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FEATURED Q&A

Will India Fortify its Latin American & Caribbean Ties?



Jamaican Prime Minister Andrew Holness visited India earlier this month for talks with Prime Minister Narendra Modi. // Photo: Jamaican Government.

Q Jamaican Prime Minister Andrew Holness visited India from Sept. 30 to Oct. 3, where he held bilateral talks with his Indian counterpart, Narendra Modi, and discussed Indian technology companies' potential relationship with Jamaica with Indian officials. What is the significance of Holness' trip in the context of India's relationship with the region? What does the visit suggest about Jamaica's geopolitical posture? What is the appetite among Indian business and policy leaders for increasing their interaction with Latin America, even if it might entail encroaching on U.S. or Chinese strategic interests?

A Hari Seshasayee, co-founder of Consilium Group and visiting fellow at the Observer Research Foundation: "Andrew Holness' trip to India was the first bilateral visit by a Jamaican prime minister to India. Two developments underscored his visit: the opening of the Jamaican High Commission in New Delhi and a technology transfer agreement. The technology agreement provides a road map for how Jamaica can create its own version of India's Unified Payments Interface, which enables instant payments in the form of peer-to-peer and person-to-merchant transactions. The trip should be seen through two lenses. First, this outreach lends credibility to India's role in being a development partner, as a country with similar developmental challenges that has found solutions that can be replicated in other parts of the world. The second is India's rising ambition in being a global player. India's footprint in Latin America and the Caribbean has always been limited, far behind that of the United States, Europe, China and even Japan.

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Police Arrest Two in January Attack of Ecuadoran Television Station

Police in Spain have arrested two men on accusations that they orchestrated the dramatic attack last January of an Ecuadoran television station during a live broadcast.

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ECONOMIC

Cuba Keeps Schools Closed, Workers Home Amid Outages

Schools in Cuba will remain closed, and most workers will stay home as the country struggles to restore electricity after massive outages hit the island.

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BUSINESS

Nubank Assessing Prospects for Argentina: CEO

Nubank, Latin America's largest fintech company, is "taking a new look" at Argentina, Chief Executive Officer David Vélez said Wednesday.

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Vélez // File Photo: LinkedIn Profile of David Vélez.

POLITICAL NEWS

Police Arrest Two in Attack of Ecuadorean Television Station

Police in Spain have arrested two men who are accused of orchestrating a dramatic attack last January on an Ecuadorean television station, the South American country's Interior Ministry announced Wednesday, Bloomberg News reported. William Alcívar and his brother Alex Alcívar were arrested in Spain's Catalonia region, with Ecuadorean authorities participating in the arrests, the Interior Ministry said.

"The investigation began after information was obtained that indicated the leader had been living in Catalonia for years," Spain's Guardia Civil said in a statement, Reuters reported. William Alcívar is the reputed leader of the Tiguerones drug trafficking organization, and Alex Alcívar is reputedly the gang's second-in-command, Bloomberg News reported. They are accused of murder, contract killings, involvement in organized crime and extortion. They are also accused in connection with the killing of the Ecuadorean prosecutor who was investigating the case of the television station attack. In the incident, which happened on Jan. 9 in Guayaquil, armed men who were masked with balaclavas burst into the studios of TC Televisión during a live broadcast. Some staff members were forced at gunpoint to lie on the floor, and some were briefly taken hostage. No one was killed in the incident, and the 13 gunmen were arrested. The previous day, the prison escape of drug lord Adolfo Macías led to riots in several Ecuadorean prisons, leading President Daniel Noboa to declare a state of emergency. Macías remains at large, Bloomberg News reported. The Los Tiguerones gang that the Alcívar brothers reputedly lead is one of 22 gangs that Noboa's government named as terrorist organizations, Reuters reported. The gang is accused of drug trafficking and extortion in Ecuador's Guayas and Esmeraldas provinces. At the same time that the arrests of the Alcívar brothers were being announced, Ecuadorean Interior Minister Mónica Palencia was defend-

ing herself before the National Assembly as the opposition Citizen Revolution party sought her impeachment, Bloomberg News reported. Palencia's opponents have accused her of failing to get the country's gangs under control and faced impeachment charges of dereliction of duty. After debate that lasted nine hours, the National Assembly rejected the attempt to remove her from office, with just 72 legislators voting to impeach her, short of 92 votes that would have been required, Bloomberg News reported. [Editor's note: See related [Q&A](#) in the June 28 issue of the Advisor.]

ECONOMIC NEWS

Cuba Keeps Schools Closed, Workers Home Amid Outages

Schools in Cuba will remain closed and non-essential workers will stay home through at least Sunday as the country continues to recover from the collapse of its power grid, government officials said Wednesday, Reuters reported. As of Wednesday afternoon, Cuba's power grid was capable of supplying just two-thirds of the country's power demand, the national electrical utility said in a statement. The ongoing power failure began last Friday, when the country's oil-powered electrical generation facilities stopped running amid dwindling import levels and adverse shipping conditions. The next day, Hurricane Oscar made landfall on Cuba's southern coast as a Category 1 storm, eventually leaving more than 12 inches of rain, destroying an undisclosed number of power lines and further compounding the country's energy problems. Havana's electricity company said Tuesday that power had been restored to 89 percent of its customers in the capital, according to a report by state-run news portal Cubadebate. However, many others across the country have been without power for nearly a week, El País reported on Tuesday. "The deterioration of the electrical system is evident and has been for years," Ricardo Torres, a former researcher at the Association for

NEWS BRIEFS

BRICS Should Create New Payment Methods Among Members: Lula

Brazilian President Luiz Inácio Lula da Silva said Wednesday that he wants the BRICS bloc of major emerging economies to create alternative international financial institutions and payment methods among its members, Reuters reported. Countries that aren't closely aligned with major Western powers need access to high-profile financial institutions that aren't headquartered in Washington "so that the multipolar order we aim for is reflected in the international financial system," Lula said in virtual remarks to the BRICS summit in Russia.

Peru Bus Drivers Strike for Third Time in a Month Amid Attacks, Threats

Bus drivers in Peru on Wednesday went on strike for the third time this month amid an ongoing wave of violent attacks and extortions against them, Reuters reported. Striking bus drivers say Peru's government—whose approval rating is below 10 percent—is not doing enough to stop crime, Reuters reported. On Tuesday, President Dina Boluarte announced a plan to increase surveillance of foreigners in Peru, blaming Venezuelan migrants for the recent uptick in crime.

At Least 35 Hurt in Homemade Bomb Blast in Chile High School

At least 34 students and one teacher were injured Wednesday when a homemade bomb exploded in a high school in Chile, according to local firefighters, the Associated Press reported. Students in the high school in Santiago had been making Molotov cocktails in a bathroom with the intention of throwing them later at a protest. One of them exploded, said Lt. Col. Fernando Albornoz, the AP reported.

the Study of the Cuban Economy (ASCE) and a professor at American University, said to El País on Tuesday. Considering the volatility of fuel oil markets—which Cuba relies on for 83 percent of its electrical generation, according to the International Energy Agency—and the increasing frequency of natural disasters, “a major problem was practically just a matter of time,” Torres added.

BUSINESS NEWS

Nubank Assessing Prospects in Argentina: CEO

Nubank is “taking a new look” at Argentina and reassessing its prospects in the South American country, the company’s chief executive officer, David Vélez told Bloomberg News Wednesday in an interview. São Paulo-based Nubank, Latin America’s largest fintech provider, is actively assessing avenues of growth outside of Brazil, where it has around 95 million customers, according to Bloomberg News. Vélez said that the company “will watch” Argentina over the next 12 months, as the government of President Javier Milei continues to undergo austerity measures aimed at battling the country’s inflation rate. The International Monetary Fund projects Argentina’s annual inflation rate will surpass 200 percent this year. Still, around 50 percent of Argentine adults don’t have a bank account, which presents an opportunity for fintech providers like Nubank to expand access, Bloomberg News reported. Vélez also cited Mexico as an opportunity for future growth outside of Brazil, as 88 percent of Mexicans don’t have access to credit, he told Bloomberg News. Vélez said that Nubank would eventually consider expanding beyond financial services in Mexico, listing telecommunications, health and education as potentially relevant sectors. Mexico is currently Nubank’s second-largest market, although “the vast majority” of Nubank’s business is in Brazil, according to Bloomberg News.

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That has slowly changed over the past two decades. If anything, India will complement U.S. strategic interests in the region, not encroach upon them. India is an economic partner to the region, and it adds value by creating thousands of jobs. Indian companies today employ more than 100,000 people in the region, and most of these jobs are in services and manufacturing, not in extractive industries or commodities. We will likely see India play a more active role in the region, both economically and perhaps also from a developmental point of view.”

Aivelaw Lloyd Griffith, founding fellow of the Caribbean Policy Consortium and senior associate at the Center for Strategic and International Studies: “Prime Minister Modi’s recent hosting of his Jamaican counterpart on a high-level visit to the planet’s most populous nation represents another milestone as it extends the boundaries of its geoeconomic and geopolitical influence and engagement in the Caribbean in particular and across the global commons generally. The ‘Caribbean Embrace’ began in earnest in September 2019 with the first India-Caricom summit, which was held in New York on the margins of the U.N. General Assembly. The Covid-19 pandemic provided an opportunity for India’s soft power perimeter to be extended, with Jamaica and other Caribbean nations being beneficiaries of India’s vaccine diplomacy. Although Modi is not scheduled to visit Jamaica in the near future, the Caribbean Embrace will receive a fillip next month when Modi makes a side trip from the G20 summit in Brazil to visit Guyana, where other Caribbean leaders will be invited to meet him. To its credit, Jamaica was strategic in having one of the four Memoranda of Understanding focus on digital transformation. Jamaica—and, indeed, all Caribbean countries—can benefit immensely from India’s considerable wealth of talent in artificial intelligence, cybersecurity and pharmaceuticals, among other areas. For its part,

India has begun to reap economic rewards with infrastructure, oil, security, and other contracts especially in Guyana and Suriname. Undoubtedly, the Holness-Modi embrace has all the makings of a positive-sum outcome for both the small Caribbean states and middle power India as India increases its quotient of global influence.”

A Deepak Bhojwani, founder of Latindia and former Indian ambassador to seven Latin American countries: “India’s relations with Jamaica focus on India’s ambitions to be a leader in the Global South. Economic relations are nascent. Bilateral trade is around \$100 million and comprises almost entirely of Indian exports (Jamaica exports less than \$1 million annually). This compares poorly with Jamaica’s trade with China (more than \$1 billion) and the United States (more than \$3 billion). Indian investments are scant, primarily in service industries, given the absence of bilateral agreements on areas such as investment and taxation. Discussions covered digitalization, health and medicine, sports cooperation, defense, education, trade, agriculture, infrastructure, culture, skill development and capacity building. Jamaica wants to imbibe India’s experience in digital public infrastructure, the spearhead for Indian software companies to base themselves in Jamaica and nearshore their business with North America, which is already happening. India has been contributing to Jamaica’s development with grants of medicine, IT training and disaster relief, and it provides training slots for Jamaican defense personnel, especially the Coast Guard. Both countries have common concerns over narcotics traffic from the Caribbean to India. Official visits have been sparse, high-level visits less so, which makes the last one notable, with Holness presenting Prime Minister Modi a photograph of the latter’s visit to Jamaica in 1999, before he held significant public office in India. Holness also reiterated Jamaica’s commitment to India’s

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candidature for permanent membership of the U.N. Security Council and to initiatives such as the Global Biofuels Alliance.”

A **Madhura Joshi, senior associate and India energy transition lead at E3G:** “India’s relations with Latin America have historically received limited attention, despite cooperation on multilateral platforms such as climate change, sustainable development and trade. However, recent efforts have aimed to bridge this gap, with increasing high-level bilateral visits between India and Latin American nations. Jamaican Prime Minister Andrew Holness’ visit to India from Sept. 30 to Oct. 3 marked a milestone in India’s growing engagement with the Caribbean. This was the first bilateral visit by a Jamaican prime minister to India, following the Indian president’s visit to Jamaica in 2022. Jamaica’s strategic Caribbean location and growing economy present India with opportunities to strengthen ties in the region. The visit also underscores Jamaica’s desire to diversify its partnerships, particularly to gain economic and technological benefits. Bilateral talks between Holness and Indian Prime Minister Narendra Modi focused on collaboration in areas such as STEM, education, digitalization, security and energy. The two countries signed agreements on digital

public infrastructure, cultural exchanges and sports cooperation. Jamaica’s membership in international initiatives like the International Solar Alliance and the Coalition for Disaster Resilient Infrastructure, both spearheaded by India, further strengthens

“**Jamaica’s strategic Caribbean location and growing economy present India with opportunities to strengthen ties in the region.**”
 — Madhura Joshi

their ties. For Indian businesses and policymakers, expanding ties with Jamaica, and by extension, Latin America, reflects India’s ambition to play a more prominent role on the global stage. This outreach aligns with India’s goal to serve as a voice of the Global South and its broader strategy of enhancing south-south cooperation. India’s increasing interest in the region suggests a growing appetite for diversifying its global partnerships, driven by economic, technological and strategic motivations.”

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 www.thedialogue.org

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