

BOARD OF ADVISORS

Diego Arria

Director, Columbus Group

Devry Boughner Vorwerk

Corporate VP, Global Corporate Affairs
Cargill

Joyce Chang

Global Head of Research,
JPMorgan Chase & Co.

Marlene Fernández

Corporate Vice President for
Government Relations,
Arcos Dorados

Peter Hakim

President Emeritus,
Inter-American Dialogue

Donna Hrinak

President, Boeing Latin America

Jon Huenemann

Vice President, U.S. & Int'l Affairs,
Philip Morris International

James R. Jones

Chairman,
Monarch Global Strategies

Craig A. Kelly

Director, Americas International
Gov't Relations, Exxon Mobil

John Maisto

Director, U.S. Education
Finance Group

Nicolás Mariscal

Chairman,
Grupo Marhnos

Thomas F. McLarty III

Chairman,
McLarty Associates

Carl Meacham

Associate VP for Latin America
Int'l Advocacy Division, PhRMA

Carlos Paz-Soldan

Partner,
DTB Associates, LLP

Beatrice Rangel

Director,
AMLA Consulting LLC

Jaana Remes

Partner,
McKinsey Global Institute

Ernesto Revilla

Head of Latin American
Economics, Citi

Gustavo Roosen

Chairman of the Board,
Envases Venezolanos

Andrés Rozental

President, Rozental &
Asociados and Senior
Policy Advisor, Chatham House

Shelly Shetty

Head of Sovereign Ratings,
Latin America, Fitch

Roberto Sifon-Arevalo

Managing Director, Americas
Sovereign & Public Finance Ratings,
Standard & Poor's

FEATURED Q&A

Should Congress Give Venezuelans Protected Status?



Roughly three million Venezuelans have fled the country amid political and economic crisis since 2015, according to U.N. estimates. TPS would protect those who have settled in the United States, Rep. Donna Shalala (D-Fla.) says below. // File Photo: Voice of America.

Q **Bipartisan bills introduced recently in both chambers of the U.S. Congress seek to grant temporary protected status, or TPS, to Venezuelan migrants, a move that would allow Venezuelans to legally remain and work in United States for 18 months. TPS is granted by the Department of Homeland Security to citizens of countries that are experiencing armed conflict, environmental disasters or other extraordinary and temporary conditions. How big of a priority is this bill for lawmakers? How likely is it that Venezuelans will be granted TPS in the near future, and which factors could influence that decision? How, if at all, could the measure affect Venezuelan migration trends?**

A **Donna Shalala, U.S. representative for Florida's 27th congressional district:** "Nicolás Maduro has undermined Venezuela's democratic institutions and, in the process, created a political, economic and humanitarian crisis of catastrophic proportions. Our bipartisan TPS legislation shields from deportation those Venezuelans who have escaped this human-made disaster, thousands of whom have settled in South Florida. Granting TPS status to Venezuelan migrants is among the top priorities for us South Floridians. For so many Venezuelans in our community—our neighbors, friends, students and teachers—there is no country to go back to, as long as children are dying from malnutrition, HIV and cancer patients are forced to forgo treatment, and peaceful protesters are killed in the streets at the hands of government forces. As we fight to grant TPS for Venezuelans, we've also introduced bills that will provide humanitarian aid to the Venezuelan

Continued on page 3

TODAY'S NEWS

POLITICAL

Brazil President's Health Worsens

Doctors in Brazil said that President Jair Bolsonaro, hospitalized since an intestinal surgery that took place on Jan. 28, has developed pneumonia and will remain hospitalized another week.

Page 2

ECONOMIC

U.S. to Reopen Tomato Dispute With Mexico

The U.S. Commerce Department said it plans to reopen an anti-dumping investigation into fresh Mexican tomatoes and exit a 2013 agreement.

Page 3

POLITICAL

Canadians File Suit Over Cuba Health Issues

A group of Canadian diplomats has filed suit against their own government, saying it left them in danger after mysterious health problems struck staff at its embassy in Cuba. Canadian Prime Minister Justin Trudeau told reporters he would address their concerns.

Page 2



Trudeau // Photo: CBC.

POLITICAL NEWS

Brazilian President's Health Worsens

Doctors in Brazil said Thursday that President Jair Bolsonaro, hospitalized since an intestinal surgery that took place on Jan. 28, has developed pneumonia, Folha de S.Paulo reported. He will remain under care for at least another seven days. The new diagnosis follows complications from a seven-hour surgery last month at the Albert Einstein hospital in São Paulo. Doctors encountered unforeseen problems and needed to remove parts of his intestine, according to the report. Presidential spokesman Otávio do Rêgo Barros said Bolsonaro is on a liquid diet. In a Twitter post, the president sought to assure supporters. "Beware of the sensationalism. We are very relaxed and we remain strong," he wrote. Bolsonaro suffered a stab wound while campaigning for office in September. The alleged assailant, Adélio Bispo de Oliveira, is in custody and claims God had



Bolsonaro // File Photo: @BolsonaroSP via Twitter.

inspired him to stab Bolsonaro at a street rally in Minas Gerais, Bloomberg News reported. Meanwhile, Brazil's foreign minister announced Thursday that Bolsonaro would be visiting the United States in March, hailing the prospect of "very different, much deeper" ties between the two countries, Agence France-Presse reported. "We're almost settled on a date at the beginning of the second half of March. It should be announced officially very soon," Ernesto Araújo told a press conference in Washington. Bolsonaro, who entered office last month, vowed to forge closer ties with U.S. President Donald Trump. "I am an admirer of President Trump. He wants a great United States; I want a great

Brazil," he said in his first press conference after winning the first round of Brazil's presidential election last October. Within the region, both leaders have criticized Cuba, Nicaragua and Venezuela, but the two nations have also had differences over trade tariffs levied on products such as steel and ethanol.

Canadian Embassy Staff File Suit Over Cuba Health Issues

A group of Canadian diplomats on Thursday filed suit against their own government, saying it left them in danger after mysterious health problems struck embassies in Cuba, CBC reported. Five of these diplomats, along with members of their families, are suing Ottawa for \$28 million in damages for allegedly dragging its heels in responding to cases of 'Havana Syndrome.' Nearly two years ago, five diplomats and seven young children fell ill. Symptoms of a concussion without any physical blow were also reported by employees of the U.S. embassy in Havana. In a statement of claim filed in court, they allege their employers downplayed the seriousness of the incident and withheld critical information about the health of others afflicted. Only last month Canada reduced its staff in Havana by half, more than a year after the United States pulled the bulk of its staff out. Cuba has denied responsibility for the incidents, and the medical community remains uncertain over the cause of the illnesses.

Venezuela Aid Still Stuck at Border

The first trucks carrying international humanitarian aid for Venezuela began arriving in the Colombian border city of Cúcuta on Thursday, BBC News reported. Video showed several large tractor trailers driving to the Tienditas bridge, which remains blocked by Venezuelan barricades. President Nicolás Maduro, who has the support of the army, has rejected letting the shipment into the country, accusing the oppo-

NEWS BRIEFS

With Inflation Slower, Mexico Holds Rates Steady

Mexico's inflation rate slowed more than market analysts had expected in January, state statistics bureau INEGI said, Bloomberg News reported. The consumer-price index rose 0.09 percent from December, bringing the annual inflation rate down to 4.37 percent. Energy costs fell 1.47 percent last month, with regular gasoline prices down 1.9 percent despite shortages in major cities at the start of the month caused by a government crackdown on fuel theft from pipelines. Mexico's central bank on Thursday left its key interest rate unchanged at a decade high, saying that the inflation outlook has remained steady.

Fire at Brazilian Soccer Training Complex Kills 10

A fire at a large training complex owned by one of Brazil's biggest soccer clubs today has killed 10 people and left three teenagers injured, the Associated Press reported. Firefighters were called in just after 5 a.m. to battle a blaze at the Ninho do Urubu training ground of the Flamengo soccer club in Rio de Janeiro's western region. Local media reported that the fire started in a dorm where youth soccer players sleep.

Chile's Codelco Sees Copper Output Fall 1.9 Percent Last Year

Chile's state-owned copper miner, Codelco, saw its output fall 1.9 percent last year to 1.8 million metric tons, Reuters reported. According to the country's copper commission, Cochilco, a natural decline in iron ore grades caused the fall. The drop last year follows stronger production figures in 2017, when Chile's total copper production rose by 6 percent to 5.83 million metric tons, according to Reuters. Copper is Chile's largest export, providing a third of government income.

sition, which has been arranging the convey, of promoting a foreign invasion. Opposition leader Juan Guaidó, who says the Constitution designates him as the interim president until legitimate elections can be held, has warned that many Venezuelans will suffer from starvation and has appealed to the military to allow the shipments through. Guaidó has secured the backing of more than 40 countries, including the United States and most Latin American and European nations, while Maduro retains the support of China, Russia, North Korea, Turkey and ideological allies in the region, such as Cuba, Bolivia and Nicaragua. Adm. Craig Faller, head of U.S. Southern Command, told U.S. senators on Thursday that Havana “owns the security around Maduro and is deeply entrenched in the intelligence service,” ABC News reported. Ted Piccone, a senior fellow at the Brookings Institution, told the broadcaster that “I think Maduro relies on more than just the Cuban people around him to stay in power.” “The Venezuela military is fragmenting a little bit, but still unified at least at the senior level behind Maduro,” he added.

BUSINESS NEWS

IDB Invest Pumps \$70 Million Into Urban Mobility

IDB Invest, the private sector group within the Inter-American Development Bank, said Thursday it will invest \$70 million to support Cabify, a Madrid-based urban transport technology company. Founded in 2011, Cabify provides transport for hire via its smartphone mobile app. Vehicles are driven by their owners, who are self-employed service providers. The financing will allow Cabify to advance its “smart cities” services aimed at reducing mobility costs and improving the lives of citizens. IDB Invest said the deal is its first loan to a “digital urban mobility business model company.” The lender said Cabify can help formalize economies in Latin America by reducing costs and generating a business environment that is

FEATURED Q&A / Continued from page 1

people and restrict the export of arms from the United States to the Maduro regime. Moreover, we are concurrently fighting to protect or extend TPS designation for other groups. Like Venezuelans in our community, these Floridians have escaped catastrophe, often put down roots and now are facing the cruel uncertainty of being deported to countries where violence and extreme poverty are rampant. We recognize that this is an uphill battle, as this administration continues to wage a war on immigrants, but we will continue to fight for the millions who now call Florida home.”

A **Geoff Ramsey, assistant director for Venezuela at the Washington Office on Latin America:** “The response to

Venezuelan refugees and migrants has been overshadowed by this administration’s deep xenophobia. It’s true that the United States has played an important funding role in the regional response, earmarking \$93 million in funds in the 2018 fiscal year for the response to fleeing Venezuelans. But it has been woefully silent on Venezuelans’ need for access to legal status in the countries they are fleeing to, let alone in the United States. So far Venezuelans have been no exception to the White House’s backward migration and refugee policies. Instead,

subject to taxes and compliance with regulatory and legal frameworks. The company is operating in most of South America, as well as Mexico, Panama and Portugal.

U.S. to Reopen Tomato Dispute With Mexico

The U.S. Commerce Department said Thursday it plans to reopen an anti-dumping investigation into fresh Mexican tomatoes and exit a 2013 agreement, CNBC reported. In response

the administration has placed the lowest ceiling on refugee admissions since 1980 and denied formal status to migrants. In response to an increase in asylum claims by Venezuelans who entered the country legally in recent years, the U.S. government has responded harshly. The United States has

“**The United States has slashed the number of tourist B-visas issued to Venezuelans from 240,000 in 2015 to less than 57,000 in 2017.”**

— Geoff Ramsey

slashed the number of tourist B-visas issued to Venezuelans from 240,000 in 2015 to less than 57,000 in 2017. It’s also clear that any discussion of TPS for Venezuelans who are fleeing an economic collapse and political crisis cannot be held in isolation. When pressed about the contradictions in this administration’s approach, Vice President Mike Pence argued there is ‘a clear distinction’ between Central Americans and Haitians and ‘the people who are literally fleeing from Venezuela to survive.’ Personally, I see more similarities than differences. Dysfunctional

Continued on page 4

to complaints from Florida tomato growers, a group of U.S. lawmakers, led by Marco Rubio (R-Fla.), have accused Mexico of unfair trade practices and claim the six-year-old suspension agreement was not working the way it should. “We have heard the concerns of the American tomato producing industry and are taking action today to ensure they are protected from unfair trading practices,” Commerce Secretary Wilbur Ross said in a release. Mexico has a 54 percent market share of fresh tomatoes sold in the United States. Some U.S. growers have accused Mexico’s government of subsidizing agricultural production and cite lower labor costs south of the border as unfair.

FEATURED Q&A / Continued from page 3

institutions, economic collapse and deep insecurity all cause people to flee and prevent them from returning, no matter where they flee from.”

A **Soeurette Michel, South Florida-based attorney and CEO of The Michel Law Firm:** “This bill is of little priority for lawmakers because immigration reforms have been a long time coming. The Department of Homeland Security’s aggressive stance on immigration recently makes it harder to pass a bill to grant TPS to Venezuelans despite the challenges they have been facing. Under DHS guidelines, TPS status applies to nationals of certain countries where it is deemed unsafe to return, or where the country’s government is unable to adequately handle the return of its nationals.

“**There is no strong argument yet on the table to make the case that Venezuelans qualify for TPS.**”

– Soeurette Michel

Here it’s problematic, because there is one ‘elected president’—Nicolás Maduro—and one ‘auto-proclaimed president’—Juan Guaidó. Whose government would lawmakers consider? This bill is of little priority for lawmakers also because there is no strong argument yet on the table to make the case that Venezuelans qualify for TPS, taking into consideration DHS guidelines. If the foreign politics and intrusions within Venezuela’s internal politics prevail, Venezuelans could be granted TPS, but there is no time table for that to happen. The factors that could influence that decision would be: Nicolás Maduro staying in power for the duration of his mandate; the economic crisis persisting; and Venezuelans continuing to migrate to the United States. If Venezuelans are granted

TPS, there is a possibility that Venezuelans migration will increase, although lawmakers could put some restrictions on who qualifies to apply for TPS.”

A **Marc Becker, professor of Latin American history at Truman State University:** “Venezuelans should be granted TPS status, although a certain amount of irony exists in calling on the United States government to extend that designation because U.S. policy, spanning several administrations, is largely to blame for Venezuela’s collapsing economy. Although rarely mentioned in media accounts, which are determined to create a narrative of the failure of socialism in Venezuela, draconian and ideologically motivated sanctions that the United States government has imposed on the country has led us to this situation. The sanctions began with Obama, who in 2015 declared a national emergency because of ‘the unusual and extraordinary threat to the national security and foreign policy of the United States’ that Venezuela represented. As knowledgeable observers noted at the time, that statement was ludicrous to the point of laughable. Under the influence of Marco Rubio, Trump has only heightened both the rhetoric and the sanctions, most recently with the blockade of petroleum shipments. These steps do little to undermine Maduro’s position of power, because as long as he retains the backing of the military he will remain in office, and there is little indication of that support weakening. Rather, these sanctions are most damaging to the livelihoods of common civilians, which of course leads us back to the question of TPS status. Were it not for the sanctions, we would not be having this discussion. Obviously, the most direct and rational solution to this problem is to end the sanctions and recognize and respect Venezuela’s independence and sovereignty.”

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

LATIN AMERICA ADVISOR

is published every business day by the Inter-American Dialogue, Copyright © 2019

Erik Brand

Publisher
ebrand@thedialogue.org

Gene Kuleta

Editor
gene.kuleta@thedialogue.org

Anastasia Chacón González

Reporter
achacon@thedialogue.org



Michael Shifter, President

Genaro Arriagada, Nonresident Senior Fellow

Sergio Bitar, Nonresident Senior Fellow

Joan Caivano, Director, Special Projects

Michael Camilleri, Director, Peter D. Bell Rule of Law Program

Kevin Casas-Zamora, Nonresident Senior Fellow

Ariel Fiszbein, Director, Education Program

Peter Hakim, President Emeritus

Claudio Loser, Senior Fellow

Nora Lustig, Nonresident Senior Fellow

Margaret Myers, Director, Asia and Latin America Program

Manuel Orozco, Director, Migration, Remittances & Development

Jeffrey Puryear, Senior Fellow

Tamar Solnik, Director, Finance & Administration

Lisa Viscidi, Director, Energy Program

Denisse Yanovich, Director of Development and External Relations

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

ISSN 2163-7962

Subscription inquiries are welcomed at ebrand@thedialogue.org

The opinions expressed by the members of the Board of Advisors and by guest commentators do not necessarily represent those of the publisher. The analysis is the sole view of each commentator and does not necessarily represent the views of their respective employers or firms. The information in this report has been obtained from reliable sources, but neither its accuracy and completeness, nor the opinions based thereon, are guaranteed. If you have any questions relating to the contents of this publication, contact the editorial offices of the Inter-American Dialogue. Contents of this report may not be reproduced, stored in a retrieval system, or transmitted without prior written permission from the publisher.