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FEATURED Q&A

Where is the Immigration Debate in the U.S. Headed?

Q Georgia, Alabama and several other U.S. states have enacted harsh laws designed to reduce the illegal immigrant population in recent months. Though there are no official numbers, farmers in those states have reported that there is now a serious shortage of willing and able laborers, leaving valuable crops unpicked and rotting in fields. What is the status of immigration legislation in the United States? What effects have the new laws had on local businesses, state resources and public opinion in those states? Are more states likely to enact such anti-immigration laws, or will the unforeseen consequences act as a deterrent? What role will immigration play in the U.S. presidential race?

A Dan Stein, president of the Federation for American Immigration Reform: "Alabama and Georgia have recently adopted sensible laws designed to protect citizens from the harmful effects of mass illegal immigration. Like all laws, the immigration policies adopted by these states deter people—illegal aliens and employers—from violating laws by attaching meaningful consequences. These state laws are accomplishing their intended objectives. Illegal aliens are leaving on their own, opening up much-needed jobs for unemployed Americans and relieving taxpayers of the burdens of providing costly benefits like education and health care. These states' economies will

quickly benefit from a legal labor force. More Americans will find jobs at better wages, tax revenues will increase and millions more dollars will remain in local economies rather than being remitted abroad. Agriculture, the most problematic sector, will need to improve wages and working conditions, mechanize and take advantage of existing guest worker programs. Alabama's law has been largely upheld by the 11th Circuit Court of Appeals, providing a judicially tested tem-

Continued on page 4



Uruguayan Congress Revokes Amnesty for Military Officials

Uruguay's Congress on Thursday revoked amnesty for military officials charged with human rights abuses that occurred during the nation's dictatorship. Leslie Van Rompaey, the head of the country's Supreme Court, said he will hear the case should an expected appeal be filed. See story on page 2.

File Photo: El País.

Inside This Issue

FEATURED Q&A: Where is the United States Immigration Debate Headed?.....1	Argentina Bans Insurance Firms from Investing Abroad.....3
Uruguayan Congress Revokes Long-held Amnesty for Military Officials.....2	NII Holdings Adds 433,000 Net Subscribers in Third Quarter.....3
El Salvador, Jamaica Rank Among Worst in World for Violent Deaths: Report.....2	In Focus: Activists Decry Brazil's Decision to Boycott Belo Monte Dam Meeting.....3

NEWS BRIEFS

New Brazilian Sports Minister Plans to Avoid Deals with NGOs

Brazil's new Sports Minister said Thursday he plans to avoid agreements with non-governmental organizations, Agência Brasil reported. Aldo Rebelo, who replaces Orlando Silva after his resignation earlier this week over corruption allegations, wants to avoid perceptions of channeling funds to organizations that have political ties. Rebelo also said staffing changes are in the works at the ministry. A number of aides to former minister Silva have also been implicated in the corruption scandal, which authorities continue to investigate. A prominent Workers Party politician from São Paulo, Rebelo was president of Brazil's Chamber of Deputies from 2005 to 2007.

Latin America Region Helps Boost Colgate Palmolive Earnings

New York-based consumer products maker **Colgate Palmolive** said Thursday that strength in its Latin America business helped fuel third quarter performance overall. The company said earnings were led by a 16 percent jump in sales in Latin America, representing 28 percent of the company's global business, Dow Jones reported.

HSBC Considers Selling Brazil Consumer Finance Unit

HSBC is seeking to sell its consumer finance unit in Brazil, the *Financial Times* reported Thursday. The U.K. bank's **Losango** unit is expected to be of interest to Brazil's domestic commercial banks, people familiar with the deal told the newspaper. Losango has some 20 million customers and controls about 20 percent of one of Brazil's most popular consumer loan segments, according to the report.

Political News

Uruguayan Congress Revokes Long-held Amnesty for Military Officials

Uruguay's Congress on Thursday revoked amnesty for military officials charged with human rights abuses that occurred during the nation's dictatorship, the Associated Press reported. Uruguay's lower house voted 50-40 to eliminate the amnesty after 12 hours of debate, following a similar vote in the Senate. President José Mujica, himself a former jailed leftist guerrilla, is expected to sign the law before Nov. 1, when, if Congress had not acted, a statute of limitations would have eliminated the possibility of new prosecutions for dictatorship-era crimes, the AP reported. The country's Supreme Court, chaired by Leslie Van Rompaey, said the court will hear the case should an expected appeal from the military be filed, local daily *El País* reported. "Human rights must be protected, even against the wishes of the majority," Van Rompaey told the newspaper. An estimated 7,000 political prisoners were held and many were tortured during the 1973-85 military rule, according to human rights activists. Opponents say Congress' decision undermines the will of the Uruguayan people, a majority of whom twice voted in separate referenda to keep the amnesty, which has been in place since 1985. Supporters of

“Human rights must be protected, even against the wishes of the majority.”

— *Leslie Van Rompaey*

amnesty say it has helped the nation transition peacefully into a thriving democracy. While visiting Uruguay this week to lobby for human rights laws, the United Nations Deputy High Commissioner for Human Rights, Kyung-wha Kang, praised the congressional vote. In a press release, Kang addressed the majority vote argument specifically, saying that "while popular will must be taken into account by the leaders of the country in overcoming

the divisiveness of this sensitive issue, human rights protection applies irrespective of majority or minority views, and the state has an obligation to uphold the human rights of all persons at all times." She added that "the future of human rights will rest on shaky ground if Uruguay does not come to terms with past crimes." In related news, Brazil's Senate on Wednesday night approved the creation of a truth commission to investigate human rights abuses by its military regime, which ruled from 1964 to 1985. And in Argentina, also on Wednesday, a court sentenced Alfredo Astiz, a former navy spy known as "the Angel of Death" and 11 other former Argentine military and police officers to life in prison for crimes against humanity committed during the 1976-83 military dictatorship.

Economic News

Latin America's Economic Inequality Behind Violent Death Rates: Report

Countries in Latin America and the Caribbean are at the top of a new ranking of the most violent nations in the world, according to a study released Thursday. The "Global Burden of Armed Violence" report, published by the Geneva Declaration on Armed Violence and Development, shows that one-quarter of all violent deaths in the world occur in just 14 countries, seven of which are in the Americas. El Salvador, a nation that long ago put its bloody civil war behind it, was the country most affected by lethal violence in the period from 2004 to 2009, followed by Iraq and Jamaica, according to the report. Honduras, Colombia, Venezuela and Guatemala are all among the top six worldwide in average annual violent death rates from 2004-2009. While lethal violence is unevenly distributed across countries, it is also uneven within them, according to the report. In Mexico, the national violent death rate in 2009 stood at 18.4 per 100,000 people. In contrast, Ciudad Juarez in the northern part of the country experienced a rate of 170.4 per 100,000 in the same year, more than 20 times the global rate. Report authors cite inequality as a key driver of violence.

"States with high levels of lethal violence almost always struggle to achieve the Millennium Development Goals," said Keith Krause, one of the report's editors. Several countries in the region were ranked on par with the United States in terms of violent death rates, such as Uruguay, Chile, Argentina, Bolivia, Costa Rica and Cuba. Canada has the lowest violent death rate in the hemisphere.

Argentina Bans Insurance Firms from Investing Abroad

Argentina's government on Thursday announced another measure, the third this week, aimed at stemming capital flight. The latest decree bans insurance companies from having investments overseas. Insurance companies will no longer be entitled to hold assets offshore and they were given a 50-day grace period to repatriate the funds, Bloomberg News reported. Overseas investments of insurance companies are estimated around \$1 billion, according to research note circulated Thursday by **JP Morgan Chase**. Capital outflows have been running around \$3 billion per month, totalling some \$20 billion year to date.

Company News

NII Holdings Adds 433,000 Net Subscribers in Third Quarter

Virginia-based **NII Holdings**, the owner of the Nextel brand in Latin America, on Thursday said it added 433,000 net subscribers to its network in the third quarter, bringing its ending subscriber base to more than 10.2 million, a 19 percent increase compared to the subscriber base on September 30, 2010. While consolidated operating revenues rose 21 percent to \$1.75 billion in the third quarter, the company reported a consolidated quarterly net loss of \$3 million, or \$0.02 per basic share. While the company saw improved subscriber growth in Mexico, subscriber churn of 1.78 percent for the third quarter was up 14 basis points from the level reported for the same period last year, resulting primarily from higher churn levels in Brazil, the company said.

In Focus

Activists Decry Brazil's Decision to Boycott Belo Monte Meeting

By Rachel Sadon

WASHINGTON—The Brazilian government on Wednesday refused to attend a meeting with activists opposed to the Belo Monte dam convened by the OAS's Inter-American Commission of Human Rights (IACHR). Members of the indigenous community and environmental groups that traveled to Washington for the meeting were surprised by the decision and lambasted the government, calling its actions "arrogant and undemocratic" at a press conference staged outside the OAS building.

The commission had intended the meeting to be a mediated discussion over the controversial dam, which is slated to be the world's third largest, but the government pulled out late on Friday. Activists say that this is the first time in its history that the Brazilian government has decided not to attend a meeting convened by the IACHR.

The \$17 billion mega dam has been a source of contention since it was first proposed in the mid 1970s. The plans would divert the Xingu River along 62 miles in Pará state, which human rights groups say would irreparably harm the environment and local indigenous groups' way of life. The Brazilian government, however, maintains that the project is vital to meeting the country's mushrooming energy demands and the environmental impacts would be far less significant than those groups claim.

Both the Brazilian Embassy and Permanent Mission to the OAS declined to comment about the government's decision not to participate. The Foreign Ministry also did not return a request to comment. However, the country's Energy Minister, Edison Lobão, said "Brazil is a sovereign country. We are not subject to intervention whoever it is," the Associated Press reported.

Activists, however, contend that the choice not to participate in the dialogue reflects the hypocrisy of President Dilma Rousseff, who touted her commitment to human rights in a major speech to the United Nations in September. Brazil's absence at the assembly shows that "the government has a greater commitment to corporations than human rights," said Andressa Caldas, the executive director of the Rio de Janeiro-based human rights organization Global Justice.

Indigenous leader Sheyla Juruna told the *Advisor* that the community "is already beginning to feel the devastating effects" of the beginning construction stages. According to Caldas, migration to the region has already surpassed a projection of 16,000 people. The number of migrants is now expected to reach 90,000, doubling the size of Altamira, significantly straining the city's resources and fundamentally altering the way of life in the region. In April, the IACHR ruled that the Brazilian government should suspend work on the project until it complied with obligations to consult with local indigenous groups. The administration reacted sharply, calling the demand "rash and unjustifiable" and recalling the country's ambassador to the OAS, Ruy Casães.

Last month, a federal judge in Brazil also ruled that the project's environmental licensing was issued illegally because indigenous groups had not been properly consulted, rejecting the government's argument that the consultations were not necessary because the dam is not physically located on indigenous lands. The case is currently on appeal and is expected to eventually reach the Supreme Court.

On Thursday, hundreds of people occupied the Belo Monte construction site in a distinct change in tactic. Despite vows to stay permanently, the occupiers disbanded late in the day after a judge ordered them to leave, *The New York Times* reported.

Editor's note: See related [Q&A](#) in the Feb. 21-25 issue of the weekly *Energy Advisor*.

Featured Q&A*Continued from page 1*

plate for other states that wish to protect workers and taxpayers from mass illegal immigration. Such laws are popular with the vast majority of voters who recognize that their interests are harmed by illegal immigration. Especially at a time when some 25 million Americans are unemployed or underemployed, and government budgets are strained to the breaking point, state governments can no longer turn a blind eye to illegal immigration. What is really needed, however, are meaningful federal policies that send a clear message to illegal aliens and their employers that immigration laws will be enforced in all 50 states."

A **Tamar Jacoby is a fellow at the New America Foundation and president of Immigration Works USA:** "There has been a revolution in immigration lawmaking in the five years since Congress last tried and failed to enact reform. State governments from Georgia to Utah have rushed in to fill the vacuum. In May, the U.S. Supreme Court sanctioned their push to take matters into their own hands. The notion that immigration policy is a federal responsibility has been shattered, probably forever. And now, with the justices' blessing, the drive to pass state laws is likely to accelerate in 2012. The only catch: there is little if anything a state can do to make immigration more workable or solve the problems created by decades of federal neglect. Instead, most states are simply cracking down harder on a broken system. The theory behind the new laws is 'attrition through enforcement'—making every aspect of life harsher and less hospitable for unauthorized immigrants so they eventually leave the state. And by this measure, the strategy is working. In the past five years, according to studies, between 20 percent and a third of the unauthorized workers in Arizona have decamped. Farmers and restaurant owners in Georgia began complaining about worker shortages even before their state's new law went into effect in July. Across the state line in Alabama, construction crews working to rebuild after a tornado have had to slow work for lack of hands.

The lawmakers behind the bills that created these shortages are unrepentant—some are even insisting that employers are fabricating evidence. But this isn't the end of the story. Voters aren't blind. Just as they can see when the emperor has no clothes, they can see the fruit and vegetables rotting in the fields. And eventually, they are going to grasp the truth—how central immigrants are to the American economy."

A **Muzaffar Chishti, director of the Migration Policy Institute at the NYU School of Law:** "While immigration legislation at the federal level has floundered, state legislatures have stepped into the vacuum since 2007, reaching a new height this year. While Alabama, Georgia, and Arizona have attracted the most attention, in 2011 alone, ten states enacted similarly tough immigration measures covering a spectrum of issues, from empowering local police to question suspects about their immigration status to imposing state sanctions on employers who hire unauthorized workers. Though there is little hard data yet to confirm anecdotal reports, employer groups believe the new measures are causing labor shortages, especially in the agriculture and restaurant industries. Already, farmers are complaining about the loss of migrant workers and inability to recruit new workers. State action in immigration, broadly speaking, has followed two paths. The first is aimed at employers who hire unauthorized workers and the second targets immigrants more directly, by allowing police and even school teachers to inquire into immigration status. If a recent U.S. Supreme Court ruling is any indication, measures against employers are likely to pass legal muster. The second set of provisions, referred to by some as 'papers, please' enforcement, has faced a more uphill battle in lower courts, and other states are likely to wait until the Supreme Court gives its final word before they take tougher action. Immigration is unlikely to be a dominant issue in the presidential race. But if the Latino population perceives itself to be unfairly targeted, the intensity of turnout could be affected."

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Erik Brand

General Manager, Publishing
ebrand@thedialogue.org

Gene Kuleta

Editor
gkuleta@thedialogue.org

Rachel Sadon

Reporter, Assistant Editor
rsadon@thedialogue.org

Inter-American Dialogue

Michael Shifter, President

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Jeffrey Puryear, Vice President, Social Policy

Viron Vaky, Senior Fellow

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