFT: Laura Chinchilla, former president of Costa Rica and member of the Board, Inter-American Dialogue. Dr. Vanessa Van Der Linden Mota of Recife, Brazil.
It’s no exaggeration to say that the Inter-American Dialogue’s work is more important than ever before. Thank you for continuing to focus Congress on the things that are just so important.

—US REP. ELIOT ENGEL (D-NY)
Speaking at the II Leadership for the Americas Awards Gala

American Commission of Women—participants explored the implications for democracy, social equity, and citizenship of public policies that restrict access to reproductive health services.

With the Center for Reproductive Rights, the Dialogue hosted a webinar in Spanish to spotlight the link between reproductive rights and democracy to a wider audience in the region. The webinar featured two elected legislators—Angélica Lozano Correa of Colombia and Vlado Mirosevic Verdugo of Chile—along with Brazilian feminist Jacqueline Pitanguy, a member of the Dialogue and the founding executive director of Brazilian NGO Cepia.

The Dialogue also published reports in Spanish and English on democracy and reproductive rights in Latin America; an article in Americas Quarterly on the debate in the region over these issues; blog posts on women’s rights and on activism around gender-based violence in Latin America; and a report on political finance and equal participation of women in Colombia.
The Dialogue is so important in its gathering of the great minds of this hemisphere to grapple with the relationships that have such deep roots but can always be stronger.

—US SENATOR TIM KAINE (D-VA)
Speaking at the 10th Sol M. Linowitz Forum Gala
US interests in the Western Hemisphere are complex and diverse, and Congress engages with the region through legislation and oversight. Consistent with its mission, the Dialogue plays an influential role in this process by providing a platform for regional voices to be heard in Washington—ensuring that US policy makers are informed and that their efforts are constructive.

Over the past two years, the Dialogue has hosted a series of events attended by over 40 members of Congress. These included a closed-door dinner featuring Salvadoran Foreign Minister Hugo Martínez and US Assistant Secretary of State Roberta Jacobson; two breakfast roundtable events with members of the President’s Leadership Council, including Sen. Tim Kaine (D-VA) and Rep. Matt Salmon (R-AZ), among others; a public event on Zika and access to reproductive rights featuring remarks by Rep. Susan Brooks (R-IN) and Rep. Debbie Wasserman Schultz (D-FL); and a private roundtable event on allocation of funding for the Zika crisis with Brazilian neuropediatrician Dr. Vanessa Van Der Linden, who is credited with helping identify the deadly virus. Sen. Roy Blunt (R-MO) offered remarks recognizing President Juan Manuel Santos at the II Leadership for the Americas Awards Gala. Rep. Joaquin Castro (D-TX) offered keynote remarks at a Dialogue event on Japan-Latin America relations.

As usual, the Dialogue’s experts shared their perspectives with Congress on breaking issues in the region. Kevin Casas-Zamora testified before the Senate Homeland Security Committee on the roots of Central America’s exodus; Margaret Myers testified on China’s advance in the region before a joint Congressional hearing; and Michael Shifter testified on Iran’s agenda in the Western Hemisphere. Manuel Orozco spoke at an event hosted by Sen. Harry Reid (D-NV) on the status of the migration crisis (and also briefed key staffers on the same matter). Dialogue experts also hosted Congressional staff at private meetings with Salvadoran Foreign Minister Hugo Martínez and with OAS Secretary General Luis Almagro, and held staff briefings on energy issues and on China’s evolving engagement in Latin America.
LEFT COLUMN: Gustau Alegret, political correspondent, NTN24, Colombia; Verónika Mendoza, leader, Frente Amplia, Peru; Soledad Núñez, minister of housing and habitat, Paraguay; Loreto Carvajal, member, chamber of deputies, Chile. RIGHT COLUMN: Judy Woodruff, anchor and managing editor, PBS NewsHour; Michael Shifter, president, Inter-American Dialogue. Enrique García, then president, CAF-Development Bank of Latin America. Alicia Bárcena, executive secretary, UN Economic Commission for Latin America and the Caribbean (ECLAC). Nelson Jobim, former defense and justice minister, Brazil. Roberta Jacobson, then US assistant secretary of state for Western Hemisphere affairs.
There is no reason why the Western Hemisphere in the 21st century won’t be the most consequential hemisphere in the world.

—US VICE PRESIDENT JOE BIDEN
Speaking at the XX CAF Conference

Twenty Years of Debate

Since its launch in 1997, the CAF Conference—organized by CAF-Development Bank of Latin America, the Inter-American Dialogue, and the Organization of American States—has expanded to become the premier annual event on Western Hemisphere affairs in Washington DC. Initially a meeting on Andean trade issues, the conference now covers political, economic, social, and cultural trends in Latin America, as well as the most salient topics on the US-Latin America and global agendas.

More than 1,400 people attended the XX CAF Conference on September 7 and 8, 2016 at the Willard Intercontinental Hotel in Washington DC. This meeting—which gathered experts, journalists, business leaders, and decision-makers the world over, including over 60 speakers—offered both a reflection on the evolution of the hemisphere over the past 20 years and a prospective view of the challenges and possibilities ahead.

Conference speakers addressed an ambitious array of issues—from regional integration and international financial governance, to infrastructure, the impact of the upcoming US elections, the Colombian peace process, and the vision and aspirations of Latin America’s new generation of leaders.

The conference opened with a keynote address by US Vice President Joe Biden. The vice president highlighted US initiatives to build partnerships with Latin America—including the Alliance for Prosperity with El Salvador, Honduras, and Guatemala, and the “100,000 Strong in the Americas” education program—as well as its support for the Colombian peace process. Biden made clear that for the United States these are more than matters of principle: they are essential to the nation’s self-interest, given the inextricable link between hemispheric prosperity and the health of the US economy.

The 2015 Conference featured remarks by CAF President Enrique García, who argued that political consensus is key to creating a healthy, environmentally sustainable model of growth for Latin America, and Luis Almagro, secretary general of the OAS, who stressed the importance—and the difficulty—of translating citizen demands into political solutions in a region that is constantly in flux. Crucial upcoming elections, regional integration, geopolitical challenges, lower oil prices, the future of Cuba after normalization with the United States, the growing presence of Asian countries, and the challenges of a growing middle class across the region were all topics of debate in a series of lively panel discussions.
Launched in 2015, the Leadership for the Americas Awards Gala honors the effective service and innovation of individuals and organizations dedicated to the three pillars of the Dialogue’s mission—democratic governance, social equity, and prosperity—in the Western Hemisphere. The annual event brings together world leaders whose exceptional contributions have been instrumental in addressing the most pressing challenges facing our region. It also serves as an opportunity to renew friendships and energize professional collaboration among our distinguished members, government officials, diplomats, business leaders, scholars, and representatives of the non-governmental community.

In conjunction with the gala, the Dialogue brings to Washington some of the region’s top private and public opinion leaders for a closed-door roundtable discussion with our honorees and sponsors to foster a meaningful exchange of ideas on a specific problem or theme. Our 2015 roundtable explored the challenges and promises surrounding infrastructure in the region—with a focus on the intersecting roles and issues related to state institutions, transparency, and economic growth. The 2016 roundtable was centered on the threat that corruption poses to development, social equity, governance, and the rule of law in Latin America and the Caribbean, at a time of growing popular upheaval across the continent.

In 2015, the Dialogue honored former president of Spain Felipe González for his steadfast, effective, and ongoing public service. “For half a century, and to this day, Felipe González has been a defender of democratic principles—in his own country and beyond. In Chile, his intervention in 1977 helped pave the way back to democracy,” said former president of Chile Ricardo Lagos. Daniel Chávez Morán was honored for his philanthropic investments. A leading visionary in Mexico’s tourism and hospitality industry, he founded Grupo Vidanta, which grew to become one of Latin America’s most respected employers—and most socially responsible firms—as well as Vidanta Foundation, which provides grants to innovators dedicated

Honorees

2016
His Excellency Juan Manuel Santos
President of Colombia

His Excellency L. Enrique Garcia
President, CAF - Development Bank of Latin America

BMW Group
Munich, Germany

Dr. Vanessa Van Der Linden Mota
Pediatric Neurologist, Recife, Brazil

The Honorable Thomas A. Shannon, Jr.
US Undersecretary of State for Political Affairs

2015
The Honorable Felipe González
Former President of the Government of Spain

Mr. Daniel Chávez Morán
Founder, Grupo Vidanta and Fundación Vidanta

The Honorable Roberta S. Jacobson
US Assistant Secretary of State for Western Hemisphere Affairs

The Honorable Bernard W. Aronson
US Special Envoy for the Colombian Peace Process

Exceptional Leadership for the Americas

FROM LEFT: Jose González, managing director, ECG Asset Management; Patricia Lara, Colombian journalist. Michael Shifter, president, Inter-American Dialogue; Felipe González, former president of the Government of Spain.
The one distinctive feature of the Inter-American Dialogue, and the reason why I keep coming back, is because the Inter-American Dialogue is the only place really in the world where the whole of Latin America meets.

—MATIAS SPEKTOR
Getulio Vargas Foundation, Brazil

to advancing democracy, quality education, and equitable development in the region. Roberta Jacobson, then US assistant secretary of state, offered remarks, and special recognition was given to Bernard Aronson for the significant role he played as the US special envoy to the Colombia peace process.

Our 2016 annual gala honored President of Colombia and Nobel Laureate Juan Manuel Santos with the Distinguished Leadership Award for Peace, in recognition of his tireless role in advancing the Colombia peace process. Enrique García, president of CAF—Development Bank of Latin America, received the Distinguished Lifetime Achievement Award, and Ludwig Willisch, president and CEO of BMW North America, accepted the Distinguished Leadership Award for Corporate Social Responsibility on behalf of BMW Group. Vanessa Van Der Linden Mota, a pediatric neurologist from Recife, Brazil, received the Distinguished Leadership Award for Social Equity for her innovative contributions toward combatting the Zika virus and related neurological disorders. And Thomas Shannon, US undersecretary of state for political affairs, received special recognition for his lifetime commitment to the Western Hemisphere.

FROM LEFT: Ludwig Willisch, president and CEO, BMW North America; Pierre S. Pettigrew, former foreign minister of Canada and member of the Board, Inter-American Dialogue. Maria Fernanda Teixeira, member of the Board, Inter-American Dialogue; Natalia Teixeira. Daniel Chávez Morán, founder, Grupo Vidanta and Fundación Vidanta and Ricardo Lagos, former president of Chile. US Senator Roy Blunt (R-MO); Juan Manuel Santos, president of Colombia; and Ernesto Zedillo, former president of Mexico and co-chair, Inter-American Dialogue. Abelardo Pachano, president, Finanview and Maria Eugenia Estupiñan de Pachano. Alexandra Valderrama, director of international government affairs, Chevron, Thomas Shannon, US undersecretary of state for political affairs; and Guisela Shannon.
The Dialogue has never shied away from the biggest debates in the hemisphere, and we continue to help shape its future by advancing discussion on issues of critical importance. More than 100 of the world’s most innovative and socially responsible corporations have joined us in this important work. All share a sense of responsibility for, and commitment to, improving the well being of the hemisphere’s citizens.

The private sector leaders who participate in the Dialogue’s Corporate Program play a key role in advancing our mission of fostering economic opportunity, social equity, and democratic governance in the Americas. Corporate members receive invitations to private meetings and conference calls organized by the Dialogue, and have access to the highly regarded Latin America Advisor, published every business day for subscribers only. They are among the featured speakers at Dialogue events, comment frequently in the Advisor, and consult with the Dialogue’s leadership on trends and developments shaping the region’s outlook.

Trade Redefined

Prevailing public attitudes toward trade have shifted dramatically over the past two years. In the United States, “trade” has, in numerous quarters, become synonymous with “lost jobs” and, more broadly, economic insecurity.

The darkening public perception of trade can be tied in part to its commingling in the public eye with other trends responsible for the structural displacement of workers, including profound transformations driven by technology, automation, and outsourcing. But in matters of politics, perception can become reality, and in those new realities, new alignments can form.

The Corporate Program and the daily Latin America Advisor have followed the debate over trade closely, hosting a high-level event in Washington on the Trans-Pacific Partnership, a trade deal that also included Canada, Mexico, Peru, and Chile among its dozen signatories, exploring tensions over the North American Free Trade Agreement, and presenting analysis on the role such agreements play in economic development, technological transformation, and social stability in the Americas—as always, with original content featuring viewpoints from across the political spectrum.

The Corporate Program also convened its members in New York City, with a session led by DirecTV Latin America and S&P hosted by JP Morgan. Corporate Program members also met in Washington with top officials setting Latin America policy at the US departments of Treasury and Commerce, and the White House’s National Security Council.

More than 100 of the world’s most innovative and socially responsible corporations have joined us in this important work.
The Dialogue has been working hard to find ways for Latin America—and the Western Hemisphere really—to become one economy, one region with shared successes and more prosperity.

—GLENN SCHMIDT
Vice President, BMW Group
The Dialogue publishes the *Latin America Advisor* every business day for leading corporations, universities, and governments.

More than 300 editions of the *Latin America Advisor* published each year

Over 1,000 unique commentaries from experts and analysts on questions posed by subscribers and editors

The weekly *Energy Advisor* and biweekly *Financial Services Advisor*, sister publications of the daily *Advisor*, offer valuable news and analysis to BP, Chevron, ExxonMobil, Sempra, Statoil, Banco Mercantil, Citigroup, J.P. Morgan, Prudential, and SWIFT, to name a few

The *Advisor’s* keyword-search portal, a service archiving more than 4,000 past editions for scholars and researchers, reaches students and scholars at Berkeley, Dartmouth, Harvard, the University of Notre Dame, the University of Tennessee, and more

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US Government Accountability Office
Validus Reaseguros
Washington University in St. Louis
Yzaguirre Group
MEMBERSHIP RENEWED

The Dialogue’s most important asset is unquestionably its 118 outstanding public and private leaders from the United States, Canada, Spain, and 23 countries of Latin America and the Caribbean. Eighteen Dialogue members have served as presidents of their countries, over three dozen have served at the cabinet level, and 25 have held seats in congress. Thirty-two percent are in the business or finance sectors, and seven members are associated with the media. Our aim is to continually strengthen, diversify, and renew our stellar membership. As part of this goal, the Dialogue has conducted a comprehensive analysis, measuring geographic, gender, generational, ideological, and sectoral balance.

Experience, ideological diversity, intellectual rigor, and a shared commitment to our core mission of advancing democratic governance, social equity, and prosperity for Latin America remain the source of our effectiveness and of our resilience. Those values inform our membership as well. Our members include Republicans and Democrats in the United States, and represent views from across the political spectrum in Canada, Latin America, and the Caribbean. They participate actively in the Dialogue’s work, informing and advancing our vigorous debate on the most pressing issues facing the region.

The centerpiece of the Dialogue is the periodic meeting of our Sol M. Linowitz Forum, which brings our membership together in plenary session once every two years. Following the Forum, the Dialogue issues a policy report that reviews the main challenges in hemispheric relations, discusses alternative courses of action, and offers recommendations for policy based on the consensus of our members.
### MEMBERS FROM LATIN AMERICA, THE CARIBBEAN, CANADA, AND EUROPE

**ARGENTINA**  
José María Dagnino Pastore  
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María Eugenia Vidal  
Juan Manuel Urtubey  
*On leave:*  
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José Octavio Bordón

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Marcos Jank  
Ellen Gracie Northfleet  
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Sergio Fajardo  
Paula Moreno

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Marta Lucia Ramirez  
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**VENEZUELA**  
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Moisés Naim  
Teodoro Petkoff  
Alberto Vollmer

**MEMBERS FROM THE UNITED STATES**

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<td>Brent Scowcroft</td>
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<td>Robert Zoellick</td>
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**Emeritus Member:**

**MEXICO**  
Alicia Bárcena  
Lázaro Cárdenas Batel  
Eugenio Claroind Reyes-Retana  
Claudio X. González Guajardo  
José Ángel Gurria  
Julio José Frenk  
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Arturo Sarukhan  
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*On Leave:*  
Beatriz Paredes

**SPAIN**  
Ángel Cabrera

**CANADA**  
Joe Clark  
Barbara J. McDougall  
Pierre Pettigrew

**DOMINICAN REPUBLIC**  
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Elena Viyella de Paliza

**HAITI**  
Carl Braun

**JAMAICA**  
Oliver F. Clarke  
Earl Jarrett

**TRINIDAD AND TOBAGO**  
*On leave:*  
Edwin Carrington
There are no easy paths to economic development, good governance, and shared prosperity—the region’s most fundamental problems demand comprehensive and creative solutions. In particular, the answers cannot be found solely within the political sphere. This is a fitting challenge for the President’s Leadership Council, an advisory body comprising 20 private sector change agents from 13 countries in Latin America, the Caribbean, and the United States. Council members convene annually in Washington, DC for meetings with senior US and foreign government officials, heads of multilateral institutions, and top policy analysts or influencers. They also regularly engage Dialogue experts and senior leadership.

In 2015 and 2016, Council members met with members of Congress—among them Sen. Tim Kaine (D-VA), Rep. Matt Salmon (R-AZ), Rep. Beto O’Rourke (D-TX), and Rep. Ruben Gallego (D-AZ)—to discuss key issues facing the region, including development, integration, and trade. These themes were further explored during a private meeting with US Vice President Joe Biden, and a briefing with Enrique García, president of CAF-Development Bank of Latin America, and Luis Alberto Moreno, president of the Inter-American Development Bank. The meetings also included a session on the 2016 US presidential election featuring POLITICO’s Indira Lakshmanan and Amy Walter from the Cook Political Report, as well as briefings with Mark Feierstein of the US National Security Council and Assistant Secretary of State for Western Hemisphere Affairs Roberta Jacobson.

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Roberto Baquerizo
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Alicia Bárcena
Mexico

Laura Chinchilla
Costa Rica

* * *

Michael Shifter
President

Stanley Motta, president, Motta International, S.A. and Mack McLarty, former chief of staff to President Bill Clinton and chairman of McLarty Associates.
STAFF

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President

Joan Caivano
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Senior Advisor, Office of the President

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Rebecca O’Connor
Program Associate, Energy, Climate Change & Extractive Industries

Manuel Orozco
Senior Fellow & Program Director, Migration, Remittances & Development

Julia Yansura
Associate, Migration, Remittances & Development

Laura Porras
Associate, Migration, Remittances & Development

Marcela Valdivia
Communications Specialist, Migration, Remittances & Development

Guatemala Office

Jacobo Dardón
Country Coordinator, Migration, Remittances & Development

Keshia Madrigal
Communications Specialist, Migration, Remittances & Development

Jaqueline Barrios
Administrative Accountant, Migration, Remittances & Development

Fredy Oxom
After-School Program Coordinator, Migration, Remittances & Development

Rut Velásquez
Financial Education Coordinator, Migration, Remittances & Development

Natalia Ortiz
Administrative Assistant, Migration, Remittances & Development

Fellows

Genaro Arriagada
Non-Resident Senior Fellow

Sergio Bitar
Non-Resident Senior Fellow & Project Director, Global Trends & Future Scenarios

Kevin Casas-Zamora
Non-Resident Senior Fellow, Peter D. Bell Rule of Law

Ramón Espinasa
Non-Resident Senior Fellow, Energy, Climate Change & Extractive Industries

Alejandro Ganinian
Non-Resident Fellow, Education

Peter Hakim
President Emeritus and Senior Fellow

Claudio Loser
Non-Resident Senior Fellow

Nora Lustig
Non-Resident Senior Fellow & Project Director, Commitment to Equity

Jeff Puryear
Senior Fellow, Education
CONTRIBUTIONS AND GRANTS

$50,000+
BMW Group
CAF - Development Bank of Latin America
Chevron
Ford Foundation
Fundación Vidanta
Gordon and Betty Moore Foundation
Inter-American Development Bank
Pearson
Sempra International
Herman J. Sifontes
Televisa
Tinker Foundation
US Agency for International Development
World Bank Group
Bernard van Leer Foundation
Henry Luce Foundation

$10,000–24,999
Apple
Arnold & Porter LLP
Banco Bisa
Banco Ganadero
Roberto Baquerizo
BBVA
BP
Capital Group
Corporación Multi Inversiones
Dell
Deloitte
Diaz, Reus & Tag
FEMSA
Gilead Sciences
GoldenTree Asset Management
Google
Government of Japan, Ministry of Foreign Affairs
Grupo Ayucus
Peter Hakim
Carla A. Hills / Hills & Company
Holland & Knight LLP
INCA Investments
Jamaica National Building Society
Manatt, Jones Global Strategies
Thomas F. McLarty III / McLarty Associates
Merrill Lynch
Merck & Co, Inc.
Millicom
Mitsubishi Corporation (Americas)
Mitsui & Co. (USA) Inc.
Oracle
Organizacion de Estados Iberoamericanos
Salvador Paiz / Grupo PDC
Pantaleon
Pierre S. Pettigrew
PMI Global Services Inc.
Jose Luis Prado / Evans Food Group
Raytheon
Rio Tinto
Ryder Systems
Shell
Standard & Poor’s
Statoil
Television Association of Programmers Latin America
The Warranty Group
United Technologies Corporation
US Education Finance Group
Elena Viyella de Paliza / Inter-Química
Wal-Mart
White & Case
Xoom Corporation

$25,000–49,999
Robert J. Abernethy
Anonymous
Calvert Foundation
Carlos Enrique Cavalier Lozano / Alquería-Productos Naturales de la Sabana
Citigroup
Cuestamoras
ExxonMobil
Fundación Gloria de Kriete
Joan and Irwin Jacobs Fund of the Jewish Community Foundation
Laureate International Universities
Paola Luksic / Fundación Luksic
Alberto Martell / Carisam
Roberto Murray Meza / Grupo Agrisal-Fundacion Kesara
Ramiro Ortiz / Grupo Promerica-Banco de la Produccion
Abelardo Pachano Bertero / Finanview
Carlos F. Pellias Chamorro

$1,000–9,999
Adelphi University
Airpak International Corp
Akin, Gump, Strauss, Hauer & Feld LLP
AMLA Consulting
Andrews Kurth LLP
Aperture
Anias & Muñoz
Bernard W. Aronson
Banco de Ahorro y Crédito Unión
Banco de la Provincia de Buenos Aires
Bancomer
Bank of Tokyo-Mitsubishi UFJ
Barri Financial Group
Baylor University
Boeing
Brillembourg Ochoa Family Foundation
Angel Camacho / NewLink Group
Joyce Chang
Chemontics
Aveca Chichchón
Laura Chinchilla
Joe Clark
Colégio Bandeirantes
Colorado State University
Columbia University
Community Foundation for the National Capital Region
Lee Cullum
Darby Overseas Investments
Dartmouth College
David de Ferranti
Eugenio Diaz Bonilla
Dollar Express
Winston Dookeran
Hampton Dowling
DTB Associates LLP
EDUC
Luigi Einaudi
Enviaes Venezolanos
Equifax
Federal Reserve Bank of Atlanta
Lourdes Flores Nano
Julio Frenk
Frank Fukuyama
Fundación Gabriel García Márquez para el Nuevo Periodismo Iberoamericano (FNPI)
Fundación para la Educación Ricardo Ernesto Maduro Andreu (FEREMA)
Humberto B. Galvan
Robert S. Gelbard
Juan J. Giraldo / NTN24
Government of Denmark / Ministry of Foreign Affairs
Grantham, Mayo, Van Otterloo & Co. LLC
Gustavo Grobocopatel / Grupo Los Grobo
Grupo Marhnos
José Ángel Gurría
## 2015–2016 FINANCIALS
### STATEMENT OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2016*</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$700,753</td>
<td>$452,852</td>
</tr>
<tr>
<td>Investments</td>
<td>4,950,956</td>
<td>4,781,097</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>50,923</td>
<td>103,052</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>175,681</td>
<td>440,000</td>
</tr>
<tr>
<td>Contracts Receivable</td>
<td>16,188</td>
<td></td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>78,758</td>
<td>84,992</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>5,957,071</td>
<td>5,878,181</td>
</tr>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net fixed assets</td>
<td>143,466</td>
<td>62,646</td>
</tr>
<tr>
<td><strong>OTHER ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits</td>
<td>115,241</td>
<td>19,605</td>
</tr>
<tr>
<td>Grants receivable, long-term portion</td>
<td>110,000</td>
<td>90,000</td>
</tr>
<tr>
<td><strong>Total other assets</strong></td>
<td>225,241</td>
<td>109,605</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$6,325,778</td>
<td>$6,050,432</td>
</tr>
</tbody>
</table>

| LIABILITIES AND NET ASSETS | | |
| **CURRENT LIABILITIES** | | |
| Accounts payable and accrued liabilities | $69,105 | $73,184 |
| Accrued benefits | 97,039 | 53,296 |
| Deferred rent abatement, current portion | 85,162 | 32,359 |
| Refundable advance | 169,014 | 255,815 |
| **Total current liabilities** | 420,320 | 414,654 |
| **LONG-TERM LIABILITIES** | | |
| Deferred rent abatement, net of current portion | - | - |
| **Total liabilities** | 420,320 | 414,654 |
| **NET ASSETS** | | |
| Unrestricted: | | |
| Board designated endowment funds | 3,606,572 | 3,436,713 |
| Undesignated | 274,570 | 174,080 |
| **Total unrestricted** | 3,881,142 | 3,610,793 |
| Temporarily restricted | 679,932 | 680,601 |
| Permanently restricted | 1,344,384 | 1,344,384 |
| **Total net assets** | 5,905,458 | 5,635,778 |
| **TOTAL LIABILITIES AND NET ASSETS** | $6,325,778 | $6,050,432 |

*Preliminary and Unaudited

AS OF DECEMBER 31, 2015 AND 2016

[Program Services Expenses 2016 Diagram]

- **U.S. Policy**: 26%
- **Rule of Law**: 8%
- **Energy & Climate Change**: 9%
- **USAID Guatemala**: 6%
- **Remittances & Development**: 11%
- **Education**: 11%
- **Corporate Programs**: 10%
- **Linowitz Forum & Special Events**: 9%
- **Outreach & Communications**: 5%
- **China & Latin America**: 5%
- **USAID**: 10%
## STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS

### 2016* 2015

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants and contributions</td>
<td>$73,307</td>
<td>$1,446,365</td>
<td>-</td>
<td>$1,519,672</td>
<td>$1,477,998</td>
</tr>
<tr>
<td>Corporate Program</td>
<td>587,798</td>
<td>-</td>
<td>-</td>
<td>587,798</td>
<td>406,320</td>
</tr>
<tr>
<td>Contract Revenue</td>
<td>244,983</td>
<td>-</td>
<td>-</td>
<td>244,983</td>
<td>48,204</td>
</tr>
<tr>
<td>Special event</td>
<td>567,650</td>
<td>-</td>
<td>-</td>
<td>567,650</td>
<td>727,929</td>
</tr>
<tr>
<td>USAID Grant</td>
<td>-</td>
<td>$356,109</td>
<td>-</td>
<td>356,109</td>
<td>-</td>
</tr>
<tr>
<td>President’s Leadership Council</td>
<td>424,940</td>
<td>-</td>
<td>-</td>
<td>424,940</td>
<td>425,000</td>
</tr>
<tr>
<td>Other revenue</td>
<td>111,636</td>
<td>-</td>
<td>-</td>
<td>111,636</td>
<td>1,793</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>1,803,142</td>
<td>(1,803,142)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td><strong>3,813,456</strong></td>
<td><strong>(669)</strong></td>
<td>-</td>
<td><strong>3,812,788</strong></td>
<td><strong>3,087,244</strong></td>
</tr>
</tbody>
</table>

### EXPENSES

#### Program Services:
- US Policy: 673,294 - 584,507
- Rule of Law: 212,646 - 126,642
- Energy and Climate Change: 224,289 - 185,926
- Remittances and Development: 169,660 - 182,557
- USAID Guatemala Project: 259,578 - 
- Education: 283,630 - 330,023
- China and Latin America: 144,207 - 136,575
- Outreach and Communications: 127,880 - 211,150
- Corporate Programs: 299,571 - 282,174
- Linowitz Forum and Special Events: 228,627 - 303,018

| **Total program services** | **2,623,382** | - | - | **2,623,382** | **2,342,572** |

#### Supporting Services:
- Finance and Administration*: 815,085 - 737,202
- Governance: 78,175 - 42,577
- Fundraising: 183,639 - 273,947

| **Total supporting services** | **1,076,999** | - | - | **1,076,999** | **1,053,726** |

| **Total expenses**            | **3,700,281** | - | - | **3,700,281** | **3,396,298** |

| **Change in net assets before other item** | **113,175** | (669) | - | **112,507** | (309,054) |

#### OTHER ITEM
- Investment income (loss): 157,173 - (17,455)
- Transfer of net assets: - -
- Change in net assets: 270,348 - (266,509)

| **Net assets at beginning of year** | **$3,810,793** | **$679,932** | **$1,344,384** | **$5,905,458** | **$5,635,778** |

### FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2016 // *Preliminary and Unaudited
A New Space for Dialogue

On November 1, we entered a fresh chapter in our organization’s history: we opened the doors of our new Washington, DC headquarters, occupying the entire eighth floor of 1155 15th Street, NW.

Our new, more inviting, more flexible facility allows for greater collaboration among our members and constituents. New technology provides influencers in every corner of the world access to our diverse programs, meetings and events. Cutting-edge tools connect our scholars with decision makers, media outlets, and colleagues in Tokyo, Buenos Aires, and everywhere in between. Importantly, our new space provides our team with an attractive, and more functional workplace—one worthy of their talent, dedication, and accomplishments, and of the global significance of their work.

The centerpiece of the office is an expanded, more comfortable conference center able to seat up to 150 people. The center includes a bright and welcoming reception lounge, state-of-the-art multimedia rooms, and separate areas for private or roundtable meetings, in addition to a working space for 40 fellows, directors, analysts, interns, and staff.

This new office space both symbolizes and makes physically tangible the importance and reach of the Dialogue’s work, in a world where connection—and indeed, dialogue—have never been more important. We invite you to visit when you are in the Nation’s Capital.
In July 2016, the Inter-American Dialogue opened an office in Guatemala City, its first outside of Washington, DC. The office, located at Edificio Aristos Reforma in Zona 9—strategically close to the city’s most important government, financial, and diplomatic institutions—functions as a hub for staff coming and going from Washington, and to field sites in Guatemala’s Western Highlands. Like our new headquarters, the Guatemala City suite features open, flexible meeting and working spaces for our staff of six. It also boasts modern, high-speed technologies, enabling it to maintain close, real-time connections with Washington.

Establishing a presence in Guatemala City represents an important step for the organization, allowing staff to engage more closely with Dialogue members and other leaders in Central America, at a critical juncture for the region. The office is also of great importance for the Dialogue’s Migration, Remittances, and Development Program, providing a base from which to implement the Opportunities for my Community project (see page 14).

FROM LEFT: Laura Porras, associate, Migration, Remittance & Development; Rut Velásquez, financial education coordinator, Opportunities for my Community; Jacobo Dardón, country coordinator, Opportunities for my Community; Josefina Martínez, economic growth officer, USAID Guatemala; Harry Kriz, deputy director, economic growth office, USAID Guatemala; Eduardo Stein, former vice president of Guatemala and member, Inter-American Dialogue; Pablo Hurtado, lawyer; Jacqueline Barrios, accountant, Opportunities for my Community.
In just a few decades, this is a region that has transformed itself socially, built out important middle classes, reduced poverty at remarkable rates, increased access to education, increased access to public health. And even though it faces significant challenges, and we’re all familiar with them, the reality is, the accomplishments are greater than what we face. And this should be a source of enormous confidence.

—AMBASSADOR THOMAS A. SHANNON, US Undersecretary of State for Political Affairs
Speaking at the II Leadership for the Americas Awards Gala
THE DIALOGUE BY THE NUMBERS

- 6,300 participants in 140 Dialogue events
- 629,000 website hits in 35 countries
- 160,440 website users
- 1,670 press hits from 975 sources in 20 countries
- 60 Dialogue speakers/participants in 185 countries
- 60 articles/op-eds in 35 sources
- 4 books