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FEATURED Q&A

How Will Brazil's Indigenous People Fare Under Lula?



After taking office last month, Brazilian President Luiz Inácio Lula da Silva signed documents to create a new Ministry of Indigenous Peoples and a Ministry of Racial Equality. // Photo: Brazilian Government.

Q The Brazilian government declared a medical emergency on Jan. 22 over children of the Yanomami Indigenous community dying of malnutrition and diseases caused by illegal gold mining. President Luiz Inácio Lula da Silva accused his predecessor, Jair Bolsonaro, of committing genocide against the rain forest tribe. What was the dynamic between the government of Bolsonaro and Brazil's Indigenous communities, and how might it change under Lula? How can the new administration better protect the country's Indigenous territories?

A Robert Muggah, co-founder of the Igarapé Institute: "The catastrophe befalling the Yanomami is a tragedy foretold. The new Lula administration officially declared a health emergency in the Yanomami lands on Jan. 20 after a rapid assessment exposed chronic malnutrition, including the premature deaths of 570 children. The drivers of the crisis are rampant land grabbing, illegal mining and pollution of local ecosystems. Yet the architect of the humanitarian disaster is former President Jair Bolsonaro, who Lula accuses of facilitating genocide. Faced with possible crimes of omission, Bolsonaro claims that the Yanomami catastrophe is not his fault. The former president's protests ring hollow: he has a well-documented history of undermining the interest of Brazil's Indigenous people—particularly the Yanomami. During his more than three decades in politics, Bolsonaro introduced multiple bills to shrink Indigenous territories, accelerate land occupation and expand mining in protected areas. As president, Bolsonaro dismissed more than 20 requests for help from Indigenous leaders. He

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TODAY'S NEWS

ECONOMIC

U.S. Gas Exports to Mexico Fall But Fetch Higher Price

U.S. natural gas exports to Mexico via trucks and pipelines declined in the third quarter of last year, but the exports fetched a higher price, according to data from the U.S. Department of Energy.

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BUSINESS

Santander Values Mexican Unit at \$8.65 Billion

Spain's Banco Santander valued its Mexican operations at \$8.65 billion as it looks to acquire the shares of the unit that it does not already own and delist the shares.

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POLITICAL

Ecuador Plebiscite Failure Not a Major Setback: Gov't Minister

Ecuadorean voters' rejection of several referendum proposals pushed by President Guillermo Lasso is not a "dramatic" setback, Government Minister Francisco Jiménez said Tuesday.

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Jiménez // File Photo: Ecuadorean Government.

POLITICAL NEWS

Ecuador Plebiscite's Failure Not a Major Setback: Minister

Ecuadorian voters' rejection of several referendum proposals pushed by President Guillermo Lasso is not a "dramatic" setback for the administration, Government Minister Francisco Jiménez said Tuesday, Reuters reported. "We don't think the issue is so dramatic," Jiménez told local media, the wire service reported. "Today we haven't lost the war, we have lost a battle in which we tried to provide new tools to citizens to combat some of the problems we have," he added. With 97 percent of the votes



When the people speak, it is the duty of those that govern to analyze, understand and accept."

— Guillermo Lasso

counted, voters on Sunday rejected all eight questions that were posed in the referendum. Among them was a proposal to allow drug traffickers to be extradited out of the country. Voters also rejected proposals to give more autonomy to the attorney general's office to select prosecutors and lower the number of legislators in the unicameral National Assembly. Some voters said they had little confidence that the measures would improve safety, and others said their votes against the proposal amounted to a rejection of Lasso's policies, Reuters reported. "When the people speak, it is the duty of those that govern to analyze, understand and accept," Lasso said Monday night in a televised speech, conceding defeat, the Financial Times reported. He also called for a "great national agreement" to help address the country's problems. Also on Sunday, allies of leftist former President Rafael Correa won several local election contests, including the mayor's races in Quito and Guayaquil, Reuters

reported. "The strong performance of the Correísmo in the regional elections together with what appears to be a government loss in the referendum, if confirmed, leaves a very challenging political scenario for the Lasso administration," JPMorgan said Monday in a note, the wire service reported. The referendum results also led Ecuador's bonds to tumble in value, with the country's dollar-denominated debt due in 2030 falling to its lowest level since November, Bloomberg News reported, citing data from JPMorgan. The referendum's rejection also increases the risk that Lasso won't be able to complete the remaining two years of his term, according to Barclays.

ECONOMIC NEWS

U.S. Gas Exports to Mexico Fall But Fetch Higher Price

U.S. natural gas exports to Mexico via pipelines and trucks totaled 536.9 billion cubic feet in the third quarter of last year, a decline from 570.9 billion cubic feet in the same quarter a year earlier, according to the U.S. Department of Energy, Natural Gas Intelligence reported Monday. Despite the decline, U.S. gas prices fetched a higher price in last year's third quarter, at \$7.65 per million metric British thermal units, up from \$4.35 in the third quarter of 2021, according to the Department of Energy. The top two exit points in the United States for natural gas exports to Mexico were Rio Grande City and Brownsville, both in Texas. Gas was also exported from the Texas towns of Presidio, San Elizario and Roma, in addition to Ogilby, Calif. The exports from Rio Grande City, Brownsville and Presidio accounted for 51.4 percent of U.S. natural gas pipeline exports to Mexico, according to the report. Among the top four exit points for natural gas, San Elizario saw the largest increase in volume in the third quarter of last year as compared to the same quarter the year before. Mexican President Andrés Manuel López Obrador last September announced plans to construct a liquefied

NEWS BRIEFS

Biden Calls on Congress to Pass Immigration Reforms in State of the Union

In his State of the Union address Tuesday night, U.S. President Joe Biden called on lawmakers to pass immigration reforms that include "equipment and officers to secure the border" and "a pathway to citizenship for Dreamers," or undocumented immigrants brought to the United States as children. "We know we now have a record number of personnel working to secure the border, arresting 8,000 human smugglers, seizing over 23,000 pounds of fentanyl in just the last several months," said Biden.

JetSMART Seeking to Buy Colombia's Viva Air

JetSMART Airlines said in a statement on Tuesday that it wanted to acquire Colombian low-cost carrier Viva Air, Reuters reported. Chilean-based JetSMART announced it planned to enter into talks with the Colombian airline, though it did not disclose the price it would be willing to pay, or its funding plans. "We believe that a merger between JetSMART and Viva Air will allow us to maintain the ultra-low-cost model in Colombia," JetSMART Chief Executive Estuardo Ortiz said in the statement.

Argentina's Securities Commission Planning Crypto Regulations

Argentina's National Securities Commission (CNV) plans to establish and regulate requirements for crypto companies in the country, CoinDesk reported Tuesday. CNV's jurisdiction over virtual asset service providers is included in a reform of money laundering that is currently being discussed in Argentina's Congress. The bill outlines measures for crypto companies including the protection of users and the security of public savings. "The worst-case scenario is a regulation that cannot be implemented," said a CNV source.

natural gas, or LNG, export hub in Veracruz state in order to meet European demand for gas. However, “the supply of LNG must come from the United States, so the project will need to find LNG supply and transport it to Mexico,” Raquel Bierzwinsky, a partner at Norton Rose Fulbright, told the weekly Energy Advisor in a Q&A published Oct. 14.

BUSINESS NEWS

Santander Values Mexican Business at \$8.65 Billion

Spain's Banco Santander valued its Mexican operations at 8.1 billion euros (\$8.65 billion) on Tuesday after launching a process to acquire the 3.76 percent of shares it does not already own and delist the shares, Reuters reported. The share price is to be set at 24.52 Mexican pesos (\$1.28) in cash for series B and 122.6 pesos in cash for each American depository shares listed in New York. The price offer

The tender offer is expected to be in place until March 8.

values the stake Santander is missing at some 304 million euros (\$325 million). The tender offer process is expected to be in place for another month, until March 8, but it could be extended. Following the acquisition of the remaining shares, Santander intends to delist them in Mexico and in the United States. The Spanish bank has been expanding in emerging economies in search of greater opportunity, outside of Europe, where low interest rates stifle profitability, the news wire reported. The offer is taking place amid the sale of Citigroup's retail unit in Mexico, Banamex. Santander had demonstrated interest in the unit but has since dropped out. Instead, billionaire Germán Larrea's Grupo México secured \$5 billion in financing in order to acquire the retail unit, Reuters reported.

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also ignored warnings of disastrous social conditions in Yanomami territories from the Federal Public Ministry (MPF), the Supreme Court and the Inter-American Court of Human Rights. Between 2020 and 2022, the MPF issued eight recommendations to redress basic health care deficits. Instead, Bolsonaro dismantled Indigenous, environmental and health agencies—including FUNAI, IBAMA and SESAI. His repeated measures to legalize mining in and around Yanomami areas encouraged the invasion of Yanomami land with over 20,000 prospectors. Bolsonaro's crackdown on Indigenous people is not accidental: it is linked to a wider project to assimilate Indigenous peoples in the name of ‘order and progress’ extending back to the military dictatorship of 1964-1985. Indeed, FUNAI was originally created in 1967 and led by the military to forcibly integrate Indigenous people into the ‘civilized world.’ Those who resisted modernization projects were suppressed, imprisoned or eliminated. A former captain, enthusiastic support of the military junta and son of a gold prospector, Bolsonaro was determined to fulfill the dictatorship's original aspirations until his final weeks in office.”

A Marina Bedran, assistant professor of Lusophone Literatures and Cultures at Johns Hopkins University: “In August 2019, land grabbers, cattle ranchers and loggers, emboldened by then-President Jair Bolsonaro's views, started fires in the Brazilian Amazon that spread rapidly. The ‘Day of Fire,’ as it became known, raised international awareness and condemnation of the government's environmental policies, or lack thereof. It also became a symbol of Bolsonaro's political project. During Bolsonaro's 2019–2022 tenure, he directly attacked Indigenous activists, tried to reverse the demarcation of Indigenous territories, encouraged illegal mining on Indigenous lands and denied them health care. In a country in which the ideology of mixed-race Brazilianness has been

state policy, Indigeneity challenges not only notions of cultural identity but also ideas of sovereignty, modernity and progress. While the tension between development and Indigenism has played out throughout the 20th century, it reached its apex during the 1964–1985 military dictatorship. A former military officer, Bolsonaro revived most of its ideas and policies. On his first day in office, President Luiz Inácio Lula da Silva annulled a decree that encouraged mining on Indigenous lands and protected areas, and he resumed plans to combat deforestation. He appointed an Indigenous woman, Sônia Guajajara, to lead the first-ever ministry for Indigenous peoples (until now, issues such as the demarcation of Indigenous territories were handled by the ministry of agriculture), and Joenia Wapichana was chosen to preside over FUNAI, Brazil's governmental agency to protect Indigenous peoples. While it's hard to predict the future, these actions announce what Guajajara called a ‘historic reparation.’ ”

A Alexis J. Handal, associate professor in the Department of Epidemiology and professor of Global Public Health at the University of Michigan School of Public Health:

“Often the most oppressed, marginalized and poor populations suffer the heaviest consequences of environmental injustice through the inequitable and disproportionate exposure to environmental hazards. Infants and children are particularly vulnerable to the adverse effects of environmental injustice. Their differential biological susceptibilities to toxic exposures and their behaviors (for example, crawling and mouthing) contribute to higher exposure to contaminants. Moreover, the impact of environmental injustice through domination and marginalization extends beyond toxic exposures. Children from oppressed and marginalized communities have inequitable and poor access to basic services, health care and other critical opportunities that support healthy

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growth and neurobehavioral development. The children of the Indigenous communities in Brazil are no exception. In Latin America, Indigenous populations have borne the heaviest burden of environmental injustice due to large-scale industrial contamination, domination of their territories and displacement, often without the protection of government. The most effective approaches for protecting the Indigenous communities of Brazil and their territories are including Indigenous voices at all levels of governmental decision-making, providing for legal and territorial autonomy and respecting Indigenous peoples and local communities as rights-holders. A recent study concludes, 'an emerging body of evidence suggesting that rights-based policy for Indigenous lands can improve environmental outcomes.' Improvement in environmental outcomes will coincide with an improvement in health for children, their families and communities, and for the greater society."

A **Riordan Roett, professor and director emeritus of the Latin American Studies Program at SAIS, Johns Hopkins University:**

"There are three things to understand about Jair Bolsonaro. First, he is a bigot and a racist. He has said of the Indigenous peoples that 'they are increasingly becoming human beings just like us.' (Of the Afro-Brazilian people 'not even good enough to breed.')

Second, his presidency was based on three beliefs: 'Beef, Bible, & Bullets.' That is,

agri-industry, evangelical churches and the military. Third, Bolsonaro is not very smart. He was a failure as a junior military officer, publicly and enthusiastically supported the military coup of 1964 and appointed some of the least qualified people to national office, who rotated in and out over four years. That combination of factors meant that the Amazon and the agri-industry were key to his government. It is said that if China is the world's factory, Brazil is its farm. The Amazon produces agricultural products that create huge income for the government (as does mining and forestry). Nothing, by Bolsonaro's thinking, can stop that. The Amazon produces wealth—the interests of the Indigenous peoples are irrelevant and annoying. His government reduced or eliminated programs to protect the Amazon and its population—thus genocide against the rain forest people and malnutrition and disease afflict the Yanomami and their compatriots. Marina Silva has, again, been appointed minister of the environment. She is a pioneering supporter of the rain forest and its people. Her challenge is to restore what Bolsonaro deliberately destroyed. To do that, she will need to neutralize the concerns of the military—national security and the financial interests of the 'beef' cartels. It is a very dangerous policy battle against entrenched interests that do not like to lose."

The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta.

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