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## FEATURED Q&A

# Will U.S.-Northern Triangle Talks Lead to Good Results?



Guatemalan President Alejandro Giammattei (at head of table) met April 5 with members of a U.S. delegation in Guatemala City. // File Photo: @DrGiammattei via Twitter.

**Q** The U.S. special envoy to the so-called “Northern Triangle” countries, Ricardo Zúñiga, met earlier this month with top officials in Guatemala and El Salvador to discuss immigration as the Biden administration is grappling with an influx of migrants attempting to cross the southern U.S. border. At the same time, U.S. Vice President Kamala Harris spoke by phone with Mexico’s president as the U.S. administration is reportedly seeking to “surge humanitarian assistance” to Central American countries. What did Zúñiga accomplish on his visit to the region? What should any new U.S. assistance consist of? How effectively is the Biden administration handling the swell of migrants at the border?

**A** Ernesto Muyschondt, mayor of San Salvador: “During his visit, Ricardo Zúñiga met with representatives of the private sector, civil society and international organizations, as well as journalists, who presented the main challenges that hinder El Salvador’s development. He also reiterated the U.S. commitment to the development and exercise of a free press as a basis to guarantee democracy. Zúñiga also held meetings that allowed him to learn about the conditions of migrants, the main causes of irregular migration and the support given to returnees by El Salvador’s government. U.S assistance should support local economic growth and should also help strengthen the rule of law and the role of institutions through accountability, transparency, access to public information and the fight against corruption. Additionally, U.S. assistance should involve strategies for dealing with unaccompanied

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Raúl Castro confirmed at the opening of the Cuban Communist Party’s eighth congress that he is stepping down as the party’s leader.

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## Lithium Miners With Argentina Projects Eye \$3 Billion Merger

Australia’s Orocobre has agreed to buy rival miner Galaxy Resources, both of which have projects in Argentina, in a \$3 billion all-stock deal.

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### POLITICAL

## Mexico’s López Obrador to Seek Immigration Deal

Mexican President Andrés Manuel López Obrador said he plans to propose a regional agreement on migration to the United States. He said the plan would create one million jobs.

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López Obrador // File Photo: Mexican Government.

## POLITICAL NEWS

## Raúl Castro Confirms Departure as Party Leader in Cuba

Raúl Castro on Friday confirmed that he is stepping down as head of Cuba's Communist Party, the Associated Press reported. Castro, 89, made the announcement at the opening of the party's eighth congress and said he was retiring having fulfilled his mission and "confident in the future of the fatherland." He added, "Nothing, nothing, nothing is forcing me to make this decision ... As long as I live, I will be ready with my foot in the stirrup to defend the homeland, the revolution and socialism with more force than ever." In his speech, Castro praised Miguel Díaz-Canel, who succeeded him as Cuba's president in 2018, saying he has built a good team, The Wall Street Journal reported. Díaz-Canel is expected to formally succeed Castro as the Cuban Communist Party's leader. Castro and Díaz-Canel entered the Communist

Party meeting side by side, the AP reported. Castro's departure marks the first time in more than six decades that neither he nor his brother Fidel, who died in 2016, would be in a formal leadership role in Cuba. The change comes as the Covid-19 pandemic and restrictions put in place by the administration of former U.S. President Donald Trump have battered Cuba's economy.

## Mexico's López Obrador to Seek Immigration Deal

Mexican President Andres Manuel López Obrador said he is planning to propose a regional agreement on migration to the United States this week, including the expansion of a tree-planting program to Central America, Bloomberg News reported. López Obrador said he would make the proposal to U.S. President Joe Biden at a climate-change summit scheduled for this Thursday. The Mexican president said the plan would create more than one

## NEWS BRIEFS

## Brazil Needs \$10 Billion to Achieve Net-Zero Carbon Emissions by 2050: Salles

Brazilian Environment Minister Ricardo Salles said Brazil needs \$10 billion in foreign aid per year in order to achieve net-zero carbon emissions by 2050, a decade ahead of its initial plan of 2060, Reuters reported Friday. His comments came as Brazil is in talks for a separate potential agreement with the United States to raise funds to fight surging deforestation in the country's Amazon rain forest. Salles told the wire service he did not expect a deal to be announced at this week's U.S. Earth Day summit, adding that negotiations with the U.S. administration would continue.

## Venezuelan High Court Orders Newspaper to Pay \$13 Mn to Party Official

Venezuela's Supreme Court has ordered newspaper El Nacional to pay top socialist party official Diosdado Cabello \$13 million in a defamation case, EFE reported Saturday. Cabello sued the newspaper in 2015 after it reprinted a report from Spanish newspaper ABC saying that U.S. authorities were investigating Cabello in connection with drug trafficking.

## Chilean Environmental Tribunal Reverses Ruling on Andes Iron Permits

A Chilean environmental tribunal has discarded an earlier decision by a regulator that denied mining company Andes Iron key permits related to its \$2.5 billion Dominga copper and iron mining project, Reuters reported Friday. Judges of the Antofagasta Environmental Tribunal voted unanimously to require the regional environmental assessment commission to vote again on the project's impact study. Andes Iron said it was hoping to restart construction of the project later this year, provided it met with the court's stipulations, Reuters reported.

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minors and helping to prevent violence. The Biden administration's measures relating to migrants at the U.S.-Mexico border have a humanistic approach, among them the decree for the reunification of migrant families separated at the border, the permanent protection for young migrant 'dreamers' of the Deferred Action for Childhood Arrivals (DACA) program and the revision of the Migrant Protection Protocols."

**A Salvador Paiz, president of FUNSEPA and board member of FUNDESA in Guatemala City:** "Given the record-breaking figure of 172,000 migrants apprehended at the border in March, the Zúñiga delegation's visit had a palpable sense of urgency. In Guatemala, the delegation met with several members of the cabinet and President Giammattei, whereby in El Salvador they only met with the minister of foreign affairs.

Unfortunately, self-serving 'coyotes' have hijacked the Biden administration's more lenient messaging and have used it to dupe families and individuals to migrate. In the case of Guatemala, the U.S. delegation's visit was a good first step toward a renewed bilateral agenda around the main push factor for migration, namely the lack of economic opportunities. I believe that it set the stage to deliver a unified message around job creation as the single most important variable that can reduce irregular migratory flows in the immediate term. Certainly, rule of law, citizen security and the fight against corruption are key continued themes of the bilateral agenda as they are critical ingredients to creating the necessary jobs to reduce migration. We should collectively take the lessons learned from the Alliance for Prosperity plan and the U.S. Strategy for Central America. Namely, we should define a much narrower focus, support locally developed

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million jobs and that those who participate in the reforestation program should be given an opportunity to obtain U.S. work visas, and eventually U.S. citizenship, in return. "This would allow us to order the flow of migration, which overflowed in March," López Obrador said in a video posted on Sunday. The tree-planting initiative, dubbed Sembrando Vida, is one of the president's flagship cash payment programs. It provides a monthly stipend to citizens in rural areas who cultivate hardwood and fruit trees in deforested areas. However, the \$3.4 billion program's efficiency is unclear, as it may have caused 73,000 hectares of forest coverage loss in 2019, according to a study by the World Resources Institute, Bloomberg News reported. In related news, Biden on Saturday said he would increase the cap on the number of refugees admitted this year into the United States. The U.S. president had been facing sharp criticism from Democratic legislators after announcing his administration would maintain a historically low cap of 15,000 refugees that administration of former U.S. President Donald Trump had put in place, Reuters reported. Biden did not say by how much he would increase the number.

## BUSINESS NEWS

### Lithium Miners With Argentina Projects Eye \$3 Billion Merger

Australia's Orocobre has agreed to buy rival miner Galaxy Resources in a deal that would create a \$3 billion miner and one of the world's largest lithium producers, with some projects in Argentina, The Wall Street Journal reported today. The deal's announcement comes amid steadily rising lithium prices and higher-than-expected demand. The metal is a key component in batteries used for electric vehicles and other high- and clean-tech products. Orocobre manages the Olaroz lithium operation in northern Argentina, and Galaxy also has projects under development in the South American country as well as in Canada. Based on the two companies' closing share prices on Friday, the merger would have a market value of 3.96

## THE DIALOGUE CONTINUES

### How Effectively Is Mexico Fighting the Covid-19 Pandemic?

**Q** Mexico's Health Ministry acknowledged last month in a report that the country's true number of coronavirus-related deaths may exceed 321,000, a nearly 60 percent increase from the official tally. The figure includes 120,000 "excess" deaths that were previously unaccounted for due to reasons including a lack of testing and unreported cases of Covid-19. What is the real state of the pandemic in Mexico, and what major limitations in the country's public health system has it exposed? How well has Mexico's government planned for vaccination rollout? With legislative and local elections scheduled for June, will the new statistics have political consequences?

**A** Gavin Strong, director of the risk analysis practice in Mexico, Central America and the Caribbean Community at Control

**Risks:** "Independent estimates and anecdotal evidence suggest the figure is even higher, perhaps in excess of 500,000. This is in the same ballpark as the number of people killed or disappeared since former President Felipe Calderón kicked the hornet's nest of organized crime. The number of Covid-19 fatalities reflects as much the immediate-term ineptitude of the current administration as it does the long-term neglect of public health by its predecessors. They bequeathed AMLO a public health sector woefully ill-equipped

billion Australian dollars, or approximately \$3.06 billion, Bloomberg News reported. The deal would create the fifth-largest global lithium miner, the companies said. Argentina is the world's fourth-biggest lithium producer, and among the leading producers in Latin America, after Chile, Patricia Vásquez, a research associate at the Center of Conflict, Development and Peacebuilding of the Graduate Institute of Geneva, told the Advisor in a Q&A published

to tackle a once-in-a-century pandemic. Nevertheless, AMLO has had a particularly poor pandemic. Beyond his decision to eschew the use of a face mask (he inevitably contracted Covid-19), his government's handling of the crisis has been ham-fisted, as evinced by its desultory response to the initial outbreak, as well as the dilatory rollout of its vaccination program. Pandemic mismanagement has extended to efforts to mitigate the economic fallout. It could have been worse—ironically, the president's refusal to impose the kind of draconian lockdown seen in other parts of the region may have precluded an economic 'AMLOgeddon.' Levels of public disgruntlement are high, though this is unlikely to translate into punishment at the polls. The ruling Morena is likely to 'win' the midterm elections scheduled for June 6. 'So far from God, so close to the United States'—as the apocryphal line attributed to erstwhile Mexican caudillo Porfirio Díaz goes. Nevertheless, as unpalatable as it may be for AMLO and his nationalist myrmidons, beyond the midterms, Mexico will likely look northwards for economic and vaccination salvation."

**EDITOR'S NOTE:** The comment above is a continuation of the Q&A published in the April 8 issue of the Advisor.

Nov. 10. Meanwhile, Bolivia holds the world's largest lithium resources that have yet to be commercially developed, Vásquez added. The three countries make up the so-called Lithium Triangle of South America. "Lithium Triangle countries could turn the current pandemic-generated slowdown to their advantage by using the down time to explore multilateral approaches to the development of the lithium industry," Vásquez wrote.

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strategies and define quantifiable metrics so as to monitor progress. The Guatemala Does Not Stop Plan, a locally developed multi-sectoral proposal to boost investment and job creation, could provide the basis for ongoing collaboration. The readouts from the call between President Giammattei and Vice President Harris are a positive indication that a unified agenda is achievable.”

**A** **Mari Carmen Aponte, former U.S. ambassador to El Salvador and former acting assistant secretary of state for Western Hemisphere affairs:** “The U.S. long range-plan in the Northern Triangle will require consistent engagement and constructive relationships, both with governments and civil society. To date, there has been mostly uncertainty in civil society and a stony relationship with some governments, especially El Salvador. With this trip, Special Envoy Zúñiga has begun a process of engagement with a broad variety of government institutions and private as well as civil society actors. This will undoubtedly be an ongoing process with no consistent linear progress, requiring assurances, clarifications and explanations over the long run. It is clear the special envoy was there to listen and begin fortifying a productive relationship with all sectors. The aim of U.S. assistance in the region should not be to directly create jobs, but rather to use its resources, influence and expertise to create conditions in areas that will spur economic growth, stability and confidence in institutions. Areas such as gender violence, extortions, protection of small businesses and, of course, anti-corruption are important but not exclusive issues that need addressing. When tackled effectively, these will help stimulate the right environment to address root causes. Another role for the United States is to coordinate programs with other international donors, not only to avoid duplication, but also to seek strategic partnerships that result in more robust results. The swell of immigrants along the U.S. border is not new. Historically

under-resourced and fraught with controversy, managing various border surges has been challenging for some time. The Biden administration is implementing a plan and in recent days has reached promising new agreements with Mexico, Honduras and Guatemala designed to limit the immigrant influx from the region. Hopefully, this and other administration efforts will not be undermined by U.S. internal resistance, and efforts will be given a chance to succeed.”

**A** **Leon Fresco, partner at Holland & Knight:** “Through these actions, Vice President Harris and Special Envoy Zúñiga obtained a renewed commitment from Central American nations to increase internal security so that nationals of other countries cannot easily transit on the way to the United States. There is also an effort to seek transparency into specific measures that can be taken to increase security and safety within Central America to reduce emigration. New U.S. assistance should consist of constructing fully staffed and secure locations within Central America where refugee claims can be quickly processed so people don’t have to travel to the U.S. border. The U.S. border should only be available for asylum claims when people can articulate why they were not safe at one of the new refugee processing centers created abroad. The Biden administration is trying its best to process increasing flows of unaccompanied minors and families at the border while trying to change regulations to accomplish its long-term plan. Part of that plan is creating an infrastructure for seeking asylum that is located in Mexico and Central America rather than the United States. It is also trying to work with Central American countries on security improvements and job creation in order to reduce incentives for emigration. In the short term, these methods will not immediately solve the influx at the border, but they are necessary measures to create long-term change in migration patterns that have existed for more than a decade.”

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