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FEATURED Q&A

What Must Jamaica Do in Order to Subdue Gangs?



Jamaican Prime Minister Andrew Holness this month declared a state of emergency in response to rising gang violence. // File Photo: Jamaica Information Service.

Q On Nov. 15, Jamaican Prime Minister Andrew Holness declared a state of public emergency in parts of the country to quell rising criminal activity linked to gang violence. A state of emergency endows authorities with greater power, including the ability to carry out arrests without warrants. What is at the root of gang violence in Jamaica? How effective will a state of emergency be, and what other measures may be needed to tackle the issue? Does criminal activity threaten the island's business environment, such as crimping investments and tourism?

A Paget deFreitas, chairman of the editorial board at *The Gleaner*: "By Nov. 23, 1,380 murders were recorded on the island this year, an increase of 5 percent over the corresponding period last year. The trajectory places Jamaica on track to surpass the 1,463 homicides of 2021. The island's murder rate, close to 50 per 100,000, is among the world's highest. The authorities say that the majority of murders are the result of rivalry between criminal gangs that thrive on extortion or by scamming elderly Americans out of their money with bogus lottery schemes. Some of the gangs have their roots in a political culture that used to rely on strong-armed men to corral votes. Gangs retain a residual role in the island's politics. Apart from the fear crime causes, it harms the economy by indirectly constricting growth—by up to 7 percent annually, some studies suggest. Paradoxically, tourism, an area of the economy that would be expected to be extremely sensitive to crime, consistently defies the gloomy statistics. The sector's earnings this year will be just shy of the \$3.7 billion it grossed in 2019. More broadly,

Continued on page 3

TODAY'S NEWS

ECONOMIC

Venezuela Eyes New Contracts With Energy Firms

Venezuela is planning to sign new contracts to promote oil ventures between state-owned oil company PDVSA and private companies, said Oil Minister Tarek El Aissami.

Page 2

ECONOMIC

Lower House of Brazil's Congress OK's Crypto Bill

The lower chamber of Brazil's Congress approved legislation to increase oversight of cryptocurrencies.

Page 3

POLITICAL

Mexican High Court Backs Use of Military for Domestic Policing

Mexico's Supreme Court backed a constitutional change that allows the military to be used for domestic law enforcement until 2028. President Andrés Manuel López Obrador has expanded the military's role in the country.

Page 2



López Obrador // File Photo: Mexican Government.

POLITICAL NEWS

Mexican Supreme Court Backs Using Military for Policing

Mexico's Supreme Court on Tuesday backed a constitutional change that allows the country's military to be used for domestic law enforcement until 2028, the Associated Press reported. In the ruling, the high court rejected appeals that argued law enforcement should be the responsibility of civilian police, the wire service reported. Eight of the 11 justices on the court voted to uphold the measure. Mexico has used troops for years in order to fight the country's drug cartels, but critics of President Andrés Manuel López Obrador say he is militarizing the country. In 2019, lawmakers voted to keep the military in a domestic policing role only until 2024. However, López Obrador has said he wants the military to continue performing domestic law enforcement tasks indefinitely, the AP reported. The president has heavily relied on the military for law enforcement. He eliminated the Federal Police and established the National Guard, which he supports putting under the control of the military. Amanda Mattingly, managing director at ACM Global Intelligence, told the Advisor in a [Q&A](#) published Aug. 25 that López Obrador's security strategy is not working. "A poor reorganization of the security forces, the lack of intelligence gathering capabilities and the decreased coordination with the United States have only emboldened the cartels," she said.

ECONOMIC NEWS

Brazil Credit Default Ratio Hits Highest Level Since 2018

A measure of consumer and business credit default ratios in Brazil hit its highest level last month in four years, Reuters reported Nov. 28,

citing data from the country's central bank. The default ratio in non-earmarked loans rose to 4.2 percent in October from 4.1 percent in September, the highest level since the 4.22 percent recorded in August 2018. The rise in the default rate comes as the central bank has aggressively increased interest rates in an effort to curb high inflation. The benchmark Selic interest rate currently stands at 13.75 percent following a series of rate hikes. It was at a record low of 2 percent in March 2021. Also in October, Brazil's bank lending spreads rose to 30.3 percent as compared to 28.6 percent in September. The central bank recently said it is increasingly concerned that lower levels of economic activity could have adverse effects on credit risk in Latin America's largest economy. Consumers' ability to repay loans has worsened even as the economy and the labor market have shown signs of improvement, the central bank said, Reuters reported. Outstanding loans in Brazil grew 1 percent in October as compared to the previous month, to 5.215 trillion reais (\$964.1 billion). The central bank is forecasting credit growth of 14.2 percent this year. Brazilian President-elect Luiz Inácio Lula da Silva, who takes office Jan. 1, will likely push the country's government-run banks to increase lending, Alexandre Albuquerque, vice president and senior analyst at Moody's América Latina in São Paulo, told the Dialogue's biweekly Financial Services Advisor in a [Q&A](#) published Nov. 16. "Despite that, government banks have more solid financial fundamentals than in 2014-2016, easing any short-term solvency risks," he said.

Venezuela Eyes New Contracts With Energy Companies

Venezuela is set to sign new contracts to promote oil ventures between state-owned PDVSA and private energy companies, Tarek El Aissami, the country's oil minister, said on Tuesday, Reuters reported. The U.S. Treasury Department on Saturday authorized oil major Chevron to expand operations in the South American country, easing almost four years of harsh oil trading sanctions, Bloomberg News

NEWS BRIEFS

Colombia Asks U.S. for Legal Status for Migrants

Colombia's government has asked the administration of U.S. President Joe Biden to grant temporary legal status to its citizens that are currently in the United States, the Associated Press reported today. Colombia's ambassador to Washington, Luis Alberto Murillo Urrutia, made the request, noting that Colombia is hosting some two million Venezuelan migrants who have fled their country. Murillo Urrutia asked the Biden administration to grant Colombians a status known as "deferred enforced departure."

Excelerate Energy Plans to Open Argentina Plant by 2025: Executive

U.S.-based Excelerate Energy, which provides storage and regasification services for liquefied natural gas, may finalize its gas liquefaction plant in Argentina by 2025, according to an executive, Reuters reported on Tuesday. The project is the company's first liquefaction plant and aims to tap into resources at Argentina's Vaca Muerta, which has the world's second-largest shale gas reserves. "We believe that Argentina has high potential," Excelerate's Argentina general manager and vice president for Latin America, Gabriela Aguilar, said during a visit to Buenos Aires.

Electric-Vehicle Maker BYD to Start Selling Cars in Mexico Next Year

Chinese electric-vehicle manufacturer BYD announced on Tuesday it will launch its cars in Mexico next year, Reuters reported. The world's largest electric vehicle maker by sales will be selling its Tang sports utility vehicle as well as its Han sedan across the country, and aims to sell 10,000 cars next year, Zhou Zou, the company's country head told Reuters. A BYD senior executive estimates sales to reach 30,000 vehicles in 2024.

reported. The reprieve followed the restart of key political negotiations with Venezuela's opposition in Mexico, which oversaw an agreement on a humanitarian spending plan aiming to ensure the release of billions of dollars frozen abroad. U.S. President Joe Biden signaled that the sanctions could be further eased, depending on how negotiations proceed, Reuters reported. Chevron is a minority partner in four oil joint ventures in Venezuela with PDVSA that have produced some 60,000 to 100,000 barrels per day of crude this year. The licenses authorized will allow the company to export the oil back to the United States. "It is a regular practice for Chevron Venezuela leadership to meet with authorized PDVSA and government representatives in relation to the activities that the company is authorized to undertake in the country," Chevron said in a statement. Authorization from the United States are being sought by other partners of PDVSA, and the contracts seek to revive output and exports, quicken bureaucracy and regulate trade, Reuters reported.

Brazilian Lawmakers Approve Crypto Regulation Bill

The lower house of Brazil's Congress on Tuesday approved legislation to increase oversight of cryptocurrencies in the country, Reuters reported. The measure, which now goes to outgoing President Jair Bolsonaro, would put cryptocurrency regulation under the control of a government-appointed federal agency. The measure would require all crypto providers that are active in Brazil to have a physical entity in the country, among other provisions. The rules would apply to providers including ones that exchange local or foreign currencies for digital currencies. "Most serious companies understand that a well-structured environment with engaged regulators is preferable to a 'wild west' free for all," James Bosworth, author of the Latin America Risk Report, told the biweekly Financial Services Advisor in a [Q&A](#) published April 6.

FEATURED Q&A / Continued from page 1

the economy is projected to grow between 4 percent and 5 percent this year, and Finance Minister Nigel Clarke expects GDP will return to its pre-Covid-19 value by next year, which is faster than most of its regional peers. Additionally, the Jamaica Chamber of Commerce's quarterly survey for October indicated a rise in business and consumer confidence. Officially, unemployment is at historic lows. But the government says that crime may cause a national paralysis. Since 2018, states of emergency have been the government's preferred tool for dealing with the problem. So, notwithstanding the concerns of human rights groups, as well as two court rulings against the constitutionality of how previous ones were managed, the government has reached for it again—with the support of the private sector, which points to decline in murders since the latest one was introduced. The matter left undressed is a fundamental institutional reform of the police force, which most Jamaicans deem to be corrupt and highly resistant to change."

A **Wazim Mowla, assistant director of the Caribbean Initiative at the Atlantic Council's Adrienne Arsht Latin America Center:**

"The state of public emergency that Prime Minister Holness declared is not a surprise. Over the past few years, the Holness administration has increased the power of the state to address rising crime and homicide rates resulting from gang violence. For example, the reform of the Criminal Justice Act expanded the judiciary's powers to help convict gang members and the launch of the Joint Anti-gang Task Force is supposed to seize illegal guns and disrupt gang activities. The state of public emergency will allow the government to go even beyond these measures. The state cannot be the only actor involved. Addressing gang proliferation should be a multi-pronged approach. Support in schools and local communities is needed as gang membership is getting younger. In 2021, 40 percent of murders

were committed by young men between the ages of 15 and 24 years. To combat this, the government needs to commit more to social programs that give young men an additional option to finance and secure their future outside of gang politics. But it cannot be the government alone—the private sector needs a role to both counterbalance the growing power of the state while also creating jobs for young men and deploying capital in the education and cultural sectors to address the root causes of gang violence. An additional component is the role of the United States, the source of about 71 percent of small arms in Jamaica. Thus, Jamaica's gang problem is a regional issue; at some level, it requires a regional approach."

A **Herbert Nelson Jr., board chair of the Crime and Security Committee at the Institute of Caribbean Studies:** "While a pathway for male success exists for Jamaicans who migrate to Canada, the United Kingdom and the United States, a very narrow passage exists for the male youth in Jamaica who often find that companionship within gangs gives them protection and options for financial success as well as death. The examples of learning within gang crews often lead to extreme violence against the individual or violence they practice in order to achieve fear and recognition. It's known that the youth are all in and expect to die in attempting to achieve success as gang members. There is hardly any fear of death as so many conflicts occur in their environment. With no father figures to emulate, seeing or knowing a prosperous gangster is a motivation to explore the lifestyle. Standing alone is not the way to live on an island with a murder rate of 49 per 100,000. There aren't enough 'safer cities and programs' in Jamaica's inner cities. A recent attempt to organize communities into following U.S.-type protocols in developing youth projects within their community is proving difficult. This is not because there are no eager participants but rather because

Continued on page 4

FEATURED Q&A / Continued from page 3

we find a prevailing attitude to quick actions, for example, football tournaments, versus utilizing long-term training and development techniques. As sacred as the game of soccer is, there has been a spate of shooting of high school players in the community. Players were revered in the 1970s through the 1990s, but not today. Mentors are badly needed.”

A **Anthony Bogues, Asa Messer**
Professor of Humanities and
Watson Faculty Fellow at Brown
University: “States of emergency in post-colonial Jamaica are signs of a society in grave crisis. Since October 1966, when the first state of emergency was declared, there have been six declarations between June 1976 and March 2018 and since then multiple partial declarations by the Jamaica Labour Party (JLP). Two declarations were linked to natural disasters, and the rest were caused by violence. In 1976, the People’s National Party (PNP) government’s declaration was linked to political violence; now the violence is explicitly criminal activities. Crime is a major issue in Jamaica. Murders and domestic violence mark everyday life in its society. The JLP government has declared partial states of emergency in areas where crime and particularly homicides are greatest. The court has ruled two of these declarations unconstitutional. The PNP does not support these declarations. States of emergency have not solved the problem. From the beginning of the year until Nov. 13,

1,360 people were murdered in Jamaica. That is a 7 percent increase as compared to last year. There is no mirror-like causal relationship between inequality and crime, but long-term societal inequalities produce grounds for the understanding that success requires illegal methods, as formal avenues

“**The long-term tackling of crime in Jamaica does not require states of emergency...**”

— Anthony Bogues

seem closed. The long-term tackling of crime in Jamaica does not require states of emergency, it requires profound attention to the inequalities that create the grounds for individuals to feel that success demands illegality. In the medium and short terms, it requires national and community efforts to isolate the various gangs and to end their violence.”

[Editor’s note: The state of emergency in Jamaica expired on Monday after the government failed last week to get sufficient parliamentary support to extend it.]

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

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