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FEATURED Q&A

Why Has Guaidó Lost Momentum Against Maduro?



Venezuelan opposition leader Juan Guaidó, pictured last April, began receiving international recognition as the country's legitimate president nearly a year ago. However, he has been unable to dislodge President Nicolás Maduro. // File Photo: Facebook site of Juan Guaidó.

Q Venezuelan opposition leader Juan Guaidó has seen his popularity drop to 42 percent in November from 61 percent in February. Meantime, Guaidó has struggled to organize anti-government street protests, and he is now dealing with an influence-peddling scandal in the opposition's ranks. Has Guaidó failed as the leader of Venezuela's opposition? Should he step aside, or can his efforts to oust President Nicolás Maduro regain momentum? Nearly a year after Guaidó won international recognition as Venezuela's legitimate president, why has he been unable to dislodge Maduro from power?

A Luis Vicente León, president of Datanalysis in Caracas: "At the beginning of this year, Juan Guaidó had a 61 percent approval rating, and 63 percent of Venezuela's population believed that Maduro was quickly on his way out. Today, Guaidó's approval rating stands at 38 percent, and only 20 percent of Venezuelans still maintain hope for a change. Some ask: why has Venezuelans' hope for change fallen so much? Perhaps the answer is that it was never so high to begin with. The emergence of a new leader, a unified opposition, international support and sanctions, together with the Trump administration's threatening rhetoric, were the factors that triggered expectations for a transition. But that hope was based on the concrete possibility of producing change, and when that goal was not achieved in the short term, time plays against the opposition's unity, the new leader's popularity, hope and the population's willingness to participate. This is all

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TODAY'S NEWS

POLITICAL

Venezuelan Nat'l Assembly Allows Voting From Afar

Venezuela's opposition-led National Assembly approved a measure to allow lawmakers to cast their ballots electronically, without being physically present in the chamber. Dozens of legislators have fled the country or have sought asylum in embassies.

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ECONOMIC

Argentine Gov't Seeks Higher Farm Export Taxes

The new government of President Alberto Fernández wants to increase taxes on agricultural exports and impose duties on foreign assets held abroad.

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POLITICAL

U.S. Judge Orders García Luna Held Without Bond

A judge ordered the continued detention of Genaro García Luna, who was Mexico's top security official and now stands accused of accepting millions of dollars in bribes from the Sinaloa cartel.

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García Luna // File Photo: Notimex.

POLITICAL NEWS

Venezuela Assembly Allows Electronic Voting on Legislation

Venezuela's opposition-led National Assembly on Tuesday approved a measure to allow lawmakers to cast their votes on legislation electronically, without being physically present in the chamber, the Associated Press reported. Opposition lawmakers say the change in rules was needed because a government crackdown has left dozens of legislators in hiding or exiled from the country, Reuters reported. Of the 112 legislators who belong to opposition parties, about 30 have fled Venezuela or have sought refuge in foreign embassies in Caracas, the AP reported. The change in the rules precedes a key vote on Jan. 5 in which legislators will decide whether Juan Guaidó will remain president of the National Assembly. His role as the body's leader led to Guaidó claiming to be the country's interim president last January, which the United States and dozens of other countries have recognized. His remaining the National Assembly's president would allow him to continue in that role. Before Tuesday's change in the voting rules, the National Assembly could not pass legislation without the physical

presence of at least half of the lawmakers or their surrogates, Reuters reported. Opposition lawmakers have accused President Nicolás Maduro's allies of pressuring legislators not to show up for next month's vote in order to prevent Guaidó from remaining the legislature's leader. Some opposition lawmakers said during Tuesday's session that they had been offered briefcases containing cash in order to skip the vote. "We will not sell out, they will not break us," said legislator Carlos Valero. The Venezuelan government's information ministry did not respond to a request for comment by Reuters. Allowing lawmakers to vote from afar also qualifies a greater number of legislators to participate in the Jan. 5 vote for congressional leadership. Allies of Maduro criticized the change, saying it protects "fugitives of justice," the AP reported.

U.S. Judge Orders Mexico's García Luna Held Without Bond

A judge in Texas on Tuesday ordered Mexico's former top security official to remain held without bond as he awaits trial for allegedly profiting from drug-money bribes in exchange for letting the infamous Sinaloa drug cartel operate with impunity, the Associated Press

NEWS BRIEFS

At Least 12 Killed in Jail Shootout in Panama

At least 12 people were killed Tuesday in a shootout among inmates at a jail near Panama City, Reuters reported. Thirteen people were also injured in the incident at the La Joyita prison, which is 16 miles east of the city. Police officers seized several weapons following the shootout, including five handguns and three long-barreled firearms. Panamanian President Laurentino Cortizo said it appeared that guards helped inmates smuggle weapons inside.

Trump Meets With Guatemala's President at White House

U.S. President Donald Trump on Tuesday met with outgoing Guatemalan President Jimmy Morales at the White House, where he praised Morales on the immigration deal that allows U.S. authorities to send migrants seeking asylum there to Guatemala. "The relationship is very good, it's a very important country from the standpoint of the border and trade," Trump said in his remarks, according to a White House statement. Guatemalan President-elect Alejandro Giammattei, who has criticized the immigration agreement, takes offices Jan. 14.

Every McDonald's in Peru Shuts for Two Days Following Workers' Deaths

Every McDonald's fast food restaurant in Peru has been closed for at least two days of mourning, following the deaths of two young employees at a branch in Lima, BBC News reported today. Alexandra Porras Inga, 19, and Gabriel Campos Zapata, 18, were electrocuted via a loose cable when they were cleaning the kitchen during a night shift, according to reports. Peru's public prosecutor's office has opened an investigation of the incident. Protesters gathered in Lima on Tuesday, demanding improvements to workplace safety.

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evident today. In a conflict of powers, without institutions that can mediate, a solution can only be produced through conflict or negotiation. Without the participation of the military, the probability of achieving success through conflict is very low. However, considering Maduro's control of territory and the infinite cost of his departure, neither is a change through negotiation likely. This does not mean that Guaidó is finished. For now, he remains the opposition's strongest leader, the majority of the population wants Maduro out of power and international pressure continues incrementally. However, if it does not present a structural change in its strategy

and incorporates greater pressure and an intelligent negotiating route with dominant elites, then the opposition's leadership vacuum will again be its most dominant problem in 2020."

A **David Smilde, senior fellow at the Washington Office on Latin America and professor of sociology at Tulane University:** "The problem is not Juan Guaidó as a leader, but rather a strategy that has run its course. After almost a year of trying to push out Nicolás Maduro through a campaign of maximum pressure, it seems readily appar-

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reported. Genaro García Luna, who served as Mexico's secretary of public security from 2006 to 2012 and as the head of the country's Federal Investigation Agency from 2001 to 2005, was indicted on three counts of cocaine trafficking conspiracy and a false statements charge. He waived his right to a detention hearing in Dallas nearly a week after a federal case against him was made public in New York City. Magistrate Judge David Horan ruled that García Luna be held in Texas until marshals could transfer him to New York, where notorious drug kingpin and head of the Sinaloa Cartel Joaquín "El Chapo" Guzmán faced trial last year, the AP reported. The same judge who tried Guzmán, Brian Cogan, will also try García Luna, El Universal reported. During Guzmán's trial, a former cartel member testified that he personally paid García Luna \$6 million in bribes between 2005 and 2007, and prosecutors allege that other cooperating witnesses have said the Sinaloa cartel paid García Luna tens of millions of dollars in exchange for impunity, the AP reported. García Luna did not enter a plea on Tuesday.

ECONOMIC NEWS

Argentine Gov't Seeks Higher Export Taxes on Agriculture

Argentina's new government is seeking to increase taxes on agricultural exports and impose duties on foreign assets held abroad, Economy Minister Martín Guzmán said on Tuesday, Reuters reported. Guzmán said the government is looking to raise export taxes on wheat and corn to 15 percent from 12 percent, as well as hike the tariff cap on soybean exports to 33 percent from 30 percent. President Alberto Fernández took office last week, elected by voters discontented with the former administration's painful fiscal cuts, implemented to comply with an International Monetary Fund program amid a steep recession. Argentina's economic growth dropped 1.7 percent in the third quarter, as compared to the same period last year, according to government statistics agency Indec.

COMINGS & GOINGS

Santander Expands Latin America Research Team

Spanish bank Santander has hired new analysts to grow its Latin America research team, raising the number of people on the team to 28, Reuters reported Dec. 12. Santander currently covers 221 companies in Latin America and 122 firms in Brazil. The new analysts have previous experience in rival banks including UBS Group, Citigroup and Safra. Among the new hires, Alan Alanis, who formerly worked at UBS, will be Santander's head of Mexico strategy, as well as sector head for food and beverage. Maria Tereza Azevedo, also coming from UBS, will be sector head for technology, media and telecommunications. Rafael Barcellos, previously at Citi, will be the sector head for metals and mining and for pulp and paper. New analysts have also been hired in the bank's capital goods, transportation, real estate, education and health care sectors.

iM Global Partner Names Head of Sales For U.S. Offshore and Latin America Markets

Investment and development platform iM Global Partner, which focuses on acquiring strategic investments in traditional and alternative investment firms in the United States, Europe, and Asia, has named Peter Stockall as its head of sales in the U.S. Offshore and Latin America region, Hedgeweek reported Dec. 11. Based in Miami, Stockall will lead the firm's business development efforts for the region. He will report to Deputy CEO and Head of International Business Development Jose Castellano. Before joining iM Global Partner, Stockall previously served as sales lead for Carmignac Mutual Fund in the United States. He also previously worked as a consultant for offshore regional sales at Pioneer Investments, where he worked with financial advisors in the Caribbean and Panama.

Lanziani Takes Over As Argentina Energy Secretary

Sergio Lanziani is Argentina's new energy secretary under President Alberto Fernández, Argus Media reported Dec. 10. Lanziani is a nuclear engineer and previously served as a local energy official in the province of Misiones, which is home to the Yacyreta binational hydroelectric dam that Argentina shares with Paraguay, but there is no oil or gas production there. There are some concerns among oil industry executives that Lanziani is not experienced enough for crucial decisions regarding shale development in the country, according to the report.

Bowling Named President of DirecTV Latin America

Michael Bowling has been named president of DirecTV Latin America, the company announced Dec. 12. In that position, Bowling will report to Melissa Arnoldi, the CEO of Vrio Corp., the U.S.-based company that manages the commercial operations of DirecTV's operations in Latin America. "Michael is recognized globally for his leadership in media and technology and possesses extensive experience in the region," DirecTV said in its statement. Bowling's predecessor in the position, Manuel de Abelleira, will continue as an external strategic advisor for the company, according to the statement.

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ent that Maduro will maintain a solid grip on power over the coming year. There is little appetite in the United States and the region for military intervention, and there is not much more that can be done with targeted sanctions. Economic sanctions have simply worsened the humanitarian emergency and accelerated the forced migration crisis, in the process undermining the opposition's ability to mobilize. The opposition coalition needs to realize that its interests are not identical to those of the United States. The Trump administration would be quite content to continue with a deadlock in Venezuela that can serve for electoral mobilization in Florida and to point out the dangers of socialism. This is the recipe that has worked for decades with Cuba, and Venezuela seems to be destined to fulfill the same role. The opposition needs to reflect on this new landscape. It should continue pushing for a new electoral council and should debate various economic plans that are being floated regarding the recovery of the electricity grid in western Venezuela and a potential oil-for-essentials program. These moves could develop some social and political capital that could make a political solution more likely. If the opposition does not strategically pivot, it could be banished from the only institutional space it currently has through legislative elections, and it will face a continued degradation of its coalition."

A **Julia Buxton, professor of comparative politics at the School of Public Policy of Central European University in Budapest:**

"Guaidó and the Venezuelan opposition are exactly where expected a year after the audacious move to displace Maduro: nowhere near exercising power and consumed by factionalism. The obvious signs that the declaration of an 'interim presidency' was a miscalculation were papered over by a noisy diaspora and uncritical commentators.

From the start, it was clear that actors key to the success of any transition had been bypassed. Maduro was never going to fall without Guaidó securing the support of the military; it was naïve to think China, Russia and Cuba could be diplomatically marginalized; and the oft-repeated backing of Guaidó by 54 countries was meaningless without

“From the start, it was clear that actors key to the success of any transition had been bypassed.”

— Julia Buxton

coherence of external country action. In any event, this figure is a fraction of the 193 countries that are U.N. member states. The overt backing—if not complete reliance on the United States—was risky, most particularly given the now evident but too frequently denied divisions within the White House, and the liability of association with the unpredictable Trump administration. U.S. strategy has compounded Guaidó's difficulties. U.S. sanctions were informed by favored voices, premised on a speedy removal and short term in intent. Their impact over the longer term is proving disastrous. Similarly, in the rush to create a parallel government and diplomatic missions overseas, Guaidó jettisoned oversight and accountability mechanisms. He remains the most popular politician in the country, but one weighed down by a burdensome coalition, U.S. expectation and lack of strategic nous. Until these are addressed, expectations of a Guaidó breakthrough should remain low."

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