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FEATURED Q&A

What Did Díaz-Canel Accomplish on His U.S. Trip?



Last month, Cuban President Miguel Díaz-Canel made his first trip to the United States to address the U.N. General Assembly. // Photo: United Nations.

Q Cuban President Miguel Díaz-Canel visited the United States for the first time in late September for the U.N. General Assembly meeting, where he denounced the U.S. economic embargo on his country. He also met with New York Mayor Bill de Blasio and executives of U.S. technology companies such as Google and Twitter. What did Díaz-Canel accomplish during his trip to the United States? How has he fared in the first months of his presidency? Are there any changes ahead for U.S.-Cuba relations?

A Vicki Huddleston, retired U.S. ambassador and former chief of the U.S. Interests Section in Havana: "President Díaz-Canel's low-key and dignified approach to his job both in Cuba and in the United States gives me hope that he will be the Cuban leader who presides over the complete normalization of relations between our countries. And, why not? Clearly a new, more accommodating and technically savvy generation is quietly and effectively slipping into power on the island. One indication of this is the unprecedented U.S.-Cuban joint biotech agreement to share Cuban cancer research. Despite the continued opposition of Republican Cuban-American legislators to even the slightest sign of improving relations, I am optimistic. Their ire is increasingly irrelevant without a Castro in power. Moreover, the prospect of a Democratic House of Representatives provides hope that our government will remove travel, investment and financial restrictions—and eventually legislate the end of our unilateral embargo for which there is no legitimate rationale."

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TODAY'S NEWS

POLITICAL

Brazilian Presidential Candidates Call for Calm

Jair Bolsonaro and Fernando Haddad both called for calm amid the country's polarizing election, in which dozens of incidents of political violence have been reported since the beginning of October.

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BUSINESS

Chilean Court Suspends Sale of SQM Stake

Chile's constitutional court halted the sale of a stake in lithium producer SQM to China's Tianqi.

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BUSINESS

Visa's Brazil Head Vows to Grow Market Share

Fernando Teles, Visa's country head for Brazil, said he wants the company to again be the largest payment processor in the South American country. At the end of last year, it had a 36 percent market share, trailing Mastercard.

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Teles // File Photo: Visa.

POLITICAL NEWS

Brazilian Presidential Candidates Call for Calm Amid Violence

Brazil's presidential candidates are calling for calm amid politically motivated violence across the country beginning the week before the first-round vote last Sunday and continuing since then, the Associated Press reported Thursday. The race has been one of the most polarizing in Brazil's recent history, with the two candidates in the runoff, far-right Jair Bolsonaro and leftist Fernando Haddad, representing sharply opposite views. Pública, a non-profit investigative journalism organization, reported this week it had found at least 50 incidents of violence by Bolsonaro supporters and six against them from the beginning of October through Wednesday. While most incidents have been pinned on Bolsonaro supporters, the congressman and former army captain himself was hospitalized last month after being stabbed at a campaign rally on Sept. 6. Late on Wednesday, Bolsonaro said on Twitter that he didn't want the support "of anybody who practices violence against those who didn't vote for me." The same night, Haddad tweeted, "This escalation of violence has to stop." He has suggested signing a "no

violence" pact with Bolsonaro. The two contenders will face off in an Oct. 28 runoff.

BUSINESS NEWS

Chilean Court Suspends Tianqi's Buy of SQM Stake

Chile's constitutional court on Thursday suspended the sale of a stake in Chile's top lithium producer, Sociedad Química y Minera, or SQM, to China's Tianqi Lithium, saying it would review a lawsuit filed the previous day by SQM's controlling shareholders, La Tercera reported. An anti-trust court in Chile last week ruled that Tianqi would be allowed to buy a 24 percent stake in SQM after evaluating an agreement between the Chinese company and Chile's competition regulator that limits Tianqi's influence in SQM. The Chilean miner claimed the deal did not provide sufficient protection from a main competitor such as Tianqi becoming a major shareholder in the company and had asked the court to reject it. On Wednesday, Grupo Pampa, which controls a majority stake in SQM, filed a lawsuit alleging the anti-trust court did not give shareholders enough time to review the agreement between Tianqi and regulators.

NEWS BRIEFS

At Least Seven Killed in Collapse of Mexican Mall Under Construction

A shopping mall under construction collapsed in the Mexican city of Monterrey on Thursday, leaving at least seven people dead, 15 people injured and another nine missing, officials said, the Associated Press reported. The concrete slabs of the building appear to have dropped flatly one on top of the other, with authorities saying the construction project did not have a necessary license. All the victims are believed to be construction workers.

Local Referendums in Colombia Cannot Block Energy Projects: Court

Local referendums in Colombia to bar mining and oil extraction projects cannot block such developments, the country's constitutional court ruled Thursday, El Tiempo reported. Several referendums to block mining projects over the past year and a half have forced some companies to change their plans, including AngloGold Ashanti, which last year halted a \$2 billion project. The court's ruling involved a case brought by Mansarovar Energy Colombia, a joint venture between India-based ONGC-Videsh and China's Sinopec, Reuters reported.

Brazil's Haddad Eyes Tax, Banking Reform if Elected President in Runoff

Brazilian Workers' Party presidential candidate Fernando Haddad said in a radio interview Thursday that he would send tax and bank reform bills to Congress if elected in the runoff against far-right candidate Jair Bolsonaro, Reuters reported. Haddad also said he plans to finance wind and solar energy projects in Brazil's northeast using 10 percent of Brazil's foreign currency reserves. The second-round vote will take place on Oct. 28.

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A Paul Hare, professor at the Pardee School of Global Studies at Boston University and former British ambassador to Cuba:

"Like many international leaders, I think Díaz-Canel is biding his time in the expectation that the Trump administration has only two years to run. Cuba's government has long been astute followers of American politics. It is building bridges with state and city entities and showing a willingness to open talks with major American businesses. So, though the Trump administration is turning its back on engagement with Cuba, Cuban leaders are still finding American interlocu-

tors. Increasingly, the Cubans hope that the business lobby will argue that if the United States is renouncing business opportunities in Cuba for political reasons, other countries will step in and seize them. Equally, the United States is now again largely isolated on Cuba issues, as the support for the Cuban anti-embargo resolution in the U.N. General Assembly later this month will show. That is a major obstacle to the Trump administration's ability to rally international opinion to promote a peaceful resolution of the Venezuela crisis. Díaz-Canel is proving a cautious and conservative leader who is reluctant to show any significant policy departure from

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The group asked Chile's constitutional court to "urgently suspend" the deal, Reuters reported. Tianqi said in a statement that the constitutional court's review of the appeal was "purely a formality." Adding, "What comes now is a discussion about the admissibility of the lawsuit, in which we will put forward solid arguments to see the suit thrown out." The constitutional court said it would hear arguments on the case on Oct. 22.

Visa's Brazil Country Head Vows to Boost Market Share

The Brazil country head for Visa vowed in an interview published Thursday to boost the company's market share in the South American country. "We were growing less than the market average, but now we've been able to stabilize that—we're back on track," Fernando Teles, who took over two years ago as the payment network's head for Brazil, told Bloomberg News. In 2010, Visa handled approximately half of all card transactions in Latin America's

“We were growing less than the market average, but now we've been able to stabilize that—we're back on track.”

— Fernando Teles

largest economy, but in 2017 it ended the year with a 36 percent market share, according to central bank data. A main reason for Visa's slide in Brazil is Elo, a card network that Brazilian banks launched in 2011 in an effort to cut costs, Bloomberg News reported. The new network gained market share, particularly with debit card transactions, and at the end of last year handled about 14 percent of all card transactions in the country. Mastercard has the highest market share, with 46 percent of all transactions in Brazil. Teles, who previously worked at Itaú Unibanco and was chief executive officer at Banco Original, said he has been

Subscriber Notice

The Cuban Economy: What's Next for the Private Sector?

Speaker

CARMELO MESA-LAGO

Distinguished Service Professor Emeritus of Economics and Latin American Studies, University of Pittsburgh

Discussants

CAMILA PIÑEIRO HARNECKER

Researcher and Consultant on the social economy and enterprise sector in Cuba

and

AMBASSADOR JEFFREY DELAURENTIS

Centennial Fellow, School of Foreign Service and Distinguished Resident Fellow in Latin American Studies, Institute for the Study of Diplomacy, Georgetown University

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working to strengthen Visa's relationships with local banks, including by financing efforts at joint marketing. Since becoming the company's Brazil head, he also boosted the company's workforce in the country by 25 percent and has also sought to establish closer ties to financial technology companies and retailers. "The first step was recognizing we had a problem, so we started doing more business with our clients, we changed the logic of the relationship," said

Teles, who said he wants Visa to again be the country's top card processor in three to five years. Some 60 percent of transactions in Brazil are made with cash, said Teles, adding that encouraging Brazilians to use cards more often is part of the company's plan for growth. Brazil's central bank has also made regulatory changes in an effort to boost the use of cards, including the placement of a cap on debit card fees.

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the tenure of the Castros. He may soon have a powerful and influential new ally in López Obrador, the Mexican president-elect, who could become a rival for leadership of the Latin American left. Cuba's weight in international affairs continues to be boosted by U.S. hostility, and that is something Díaz-Canel knows as well as the Castros."

A **Frank Calzon, executive director of Center for a Free Cuba:**
 "The visit to the U.N. General Assembly by Cuba's nominal president, Miguel Díaz-Canel, is for some a success. It can be seen this way only if one ignores the plight of the Cuban people and Havana's military killing Venezuelan and Nicaraguan pro-democracy demonstrators. How have the Cubans fared since Raúl Castro, who remains head of the military and the Communist Party, and thus Cuba's real leader, selected Díaz-Canel to provide a facelift for the regime? Consider the following: the regime is promoting the farcical contradiction of a new socialist Constitution, presided over by an unelected president in the name of a communist party. Venezuelan oil subsidies have been greatly reduced. Cuba's self-employed who do not vigorously support the regime are denied the required licenses. American terrorists wanted by the FBI continue to be welcomed in Havana.

There's no greater sign of Cuba's penury than the fact that Havana purchases sugar from France. Many liberals here accept as truthful Díaz-Canel's charges about the

“**American tourist dollars should not subsidize a hostile regime allied to Iran...**”

— Frank Calzon

American embargo. But, again, consider the following: Fidel Castro on Jan. 2, 1969, said the embargo (which the regime refers to as a blockade) made people 'laugh in scorn.' In 1985, he said that 'economic relations with the United States would not imply any basic benefit for Cuba,' boasting that Moscow was a better partner. He compared Russia with the United States. 'Don't swap a cow for a goat,' he said. Misery and despair in Havana are the result of corruption and a communist economic system. American tourist dollars should not subsidize a hostile regime allied to Iran, a regime that represses its people and kills pro-democracy activists abroad. American policy should promote human rights in Cuba and U.S. interests worldwide."

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Erik Brand

Publisher
ebrand@thedialogue.org

Gene Kuleta

Editor
gkuleta@thedialogue.org

Anastasia Chacón González

Reporter
achacon@thedialogue.org

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