# LATIN AMERICA ADVISOR

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#### Wednesday, September 13, 2023

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#### FEATURED Q&A

## How Will Relations Between the U.S. ど Costa Rica Develop?



Costa Rican President Rodrigo Chaves and U.S. President Joe Biden met Aug. 29 at the White House. // Photo: U.S. State Department.

U.S. President Joe Biden met with Costa Rican President Rodrigo Chaves at the White House on Aug. 29. The two heads of state discussed immigration, including new legal pathways for Central American migrants arriving at the U.S. border, and trade. What are the main takeaways from the meeting, and what does a future relationship look like for the United States and Costa Rica? What kind of economic cooperation is likely to develop?

Arianna Kohan, research analyst at Hxagon: "The meeting focused heavily on immigration and security, resulting in the United States pledging more than \$36 million to Costa Rica. The U.S. State Department will funnel more than \$12 million to the Central American country through international partners to address migration issues, keeping in mind the more than 240,000 asylum seekers in the country and the thousands of migrants who enter the country daily en route to the United States. An additional \$24 million will be sent to Costa Rica to improve policing and expand crime prevention programs, which will strengthen the country's security apparatus and help combat organized crime. The meeting also solidified Costa Rica's position as a counter to China in the technological space; through a recently announced partnership under the CHIPS and Science Act of 2022, Costa Rica is poised to become a key partner in the manufacturing of semiconductor chips, a key component in many modern technologies, including in energy and defense. Intel recently announced a \$1.2 billion investment in Costa Rica over the next two years to help the country increase its technological engineering capabilities. The strengthening of critical supply Continued on page 3

#### **TODAY'S NEWS**

#### ECONOMIC

#### China, Venezuela to Enter New Partnership: Xi

China and Venezuela will enter a new "all-weather strategic partnership," Chinese President Xi Jinping said today after meeting in Beijing with Venezuelan President Nicolás Maduro.

#### BUSINESS Shell Eyes Oil Output Rise in Argentina's Vaca Muerta

Shell is planning to increase its oil production in Argentina by 5,000 barrels per day, said a top executive.

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POLITICAL

#### Guatemala's Arévalo Condemns Raid on Election Tribunal Facilities

Guatemalan President-elect Bernardo Arévalo condemned a raid Tuesday in which attorney general's office agents raided the country's electoral tribunal, opening boxes containing votes.

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Arévalo // File Photo: Facebook Page of Bernardo Arévalo.

#### POLITICAL NEWS

## Guatemala's Arévalo Condemns New Raid on Election Facilities

President-elect Bernardo Arévalo on Tuesday condemned a new raid by Guatemala's attorney general's office, in which agents raided facilities of the country's election tribunal, opening dozens of boxes containing votes and photographing their contents, the Associated Press reported. Arévalo, who defeated former First Lady Sandra Torres in a June landslide and is to be sworn in as Guatemala's president in January, said he was temporarily suspending his participation in the transition process, Reuters reported. In a news conference on Tuesday, Arévalo called for the resignations of three people behind the legal efforts that have targeted his Semilla party: Attorney General Consuelo Porras, special prosecutor Rafael Curruchiche and Judge Fredy Orellana, Agence France-Presse reported. "The coup plotters must resign," said Arévalo. "They have deviated from their constitutional function of investigating and prosecuting, fully toward a clear coup d'etat in progress," he added. The U.S. government has previously accused all three of involvement in corruption. On Tuesday, Brian A. Nichols, the U.S. assistant secretary for Western Hemisphere affairs, condemned the attorney general's raid on the election tribunal. "This unprecedented action undermines the democratic transition and the will of the Guatemalan people," Nichols wrote in a posting on X, formerly known as Twitter. The Organization of American States' electoral observation mission to Guatemala also expressed concern on Tuesday. "The opening of the electoral packers by people and institutions other than those identified by law represents a frontal attack on the integrity of the vote and an affront to the popular will," the OAS mission said in a statement, the AP reported. Gloria López, the electoral director of the tribunal, said the boxes that agents opened do not have a digital backup and that the attorney general's office was breaking the votes' chain of custody. "We

would no longer be able to ensure what exactly are the votes that are inside the electoral boxes and what is the number of signatures and fingerprints on the [polling place tally sheets] that are going in the boxes," said López.

#### ECONOMIC NEWS

## China, Venezuela to Enter New 'Strategic Partnership': Xi

China and Venezuela will enter a new "all-weather strategic partnership," Chinese President Xi Jinping said today after meeting in Beijing with Venezuelan President Nicolás Maduro, Reuters reported, citing Chinese state media. Few details were released, but Xi reportedly told Maduro that he wants to deepen cooperation in several areas. The meeting between Maduro and Xi came after a Venezuelan delegation led by Vice President Delcy Rodríguez and Oil Minister Pedro Tellechea arrived last week in Shanghai. Rodríguez and Tellechea are discussing possible joint ventures between China and Venezuelan state oil company PDV-SA, Bloomberg News reported.

#### **BUSINESS NEWS**

## Shell Eyes Oil Output Rise in Argentina's Vaca Muerta

Shell is planning to boost its oil production by 5,000 barrels per day (bpd) in Argentina's Vaca Muerta shale formation, to 50,000 by the end of year, despite restrictions on investment, CEO for Argentina Ricardo Rodríguez said Tuesday, Reuters reported. Shell is the second largest crude oil producer in Vaca Muerta, after Argentine state-owned oil company YPF. Last month, Argentina froze domestic crude oil prices at \$56 per barrel until late October in an effort to curb runaway inflation.

#### NEWS BRIEFS

### Nicaraguan Government Increasing Human Rights Violations: U.N. Experts

Human rights violations by Nicaragua's government against the opposition have been on the rise, a United Nations group of experts monitoring the country said Tuesday, the Associated Press reported. The Group of Human Rights Experts on Nicaragua said the government was ramping up pressure against human rights defenders to force them into exile. Last month, the government of President Daniel Ortega confiscated the Jesuit-run University of Central America and declared the Jesuit religious order illegal.

## Brazil's Supreme Court to Start Trials Today of Jan. 8 Rioters

Brazil's Supreme Court today will start its first trials of rioters who stormed the country's Congress, presidential palace and court in January, the Financial Times reported. The government of President Luiz Inácio Lula da Silva described the insurrection in Brasília on Jan. 8 by supporters of former President Jair Bolsonaro as an attempted "coup." Nearly 1,400 defendants will be tried, and the court has signaled it will take a hard line against those involved.

## Panama Canal May Further Reduce Number of Transits Amid Drought

The Panama Canal may reduce the number of vessels that transit through it if this year's drought continues, the canal's administrator said Tuesday, Reuters reported. Canal officials imposed new limits on the daily number of transits earlier this year amid the drought, which has decreased water levels at Gatun Lake, which feeds the waterway. A backlog of ships has been waiting to use the canal, which handles approximately 5 percent of world trade, the wire service reported. chains in the Western Hemisphere will help boost sustainable growth in Latin America and leverage the United States' regional influence vis-a-vis China. Costa Rica will gain access to diversified investment opportunities and grow both bilateral and regional trade due to its demonstrated improved fiscal responsibility over the past years, paying off major debts and establishing timelines for future repayments."

**Carlos Denton, executive** director of CID/Gallup: "Like the United Kingdom and Canada, Costa Rica is viewed by Washington as 'safe,' 'democratic' and 'friendly.' The downside of this attitude is that U.S. leaders are prone to forgetting about this Central American country because 'nothing is going on, anyway.' The meeting between Joe Biden and Ricardo Chaves, which took place in English, was a cordial one. More aid for the 'war on drugs' was promised, and the migration issue was discussed. The fact that there are more illegal U.S. citizens in Costa Rica than citizens of the Central American country unlawfully living in the United States made the discussion of migration one that was disposed of guickly. Probably because of this, Biden announced to Chaves that Costa Ricans are now eligible to apply for the Global Entry program, which permits them to skip lines and move quickly through the formalities at U.S. airports. Biden extolled Costa Rica's functioning democracy and praised the country for its human rights

record. Chaves expressed admiration for the United States and thanked the U.S. leader for the support it provides his country. As could be expected, the meeting received little attention in the North American media, but surprisingly it was mostly ignored by the San José press as well."

#### María José Cascante Matamoros, professor in the department of political science at the University of Costa Rica: "For

Costa Rica, establishing ties with the U.S. government is always a great opportunity. In the case of migration, it is very important to coordinate a regional strategy responding to the massive mobilization of people, so as to safely manage groups of people who seek more and better opportunities outside their countries of origin and so they do not suffer from abuse or human rights violations while in transit. Costa Rica has been characterized as a country that is seeking answers in accordance with international standards, but it is limited by the country's economic reality. I hope international policies can be aligned to respond in a coordinated manner, but the government's politics bring me doubt. With respect to trade policy for Costa Rica, I believe that maintaining and increasing relations with the United States will be prioritized since the Chaves government has a clear tendency to look for business opportunities. Following this logic, it will prioritize attracting foreign investment and commercial openings."



LATIN AMERICA ADVISOR is published every business day by the Inter-American Dialogue ISSN 2163-7962

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Latin America Advisor is published every business day, except for major U.S. holidays, by the Inter-American Dialogue at 1155 15th Street NW, Suite 800 Washington, DC 20005

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