

# Americas

## QUARTERLY

# PARADISE HACKED

**A recent attack in Costa Rica shows why the region is so vulnerable on cybersecurity. What can be done?**

BY CECILIA TORNAGHI

A beach in Costa Rica, which declared a state of emergency after a 2022 attack by Russian hackers

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# A Hacker's Paradise


**Latin America's love story with gadgets and technology has a hidden cost becoming more visible by the day: vulnerability to cyberattacks.**



**W**HEN COSTA RICA WAS HIT by a massive ransomware attack in April 2022, paralyzing exports and exposing gigabytes of sensitive information online, it was a warning sign for the entire region. Latin America and the Caribbean is the world's least-prepared area for cyberattacks, according to an index compiled by an arm of the United Nations.

This is partly the result of a positive trend: Much of life moved online following the pandemic, and Latin America and the Caribbean has seen considerable innovation in areas like fintech and e-commerce. But that transformation has not been matched by efforts and investments to keep digital systems safe, writes *AQ*'s managing editor Cecilia Tornaghi, in our cover story. "Latin America's entrepreneurial and innovative spirit does not come with a concern for security," Louise Marie Hurel, founder of the Latin American Cybersecurity Research Network, told us.

Experts say having a plan is key, and so is education. According to an IBM study, 95% of all cyberbreaches start from human error. A phishing expedition that gets one single person to click on a funny video or too-good-to-be-true offer is all that's needed to install malware that spreads within a system. And try they will: By one account, Latin American and Caribbean companies suffer 1,600 cyberattacks per second. Many times, a breach will stay undetected until the ransomware begins, or data appears for sale on the dark web, as happened to Argentina's entire population, or residents of Medellín after a public services company, *EPM*, was hacked.

While cybersecurity is a global problem, in Latin America lagging legislation and a lack of awareness often leaves the issue solely in the hands of tech experts. But IT teams cannot solve problems when investments aren't made. Digital security is a structural problem that needs to be tackled from the C-suites and presidential palaces. In short, leadership is needed. 

# Hacked

Latin America's fast adoption of new technologies combined with meager attention to digital security leaves the region among the most vulnerable on the planet.

*Our special report on cybersecurity starts on page 18.*

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### **Cecilia Tornaghi**

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Tornaghi is *AQ*'s managing editor. Originally from Brazil, she has covered politics, business and economics in Latin America for 25 years. Tornaghi's career experience includes television, radio, web and print. Prior to journalism, she ran a theater company in Brazil.



### **Randy Pestana**

---

Pestana is associate director for cybersecurity policy at Florida International University's Jack D. Gordon Institute for Public Policy. He oversees the institute's international cybersecurity capacity building efforts in Latin America, the Caribbean and the Balkans.



### **Britta Crandall**

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Crandall is a professor of the practice of political economy at Davidson College. She is a co-author of *Our Hemisphere?* (Yale University Press, 2021) and author of *Hemispheric Giants: The Misunderstood History of U.S. -Brazilian Relations* (Rowman and Littlefield, 2011).



### **Russell Crandall**

---

Crandall is a professor of Latin American studies at Davidson College. He is a co-author of *Our Hemisphere?* and author of the forthcoming book *Forging Latin America: Profiles in Power and Ideas, 1492 to Today* (Rowman and Littlefield).



### **Mauricio Palos**

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Palos is an author and farmer based in northeast Mexico whose work has been featured in *The Guardian*, *Terra Mater*, *Bloomberg* and *Pie de Página*. His first book is *My Perro Rano, Chronicles of Central America* (Editorial RM, 2010).

Tell us what you think. Please send letters to [Brian@as-coa.org](mailto:Brian@as-coa.org)



**Carlos D. Zavarce V.**

@cdzavarce

Assistant Professor – @TohokuUnivPR. Research on the Global South from the North of Japan.

Recommended reading to have a quick overview of the region’s foreign policy approaches, including support for regional integration and the increasing relevance of external partners, especially East Asian countries, in LAC.

Americas Quarterly @AmerQuarterly · Apr 28  
How are Latin American countries setting their foreign policy priorities on Venezuela, the U.S. and China?  
[americasquarterly.org/article/thinki...](https://americasquarterly.org/article/thinki...)



**Sebastian AJ**

@sebastian\_abadj

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Currently, research assistant at @HRW.  
Views are my own.

Of the 8 countries studied by @AmerQuarterly, all consider strengthening their relationship with China as a foreign policy priority.

In 7 out of the 8, China is the second or first commercial partner.

Source: [americasquarterly.org/article/thinki...](https://americasquarterly.org/article/thinki...)

INDICATOR	AMERICAS	BRAZIL	CHINA	INDONESIA	EL SALVADOR	MEXICO	PANAMA	URUGUAY
<b>TRADE</b>								
Public support for regional integration	73%	64%	63%	72%	84%	68%	69%	89%
Trade as % GDP	33%	39%	64%	41%	84%	84%	93%	57%
Number of trade agreements in force	8	9	31	14	13	23	18	8
Share of total visited trade in merchandise	0.35%	1.26%	0.42%	0.18%	0.03%	2.22%	0.06%	0.04%
Major exports	Soybeans and soyproducts, corn, delivery trucks	Soybeans, iron ores, crude petroleum	Copper ore and refined copper, fish fillets, woodpulp	Crude petroleum, coal, br�quettes, coffee	Knit T-shirts and sweaters, electrical capacitors, raw sugar	Cars, computers, motor vehicle parts and accessories	Copper ore, bananas, packaged medicines	Frozen bovine meat, woodpulp, rice
Top three export destinations	Brazil, China, U.S.	China, U.S., Argentina	China, U.S., Japan	U.S., China, Ecuador	U.S., Guatemala, Honduras	U.S., China, Canada	Guatemala, China, Netherlands	China, Brazil, U.S.
Trade blocs	MERCOSUR, BRICS, G20, Americas		Pacific Alliance	Pacific Alliance, Comunidad Andina	SICA (Sistema)	Pacific Alliance	SICA (Sistema)	

**Alexandra Winkler**

@awinklerosorio #MustRead article from @RyanBergPhD : “If there’s one thing chavismo has proven, it is that elections do not equal democracy.” via @AmerQuarterly

**Juan Nagel**

@juannagel Terrific piece by @BrazilBrian, picking up on the disturbing popularity of Bukele in Chile

**Carlos Santiso**

@carlos\_santiso Why are Mariana Mazzucato’s ideas about ‘missions approach,’ ‘moonshot thinking’ and public innovation so ‘en vogue’ in Latin America today, from accomplishing the green transition to driving more inclusive growth? h/t @BrazilBrian

**Juan Rico Díaz**

@siempreinexorab La idea de que la disolución del Congreso traerá estabilidad a Ecuador es una fantasía peligrosa: “una que muestra cuán desconectado se ha vuelto Lasso de su propia sociedad”, argumenta Will Freeman en Americas Quarterly. @AmerQuarterly

**Robert Carlson**

@bocarsoni Ecuador’s slow-moving political crisis hasn’t received as much attention as that of Peru, but it could prove to be just as consequential. @eteranv and @camilulloa of @FARO\_org explain what to expect in @AmerQuarterly .

**David Smilde**

@dsmilde @MaryhenJimenez in @amerquarterly : “Any bargaining process among opposition elites is unlikely to occur unless they feel pressure—and urgency—to do so.” via @AmerQuarterly

**Anna Claudia G. R. de Souza**

@annacgaida Leitura excelente. O tabuleiro das relações exteriores sendo movimentado dia após dia para reestabelecer a posição de influência do Brasil na América Latina.

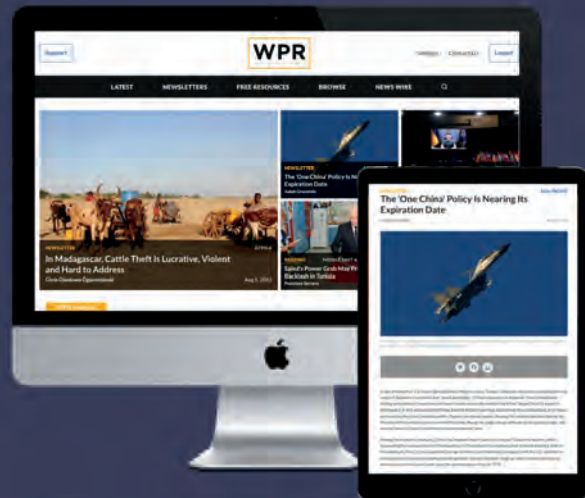
**Juan Pappier**

@JuanPappierHRW “If corruption was the big issue that turned Latin American politics upside down in the 2010s, violent crime may play the same role in the 2020s in many countries.” Great piece by @BrazilBrian in @AmerQuarterly





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—Stephen Feldstein, former deputy  
assistant secretary of state for  
human rights



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Silvia Juárez packs ash from the Popocatepetl volcano into jars in the town of Atlixco in Puebla, Mexico. Her store, La Pasadita, was the first to sell ash souvenirs from the volcano, which began erupting in 1994 after lying dormant for 70 years. In May, local schools were shut and Mexico City airports were closed after a plume of ash rose more than 30,000 feet.

PHOTO BY LUIS BARRON/EYEPIX GROUP/FUTURE PUBLISHING VIA GETTY

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THE BIG  
PICTURE



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Cyclists create an image of a giant bicycle in Bogotá, Colombia, on June 4. Bogotá has the largest network of bike lanes in Latin America, stretching over 350 miles. To fight the spread of COVID-19, in 2020 the city added 52 miles of bike lanes running parallel to bus routes, a policy later adopted by other cities. Every Sunday, in a tradition that dates to the 1970s, the city closes over 75 miles of roads to traffic, allowing cyclists to take them over. PHOTO BY JUANCHO TORRES/ANADOLU AGENCY VIA GETTY





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Guatemalan journalist Jose Rubén Zamora returns to prison on May 30, after a hearing in his trial in Guatemala City on money laundering charges. He denies wrongdoing. He was the director of the newspaper *elPeriódico*, known for its investigative reporting on government corruption and organized crime. On June 14, Zamora was sentenced to six years in prison in what is widely seen as an example of political persecution that forced the paper to shut down on May 15 after more than 25 years. PHOTO BY JOHAN ORDONEZ/AFP VIA GETTY











Demonstrators protest outside the former National Congress building in Santiago, Chile, on June 7, the day the new Constitutional Council met for the first time. The Council, which has a conservative majority, is tasked with delivering a new proposal for the country's constitution by November. The new draft constitution will need to be approved by plebiscite in December, after voters rejected the previous version.

PHOTO BY JAVIER TORRES/AFP VIA GETTY

AQ

THE BIG  
PICTURE



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## AS HEARD ON THE AMERICAS QUARTERLY PODCAST

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Experts and policymakers join AQ's Editor-in-Chief Brian Winter to discuss the issues currently shaping Latin American politics, economics and culture.



*“The solution the political class gave was, ‘We’re going to write a new constitution and that will be a magic pill to solve all the problems Chile has.’ That failed, and we are now in the same place as before.”*

—**Patricio Navia**, professor of liberal studies at NYU and professor of political science at Diego Portales University in Chile



*“For some countries [investment in clean energy] is a huge opportunity because it is about expanding energy generation and transmission. ... It is not only about an ideal or a value, it also has to be a mindset about economic development.”*

—**Luisa Palacios**, senior research scholar at Columbia University's Center on Global Energy Policy



*“When you get to the deepest part of Venezuela, most people are sick and tired of politics. Surviving over the past 15 years has been so hard for the majority of this country, not only financially, but even psychologically.”*

—**Ana Vanessa Herrero**, reporter for The Washington Post based in Caracas, Venezuela

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# Valentina Montoya Robledo

*Founder of Invisible Commutes*

*by Luiza Franco*

**Women represent 58% of Bogotá’s public transport users, and many of them are domestic workers who travel for hours to jobs in upscale neighborhoods. Valentina Montoya Robledo’s Invisible Commutes was created as a platform to share their stories—and help city planners and policymakers all around Latin America rethink public transportation.**

**AQ:** Why focus on domestic worker commutes?

**VMR:** In Latin America, many high-income neighborhoods are designed for cars, and affluent residential areas are where these women work. These neighborhoods should be connected to public transportation as well as have good pedestrian infrastructure.

Cost is also a factor. In Lima, I met a woman whose commute costs 36% of her income. Only Buenos Aires has a specific policy reducing the price of transportation for domestic workers. That could be implemented across the region.

**AQ:** How does Invisible Commutes (IC) work?

**VMR:** Currently it is a podcast and a website where we share stories of domestic workers’ commutes across Latin America. In the first season we heard their testimonies; in the second season, they offered suggestions for solutions, which is very important because authorities never ask them what they need. In the third season they comment on specific infrastructure projects that might affect them. I also give talks and presentations to policymakers at every opportunity. We’d like to do a documentary, but we still don’t have enough money.

**AQ:** What prompted you to create IC?

**VMR:** A workshop on cities and the rule of law made



IC collaborator Belén García on her way to work

me think of Belén García, who used to work at my house in Bogotá. She would tell us how early she’d wake up to get to work. It dawned on me that it was likely a problem for most domestic workers, and it became my Ph.D. thesis. I was in the U.S. at the time, where things are different — there are fewer domestic workers, and many people have cars. But as Latin Americans, we know that commuting is a huge problem for workers. Belén no longer works in my house, but we are together in this project. **AQ**

Francisco Franco is an editor and podcast producer at AQ

THIS INTERVIEW HAS BEEN EDITED FOR CLARITY AND LENGTH

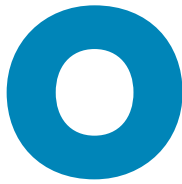
# PARADISE HACKED

**A recent attack in Costa Rica shows why the region is so vulnerable on cybersecurity. What can be done?**

BY CECILIA TORNAGHI







ON APRIL 17, 2022, Jorge Mora was celebrating Easter Sunday at home with his family when a message came across his phone: An international monitor was warning of a cyber breach at Costa Rica's finance ministry.

Mora was the country's top official in charge of digital governance within the Ministry of Technology, but had only three weeks left on the job. A new government had been elected, promising to do away with the old, and not much dialogue was happening between incoming and outgoing administrations. On top of that, all government funds had already been allocated and disbursed. There was no budget left for anything.

"I told my family: 'Bear with me, I have to go, and I could be busy for a few days,'" Mora recalled. "Little did I know, I would barely see them for the next three weeks."

Costa Rica had been breached by the Russian hacker group Conti, which was already known to cybersecurity specialists as the largest ransomware collective then in operation, having extracted some \$180 million from its targets in 2021. Using compromised credentials, they were able to install malware on one device within the Finance Ministry network, and that was enough to spread the infection. The attacker extracted hundreds of thousands of gigabytes of information about Costa Ricans, publishing a sample on the dark web. They encrypted the ministry's systems, making it virtually impossible for the government to process payments or collect taxes, and freezing the customs agency. To release their hold on the ministry's system and not publish the rest of the stolen data, the group was demanding \$10 million.

Then-President Carlos Alvarado, just three weeks away from leaving office, refused to pay — and the ransomware onslaught continued. The hackers were vocal, using a blog to push their demands: "The government doesn't want to admit that they can't get their data back, and asked for help from the U.S. Well, we are changing our methods, and will start attacking Costa Rica's large companies. They will have to

pay us." For seven consecutive days, one institution after another had its systems hijacked and shut down. Costa Ricans' personal information from the tax office were released online, wages for public servants were in jeopardy, pensions that were to be paid that week were unavailable, and customs processes had to go back to paper. Even the meteorology service was impacted. "We were five people on my team, so we took turns sleeping four-hour shifts," Mora told *AQ*.

Costa Rica might have been more prepared than many countries. As part of its candidacy to join the OECD, the country had adhered to that organization's exacting internet policy recommendations back in 2012, though the budget to start implementing defenses only materialized in 2017. Yet the breach of an entire government by a hacking group was unprecedented, a new development experts had not yet seen, or expected. "We were also coming from spending cuts in all areas to balance the budget," said Mora. Between 2019 and 2021, the country had held two cyberattack exercises with international support. Mora credits those tests as vital when it came to deciding how to respond. The country also had cooperation agreements that translated into fast support from Spain, U.S. and Israel, as well as from Cisco and Microsoft. The donated systems and loaned personnel filled the hole the government couldn't dream of addressing by itself with only days left in office.

By the Monday after the attack started, "We were able to start detecting breaches early, and start to contain the damage," said Mora. But two weeks later, Mora — and everyone else involved in the effort — was out of office, without anyone to pass the baton to. "The only meeting we had with the incoming team was the Friday before inauguration," said Mora. On Sunday, May 8, Rodrigo Chaves took the sash as president of Costa Rica, and the next day the country became the very first nation to declare a state of emergency due to a cyberattack. Chaves said the country was at war — well, the attacker did threaten to overthrow the government, warning that the country was just a

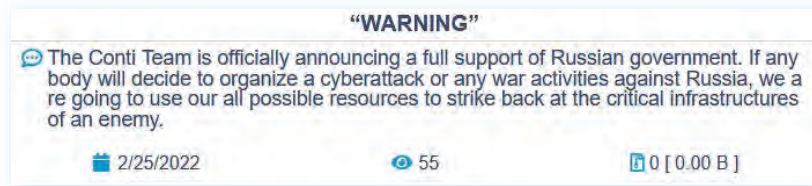
# “Cybersecurity is a political, cultural and business issue.”

—Jorge Mora, Costa Rica’s former director of digital governance



“...you have no other options but to pay us, we know that you have hired a data recovery specialist, don’t try to find workarounds...”

📍 We have our insiders in your government, I recommend that your responsible contact UNC1756, there is less than a week left when we destroy your keys, we are also working on gaining access to your other systems, you have no other options but to pay us, we know that you have hired a data recovery specialist, don't try to find workarounds, I communicate with everyone in this area of business, I have insiders even in your government! I once again appeal to the residents of Costa Rica go out on the street and demand payment Another attempt to get in touch through other services will be punished by deleting the key



The hacking group used their blog to issue demands, threaten its targets in Costa Rica and support Russia’s invasion of Ukraine.

demo attack. For Mora, the decree meant the emergency forces that took charge did so without training or knowledge in cybersecurity. The attacks continued, with Conti doubling the ransom to \$20 million and telling Costa Ricans to pressure the government to pay. In June 2022 Costa Rica’s health care system suffered a new attack by another hacker, leading to the cancellation of some 30,000 medical procedures, while tax collection was still impaired and most public employees were back to using pen and paper.

Costa Rica never paid the ransom. Russia’s invasion of Ukraine, which Conti supported, splintered the group, leading to its demise. But as the hacker said in the message, Costa Rica did become a demo — or rather, a lesson for the rest of the region. “The attack on Costa Rica has increased awareness also outside,” said Helmut Reisinger, who oversees Latin America at Palo Alto Networks. And with lack of awareness at the highest levels of leadership as a major vulnerable spot in the region, heeding that lesson may be urgent.

“Cybersecurity is a political, cultural, and business issue,” said Mora. Not an IT problem.

## Why do we lag?

**U**NFORTUNATELY, SUCH WARNINGS have yet to gain much traction. Latin America is the least prepared region in the world for cyberattacks, according to the latest edition of the Global Cybersecurity Index, compiled by the UN’s International Telecommunication Union. According to the index and other studies, the region trails even Africa and South Asia when it comes to areas such as building capacity and implementing legal measures that are necessary to bolster defenses. Meanwhile, Latin America is an especially attractive target for hackers and other digital criminals: The region suffered about 12% of global cyberattacks observed by IBM’s X-Force, even though it accounts for just 8% of the world’s population.

The problem results partly from a positive trend: Latin America has digitized at a rapid pace in recent years. The pandemic put on steroids the movement to automation that was already happening in both the public and private sectors. The region has some of the world’s highest rates of smartphone and social media use, and e-commerce, online banking and other



sectors are booming. But the clear talent for adopting new technology has outpaced the region's cyber-defenses, experts say.

"Latin America's entrepreneurial and innovative spirit does not come with a concern for security," said Louise Marie Hurel, a fellow at the Royal United Services Institute and founder of the Latin American Cybersecurity Research Network. "It isn't a political priority and, with few exceptions, the region lacks the necessary cybersecurity infrastructure," she said.

In 2020, only 12 states in the region had a national cybersecurity strategy, considered a first step to organize a country's response and defense. Though that number has increased to 20 nations in 2023, implementation is still a challenge. As one cybersecurity analyst put it, "There have been so many PowerPoint presentations, but so little action." In 2020, only 10 countries in the region had a dedicated government entity to take charge of cybersecurity, while the gap in skilled workers is estimated at 600,000 professionals (and of the existing force, women make up only about a quarter, adding a diversity gap to the already weak scenario). That void has been felt in the escalation of attacks.

Experts estimate that Latin America experiences some 1,600 attacks per second. According to Interpol, the region set a global record in cyberattacks in the first half of 2020, with three times more attacks via mobile browsers than the world average. And while hackers will target virtually anything, the list of recent attacks on governments and public institutions is especially alarming.

The Brazilian court system suffered 13 consecutive attacks between 2020 and 2022, paralyzing services, postponing people's cases, and risking the destruction of evidence. The Finance Secretary of Rio de Janeiro could not collect any taxes, while citizens in need of documents had to make requests in person after the office was breached in 2022. In Quito, the municipal government had to suspend services to the popula-

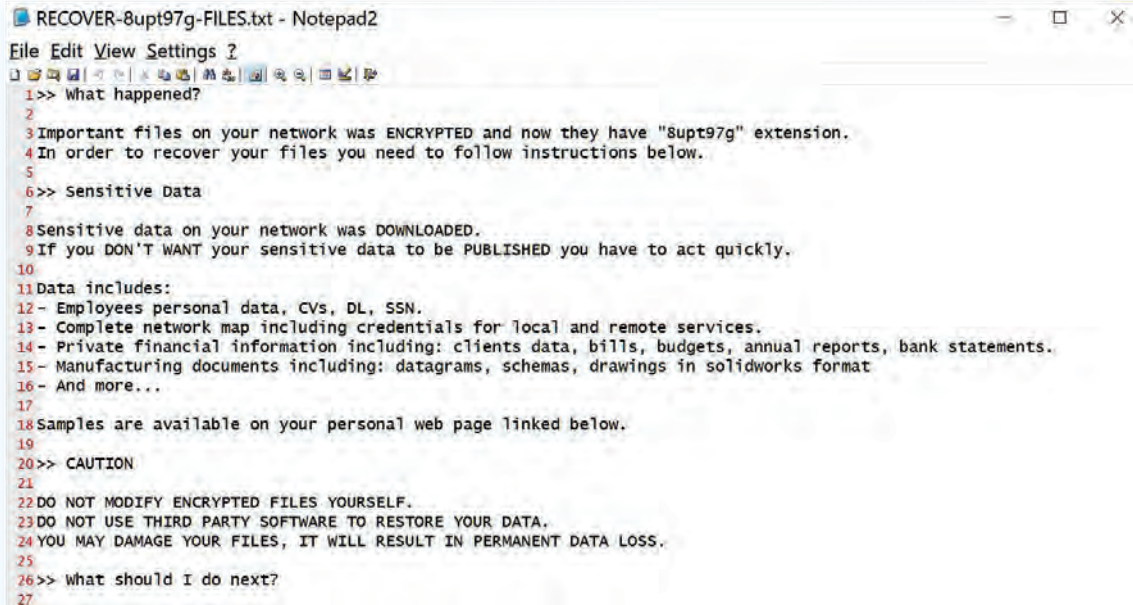
tion in April 2022 to deal with a ransomware attack. The year before, Argentines found all their personal data and documents for sale on the dark web after a hacker infiltrated the country's registry office, RENAPER, in October. The attacker even published soccer star Lionel Messi's identity card on Twitter. The previous year, the country's largest internet provider, Telecom Argentina, had to scramble to bring its systems back in July 2020 after an attacker demanding \$7.5 million in ransom infected 18,000 workstations. This was just one of more than 1,500 attacks reported in the country that year, up 60% from the previous year — and the projection is for Argentina to reach a record number of attacks in 2023.

The Peruvian intelligence service was hit by Conti at almost the same time as Costa Rica, with scarce information provided on that breach. High profile attacks on Mexico's defense ministry, SEDENA, by activist group Guacamaya, leaked thousands of classified documents and private emails, including about the health of Mexico's president. The hacktivist group also breached military networks and mining companies in Colombia, Guatemala and Chile. Mexican oil company Pemex had its payment systems impacted by a breach in 2019, which the company said was contained in time and denied that any critical infrastructure had been impacted, but questions remain as to what actually happened.

## Automate first, protect later

**W**HILE PINPOINTING the geographic source of high-profile cyberattacks in Latin America can be difficult, they generally come from all over the world, including Russia and China and, increasingly, from within the region itself. Brazil and Venezuela are routinely cited as two hotbeds of hacker activity. Yet despite the onslaught of attacks from home and abroad, too many decision-makers in both the public and private sector still

“...If you DON'T WANT your sensitive data to be PUBLISHED you have to act quickly...”



```
RECOVER-8upt97g-FILES.txt - Notepad2
File Edit View Settings ?
1>> What happened?
2
3 Important files on your network was ENCRYPTED and now they have "8upt97g" extension.
4 In order to recover your files you need to follow instructions below.
5
6 >> Sensitive Data
7
8 Sensitive data on your network was DOWNLOADED.
9 If you DON'T WANT your sensitive data to be PUBLISHED you have to act quickly.
10
11 Data includes:
12 - Employees personal data, CVs, DL, SSN.
13 - Complete network map including credentials for local and remote services.
14 - Private financial information including: clients data, bills, budgets, annual reports, bank statements.
15 - Manufacturing documents including: datagrams, schemas, drawings in solidworks format
16 - And more...
17
18 Samples are available on your personal web page linked below.
19
20 >> CAUTION
21
22 DO NOT MODIFY ENCRYPTED FILES YOURSELF.
23 DO NOT USE THIRD PARTY SOFTWARE TO RESTORE YOUR DATA.
24 YOU MAY DAMAGE YOUR FILES, IT WILL RESULT IN PERMANENT DATA LOSS.
25
26 >> What should I do next?
27
```

This note was left by the hacker that targeted Empresas Públicas de Medellín, a Colombian conglomerate, in 2022.

see cyberspace as a tech issue, something IT teams are taking care of — instead of a structural component that needs to be tackled from C-suites and presidential palaces.

“Government leaders must work with their legislative bodies, involving the private sector and the technical community on appropriating resources to cybersecurity,” said Belisario Contreras, who managed the cybersecurity program at the Organization of America States (OAS) and today is senior director in charge of security and technology strategies at the law firm Venable.

The wake-up call usually happens after systems are down and blackmailing has begun. Matias Dib, co-founder and chief product officer at Hackmetrix, a Chilean cybersecurity startup, says the breach at Banco de Chile in 2018 — when \$10 million was sto-

len from the bank — was a catalyst for the country to develop its cybersecurity. Still, Dib says to this day he meets clients who have no concept of cybersecurity. “Most companies come to us after they are breached,” said Adalberto García, a cybersecurity specialist at Control Risks in Colombia. “One client even had the security features included on the technology they had purchased; they just didn’t think of turning those on.”

Knowing more about the threats could help improve awareness. But without any laws requiring victims to report cyberbreaches, companies and institutions often try to stay mum, to protect their reputations. “Some companies prefer to pay the ransom and get it over with, without risking their reputation,” García said. The target may get their systems back — if, as García says, the hacker is “trustworthy,” since there is no guarantee the attacker will honor their

word — and avoid a reputational and legal headache. But if no one knows the kind of attack suffered, no one linked to the original target will be able to protect themselves. “Cyberspace is interconnected like a network of roads, and everyone riding in that digital highway could be impacted,” said Dib. And the code of silence is often useless; hackers themselves go online to boast or shame the company, or just leak the information acquired. “Double or triple extortion is often the case,” said Hurel.

When Colombian conglomerate Empresas Públicas de Medellín (EPM) suffered a ransomware attack in December 2022, the company shared very little information. “EPM said only customer data was impacted, but they were sending water trucks to neighborhoods that had no service, and many areas were in the dark, without energy, for an extended period of time,” said Camilo García, editor of the blog MuchoHacker.lol. Other Colombian targets were attacked almost at the same time as the EPM breach, raising questions about possible coordination among hackers. Health care provider Keralty had its subsidiaries’ systems taken offline, leaving patients and medical personnel alike unable to get or give care, while clients’ personal information was being leaked to the dark web. For Camilo García, because companies have no obligation to report breaches, Colombia has become a sandbox for hackers. “Every hacker group is here, trying all sorts of different attacks, rehearsing for larger targets,” he said.

“That lack of reporting requirements is one of Latin America’s weakest points,” said Dib, of Hackmetrix. “It is up to governments to make reporting necessary.”

## Digital surface

**D**URING THE PANDEMIC, even Brazil’s notoriously paper-loving *cartórios*, or notaries, developed a video-conference system to validate official documents remotely. But that push to digitize sensitive information represents obvious risks as well. “Latin America has a lot of criti-

# 4 STEPS FOR BETTER CYBER HYGIENE

EVEN WITHOUT THE LATEST TECHNOLOGIES, THESE BASIC RULES CAN HELP PROTECT ORGANIZATIONS

1

Include cybersecurity at the start of any project. List digital protections together with all initial estimates, such as return on investment, production or development costs.



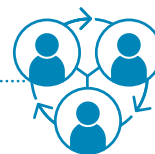
2

Train everybody. With 95% of cyber breaches resulting from human error, awareness is key. Make training and awareness programs available, and mandatory, to everyone with access to your network, from building maintenance to sales, C-suite, directors and vendors. Training can prevent that funny cat video from embedding a piece of malware and infecting an entire organization.



3

Make a communication channel available. Every person with access to an organization’s network needs to know where and how to report any potential breach or suspicious activity. Every suspicious email or activity must be reported as soon as possible to stop further breaches.



4

Digital security is just like physical security. It needs to be a concern for all members of an organization, as well as in households. Everyone can practice some basic protective measures, such as having a back-up of all data and secure passwords.



“...I see all of the data in the national identity document (DNI) of any person in Argentina...”

**SELLING** Argentina ID Card data 45M  
by [redacted] October 10, 2021 at 09:29 PM

Pages (0): 1 2 3 Next »

October 10, 2021 at 09:29 PM #1

I sell all the data in the national Identity document (DNI) of any person in Argentina. This includes photo, names, surnames, addresses, processing number (this is very important), type of ID, code located on the back of the card (three lines barcode) calculated by an algorithm and all the necessary data to create a false identity card.

Population of Argentina: 45.380.000 approximately.

**Important:** sold individually

Example with ID of the president Alberto Fernandez:

```
[idtramiteprincipal] -> [redacted] # Processing number
[idtramitotarjetareimpresa] -> [redacted] # Processing number in card
[ejemplar] -> A # Copy
[vencimiento] -> [redacted] # Expiration date
[emision] -> [redacted] # Date of issue
[apellido] -> FERNANDEZ # Surnames
[nombres] -> ALBERTO ANGEL # Names
[fechaNacimiento] -> [redacted] # Birthdate
[cull] -> [redacted] # Unique labor identification code
```

If you are interested contact me in Jabber  
[redacted]@jabber.no

The entire population of Argentina had their personal identity cards for sale on the dark web after a hack in 2021. The hacker tweeted Lionel Messi's ID as a sample.

cal infrastructure, from OPEC members, pipelines, to financial institutions operating at multinational scale,” said Reisinger. The digital expansion is moving faster than the availability of talent to make those systems secure — and that’s not just a problem for Latin America. In a poll by the World Economic Forum, 59% of global companies said they had a skill shortage within their teams to be able to respond to a cybersecurity breach.

Given the shortage of talent, in many Latin American countries the job of shoring up cyberdefenses has fallen to the military. In Brazil, security forces and the military cyberdefense command became the spine of the country’s digital security governance. “Sometimes making it a defense issue is the best way to find the budget allocation for cybersecurity,” Hurel said. Still, Brazil is by far the most attacked country in the re-

gion, and is among the top 10 globally, according to data shared by Palo Alto Networks. “Brazilian organizations, as a whole, seem to be less aware and educated about cyber best practices and risks, and what to do in case of an attack,” Reisinger told *AQ*.

Not all hackers are in it for the money. The activist group Guacamaya that leaked dozens of terabytes of stolen data on a mining project in Guatemala and the Mexican and Chilean militaries, say they are defending nature and fighting oppression, neocolonialism and the extractivist model in the region. Their main goal is to make the information public. “I reached out and they just sent me multiple terabytes, I can barely scratch the surface,” said García, the Colombian blogger. Reisinger says geopolitical events are a major influence on many cyber-actors’ choice of targets, be it state-sponsored actors or hacktivists.

Some hackers seem set on undermining democracy. The digital manipulation of information has been an ongoing challenge for governments and electoral processes, but direct attacks are also a threat. The Brazilian electoral court suffered several attacks during the regional elections of 2020, directed at the vote counting system. The court said the hackers were only able to delay the count, but that was already enough to leave Brazilians, who are used to knowing election results within minutes of polls closing, deeply suspicious of the system.

## It can be managed

**A**S OVERWHELMING AS the challenges may seem, the good news is that the solutions are fairly clear. “Despite our best efforts, cyberattacks will persist, just as we remain exposed to street crime. The key lies in devising strategies to minimize these risks,” said Contreras. They will involve political will, technology, resources, personnel, and above all awareness that digital systems and cyber networks are public avenues.

Experts agree that a national policy is essential, but after designing and approving a cybersecurity strategy, implementing it can become a challenge. “Moving from strategy to implementation is key,” said Kerry-Ann Barret, manager of the Cybersecurity Program at the OAS. “We encourage a dedicated budget line on national budgets, just like every budget has a line on national defense,” she said.

A clear path for law enforcement to investigate and curb impunity would go a long way to increase protection. “We have the technology, now we need political will to direct resources to law enforcement cyber teams,” said Elvis Secco, Brazil’s Federal Police attaché at the country’s embassy in Mexico. Companies and public institutions alike need to have clear channels of communication with authorities, with reporting requirements to facilitate investigations and prevent the spread of infections. Compliance regulations come in handy to entice people and organizations to act.

Barret also highlighted the need to prepare the region’s diplomats, given the crucial role of multilateral organizations and international fora in addressing the challenge cooperatively. “The threat will almost inevitably increase, but more than alarm, we need an acceptance of reality,” Barret told *AQ*, “so we stop putting band-aids on and institutionalize the digital skills we need.”

The OAS has been pushing member states to work together, offering training and technical resources. But when it comes to collaboration, one expert said the region faces one more major hurdle: trust, especially between the private sector and governments. For several industries, there is the added challenge of cooperating without colluding in a way that could violate anti-trust laws, but creative solutions are possible. As a favorite early target of cyber criminals, Latin America’s financial industry is seen by analysts as a segment that cooperates effectively to stave off threats. “The banking sector was able to find ways to share security information,” Hurel said.

And all experts heard by *AQ* agree that the very first line of defense is rather simple: Basic training at every level of any organization, and even households, is critical. According to an IBM study, human error is the main cause of 95% of cyber breaches. “Phishing is the number one reason companies get invaded,” said Control Risk’s García, “and once a person does click on an infected message, institutions seldom provide internal channels for them to report it.” Knowing the risk and raising the alarm can prevent a simple fumble from becoming a major disaster.

Indeed, after the 2022 crisis erupted in Costa Rica, Mora found out that the initial breach at the finance ministry had been spotted two days before he got the message from the international monitor. “They thought they could take care of it internally, that it wasn’t a big deal,” said Mora. Better communication, and a better awareness of the cybersecurity threat Latin America faces, would be an excellent place to start. **MQ**

|||||  
*Tornaghi is the managing editor of AQ*

# FILE SHARING


Cybersecurity is a new battleground for the U.S.-China competition in Latin America and the Caribbean.

BY RANDY PESTANA



**I**N FEBRUARY, Jamaican authorities revealed a cyberattack had targeted the prime minister's office. While this incident did not cause the severe government disruption experienced in places like Argentina or Costa Rica in 2022, it did prompt Jamaica to seek international assistance in strengthening its cyber defenses. Initial dialogues with the United States and multilateral organizations resulted in a \$10 million investment through grants and loans from the U.S. Agency for International Development (USAID) and the Inter-American Development Bank (IDB). In addition, Jamaica's government dedicated an internal investment of J\$20 million (\$130,000) to bolster its cybersecurity capabilities.

This event shows the growing need for international collaboration in bolstering cybersecurity defenses in Latin America and the Caribbean (LAC). It also illustrates how the United States is actively working to present itself as a partner of choice in the cyber realm, which is a relatively new and increasingly active front in its escalating competition with China for influence in the region.

The header features a blue background with three orange folders containing icons of the United States, China, and the United States. A white line with arrows connects these folders across the top of the page.

While the U.S. is making strides, there is much more it and LAC countries can do together to improve defenses against the emerging cyber threat.

## A range of available tools

**L**ATIN AMERICA AND THE CARIBBEAN present a particularly appealing landscape for cyber criminals. A scarcity of resources, underdeveloped policy and regulatory mechanisms, and largely antiquated digital infrastructure have together cultivated an environment where cybercrime thrives.

Surprisingly, only half of the LAC countries have established a cybersecurity strategy, with even fewer implementing cybersecurity-related legislation. Existing criminal codes that acknowledge cybercrime often merely give a nod to the illegality of breaching government systems. Furthermore, countries inconsistently pinpoint vital infrastructure systems needing protection, struggling with both personnel and financial constraints. These challenges are compounded by legacy systems with inherent vulnerabilities and outdated protective software. To highlight the importance of this digital transformation, a recent report funded by Google estimated that the right investments could help boost exports of six LAC countries to \$140 billion annually by 2030. The report emphasized that current digital exports would quadruple with investments in building more resilient digital infrastructure, bridging the digital skills gaps, promoting digital security and trust among businesses and consumers, and implementing trade facilitation measures and policies.

This situation is a significant concern for the U.S., which has a vested interest in fostering LAC's digital safety. Simply put, a prosperous and secure LAC strengthens the Americas as a whole. In the context of the great power competition with China, democratic countries may be inclined to look to the U.S. for help given its broader range of cybersecurity investments, but many also face a delicate dilemma: Should they wait for Washington's support to come through for large ticket items such as information and communication technologies (ICTs) and infrastructure development — or should they take the flurry of resources

provided in the short term by China?

Indeed, from the Chinese perspective, the ICT sector has emerged as a primary area of investment to challenge U.S. influence in LAC. Chinese companies, such as Huawei, have made significant investments in deploying 4G and 5G networks across the region, with notable projects in Brazil, Chile, and Mexico. For instance, in Brazil, the Huawei ICT Academy Program has gained traction, with more than 90 universities and educational institutions joining and approximately 36,000 students trained since 2013. This foothold has enabled Beijing to further expand its presence in cloud computing, digital transformation, and e-commerce, particularly focusing on data-heavy investments. One of the major concerns expressed by the U.S. relates to China's Data Security Law, which governs the "collection, storage, use, processing, transmission, provision, and disclosure" of data within China. These concerns primarily revolve around how Chinese companies handle this data and the potential for user data, regardless of its country of origin, to come under the control of the Chinese government.

Considering these realities, the U.S. has an added incentive to invest in digital infrastructure protection for partner countries so they are not drawn into exploitative agreements with Beijing. The U.S. acknowledged this in its recently released National Cybersecurity Strategy. The strategy repeatedly emphasizes the need to bolster partner nations against cyber criminals and adversarial nations like China and Russia. Correspondingly, the strategy's fifth pillar, appropriately titled "Forg[ing] International Partnerships to Pursue Shared Goals," focuses on enhancing countries' resistance to cyber threats. This effort involves leveraging existing international alliances, fortifying digital resilience — particularly for critical infrastructure systems — and ensuring the security, reliability and integrity of global supply chains.

To fortify their resilience against cyber threats, LAC countries can leverage existing international initiatives. Currently, nine LAC nations are members of the Budapest Convention, while five more are observers. Although not flawless, this convention reflects states'



## CYBERSECURITY

### FILE SHARING

dedication to global norms and collaboration in tackling cybercrime. In 2017, member nations signed the Organization of American States' (OAS) Inter-American Committee Against Terrorism Resolution 1/17, establishing a Working Group on Cooperation and Confidence-Building Measures in Cyberspace. This resolution signifies regional governments' collective commitment to reducing the risks of misperception, escalation and conflict arising from the utilization of ICTs. These commitments signal robust political will over the past decade, underscoring cybersecurity as an area of shared interest.

Globally, democratic-leaning countries largely agree on the need for international cooperation around cybersecurity. The 2013 Seoul Framework for and Commitment to Open and Secure Cyberspace continuously highlights the necessity for collective action against ICT threats. The 2015 Hague Declaration of the Global Forum on Cyber Expertise (GFCE) emphasized cooperation among governments and the importance of involving the private sector, the technical community, civil society and academia in capacity-building efforts. More recently, in November 2022, the first committee of the United Nations General Assembly passed a resolution on the Program of Action (PoA) on Cybersecurity. This PoA aims to guide state behavior regarding ICT usage in international security contexts. All LAC countries except Nicaragua supported this effort. The PoA is expected to provide action-oriented discussion following the end of the mandate of the UN Open-Ended Working Group (OEWG) in 2025, becoming a permanent mechanism for discussing existing ICT threats, supporting national capacities, and fostering engagement and cooperation.

These and other initiatives have motivated global leaders to advocate for coalition-based efforts to support the region. For instance, after conducting a series of national assessments globally in 2017, Interpol launched training activities and public awareness campaigns to investigate cybercrime. Funded by Global Affairs Canada, the European Union and the Council of Europe, these endeavors aimed to enhance regional cooperation among 35 LAC nations. Training courses in-

cluded digital forensics, open-source intelligence and dark web investigations, among others. In 2018, the United Kingdom sponsored the Commonwealth Cyber Security Incident Response Team Workshops to improve information sharing and incident response strategies. This program in partnership with Singapore has since expanded to include training, mentoring, and peer-to-peer learning across the Commonwealth nations — 11 of which are in the Caribbean.

### Washington's possible role

**D**ESPITE CHINA'S RECENT EXPANSION IN Latin America and the Caribbean, the U.S. maintains substantial historical, cultural and economic ties, and is still seen by many as the preferred partner in the region. This relationship is particularly salient in the realm of cybersecurity, where mutual interests align among hemispheric partners.

The U.S. boasts state-of-the-art infrastructure and houses the most cybersecurity companies globally. It engages closely with the private sector to safeguard critical infrastructure and has an organizational structure conducive to bolstering capacity across the region. Furthermore, several U.S.-based or -supported entities, including the OAS, the IDB and Inter-American Defense Board, play crucial roles in enhancing the region's resilience against cyberattacks. Additionally, the U.S.'s capacity to rally international partners like Canada and the United Kingdom remains unparalleled, as seen in USAID's Critical Infrastructure Digitalization and Resilience effort in the Western Balkans.

A prime illustration of the U.S.'s ability to assist regional partners is its response to the Conti ransomware attack on Costa Rica in April 2022. This attack incapacitated the ministries of finance, labor and social security, prompting Costa Rican President Rodrigo Chaves Robles to declare a national emergency and mobilize national resources to restore the affected ministries. The U.S. promptly extended support, including announcing a reward of up to \$10 million for information leading to the identification and location of key individuals in the Conti ransom-





## The United States and leading democratic countries should help maintain a strong focus on digital resilience among its regional partners.

ware transnational crime group. An additional \$5 million was offered for information resulting in an arrest or conviction. More recently, in March 2023, the U.S. committed \$25 million in cybersecurity assistance to help Costa Rica fortify its digital infrastructure. This gesture followed a \$50 million aid package to Albania in response to a similar, albeit Iranian-linked, ransomware attack.

On the U.S. side, there are a range of cost-effective, high-impact measures that would make it easier to help its LAC partners.

First, there is a need to streamline information-sharing mechanisms. Currently, the U.S. is restrained in its ability to provide real-time information during cyberattacks due to the so-called NOFORN (Not Releasable to Foreign Nationals) restrictions on intelligence sharing. These limitations curtail sharing of often open-source information with friendly nations, instead forcing reliance on private sector entities for immediate support or resulting in delayed responses during time-sensitive cyberattacks. This illustrates a broader over-classification issue within the U.S., but addressing specific constraints on entities like the Cybersecurity Infrastructure and Security Agency could significantly enhance emergency support capacities.

International cooperation can also provide legal and regulatory help. Not only sharing successful models and best practices, but also deploying legal experts to the region to offer counsel, can have an important impact.

U.S. investments in helping educate and train military personnel on cyber issues have been well received throughout the hemisphere. However, funding for these efforts has remained largely unchanged, increasing only marginally from \$13.1 million in 2020 to

\$13.9 million in 2022. For the U.S. Department of Defense, this nominal increase falls short, particularly in the face of rising Chinese security investments. The silver lining is that other players, such as Canada, Israel, and the United Kingdom, have stepped up their investments either directly or through partner institutions like the OAS. Investing in the human element, both from a cybersecurity workforce and citizenry awareness perspective, is always valuable to ensure earned goodwill.

### A critical moment

**A**S OUR WORLD BECOMES more digitally interwoven, the significance of international collaboration in backing developing nations becomes paramount in countering cyber threats and opportunistic entities in cyberspace. The United States and leading democratic countries should help maintain a strong focus on digital resilience among its regional partners. This approach not only equips LAC with robust defenses that catalyze economic prosperity, but also solidifies the U.S.'s standing as the partner of choice in this vital domain of security, thereby reinforcing regional stability. While LAC countries are making commendable strides in internal investment, the support from the U.S. and the larger international community can serve as a critical catalyst in their journey toward achieving digital resilience. 

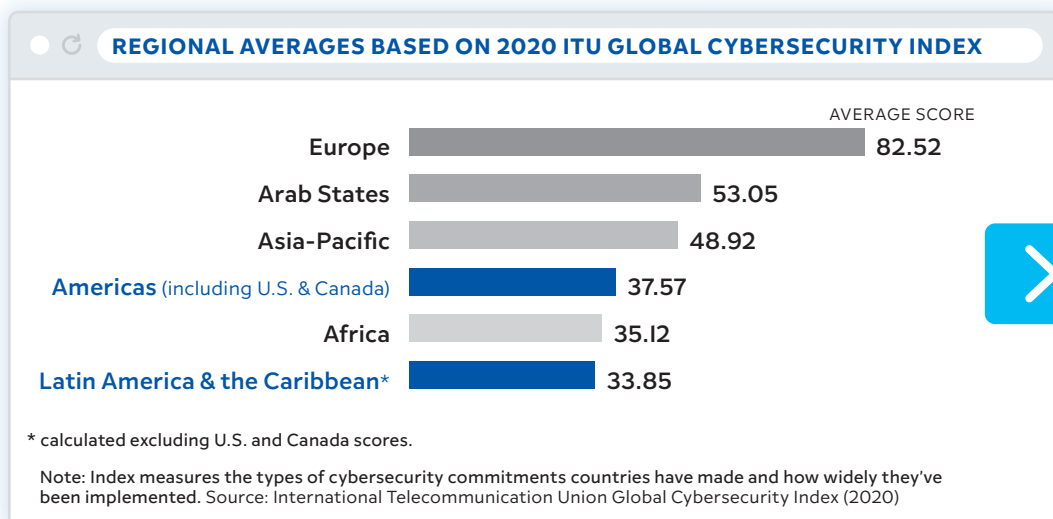
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*Pestana is associate director for cybersecurity policy at Florida International University's Jack D. Gordon Institute for Public Policy. He oversees the institute's international cybersecurity capacity building efforts in Latin America and the Caribbean and the Balkans.*

# LATIN AMERICA'S CYBER OPPORTUNITY— AND VULNERABILITY

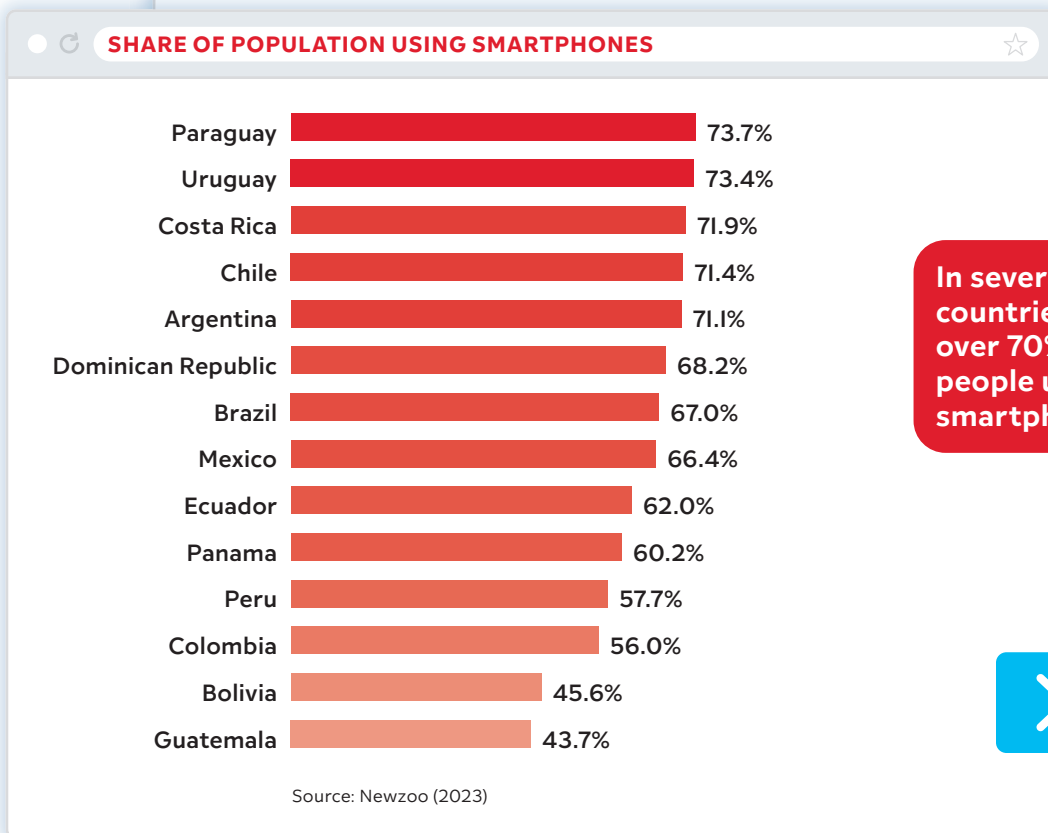
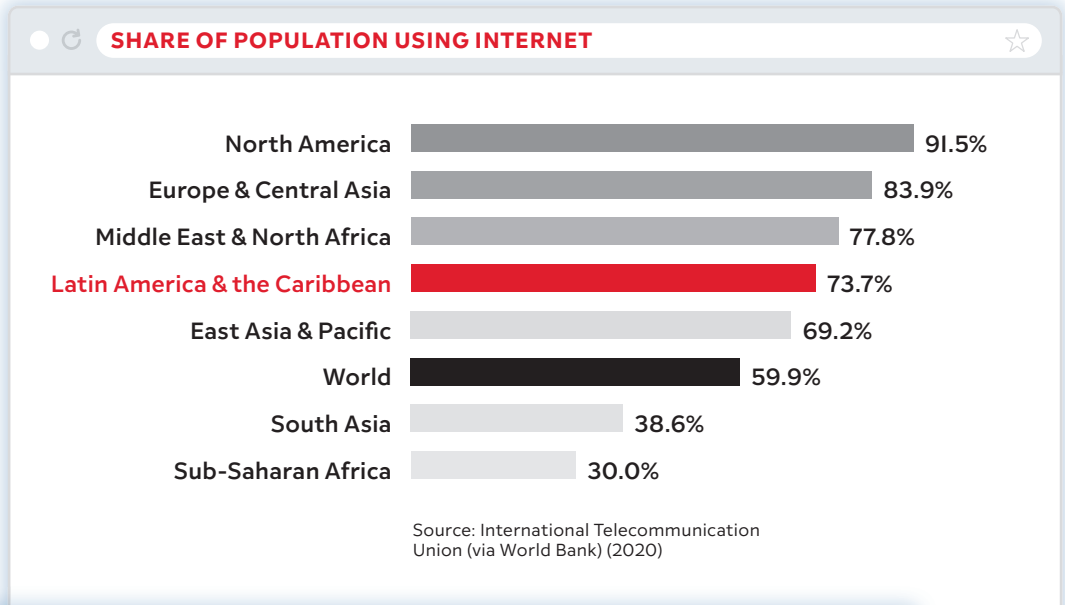
When Costa Rica declared a state of emergency in April 2022 to protect itself from a massive cyberattack, security experts saw a wake-up call. This could become a trend: ransom attacks on nations with high levels of digital adoption but low levels of preparedness. Latin America fits this description perfectly and so is uniquely vulnerable to cyberattacks. *AQ* tracks key indicators on cybersecurity investment and readiness to fight these attacks.

*by Emilie Sweigart and Jack Quinn*

## Latin America scores the lowest among world regions in commitment to cybersecurity measures.



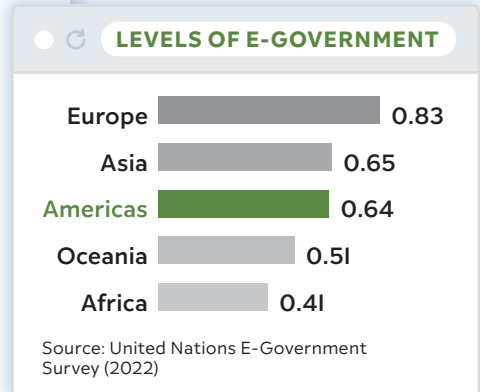
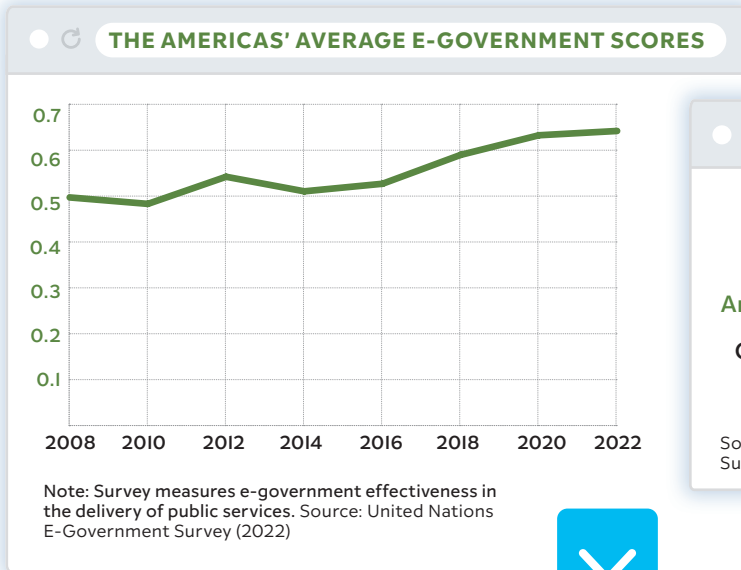
# The region is very online...



In several countries, over 70% of people use smartphones.



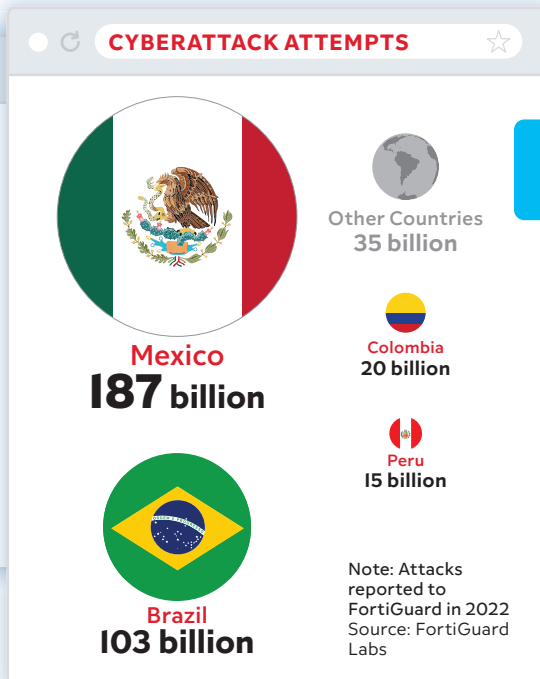
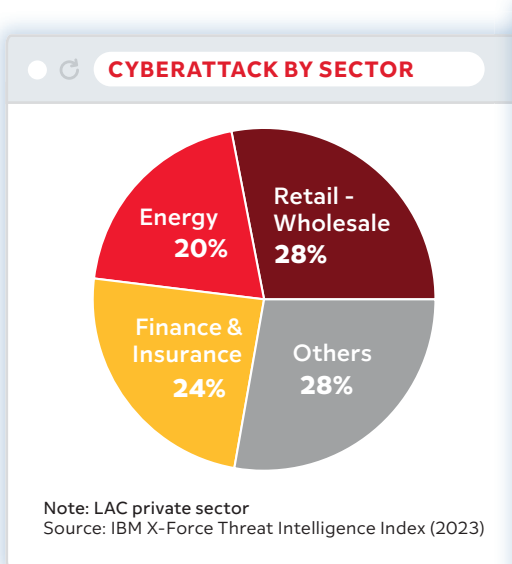
## ...and governments and services are increasingly digitized.



The Americas' levels of e-government are comparable to Asia but lag behind Europe.



## This connectivity opens multiple fronts for innovation, but also vulnerabilities.



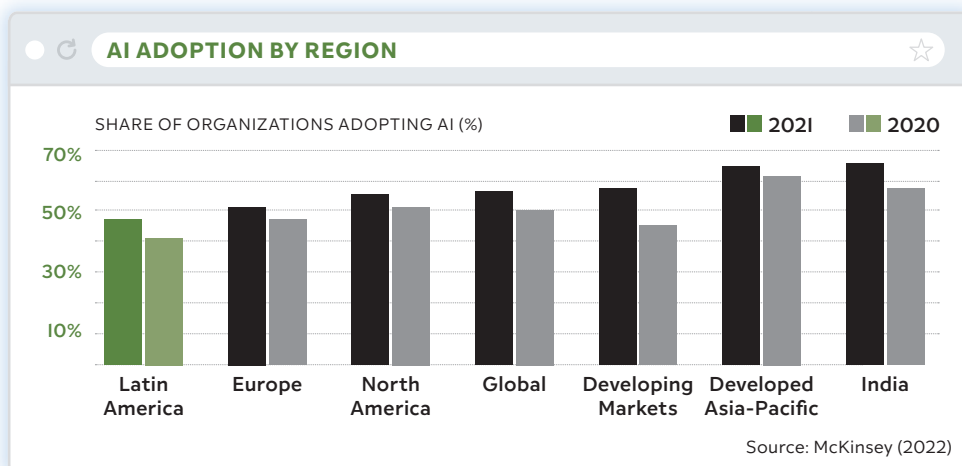
# The ecosystem keeps evolving...



Latin America was an early adopter of cryptocurrencies.



# ...and artificial intelligence is moving the goalposts.



# Leadership Wanted

**Digital security must be tackled from the top.**

*by Susan Segal*



Susan Segal is the CEO of Americas Society/Council of the Americas

**T**ECHNOLOGY AND DIGITAL ACCESS have empowered and democratized Latin America and the world. They have made us more efficient and clearly more productive. For Latin America, as in all developing countries, digital access and skills are critical to growth and development.

But they also created many challenges.

In the reports nations share with the International Telecommunications Union's Global Cyber Security Index, 28 countries in the region have provided no incentives to improve private cybersecurity and 17 countries lack a national cybersecurity strategy to address critical infrastructure. The index reflects the enormous regional disparity: While Brazil is the best-ranked country in the region, at 18 globally, Honduras is at the tail end, at 178 of 193 countries.

There is no easy fix, but it is clear that Latin American countries must deal with the cybersecurity threat from both a strategic and practical perspective, starting at the highest level. To paraphrase Harvard Kennedy School professor Bruce Schneier, a hacker will follow the rules of a system — only to subvert them. The challenge requires a proactive and cooperative approach, with countries working together.

Even if there were enthusiasm across the region, progress could be challenging given the different levels of development, infrastructure, and experience. But addressing the issue becomes ever more important as Latin America continues to digitize, while data becomes so much more central in our everyday lives. If there is not sufficient protection around data, it will not only tempt incremental cybercrime but erode public confidence, which is key to the future.

Cybersecurity and data protection must be on the leaders' and ministerial agenda if the issue is to be addressed appropriately in an acceptable time frame. **AQ**

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SJFJFA



# The 2023 Capacity to Combat Corruption (CCC) Index

**Assessing Latin America's ability to detect, punish and prevent corruption**

**I**N JUNE, Americas Society/Council of the Americas and Control Risks published the fifth edition of the CCC Index. Rather than measuring perceived levels of corruption, the CCC Index evaluates and ranks countries based on how effectively they can combat corruption. The index covers 15 countries, which together represent 96% of Latin America's GDP. Countries with a higher score are deemed more likely to see corrupt actors prosecuted and punished. Continued impunity is more likely in countries at the lower end of the scale.

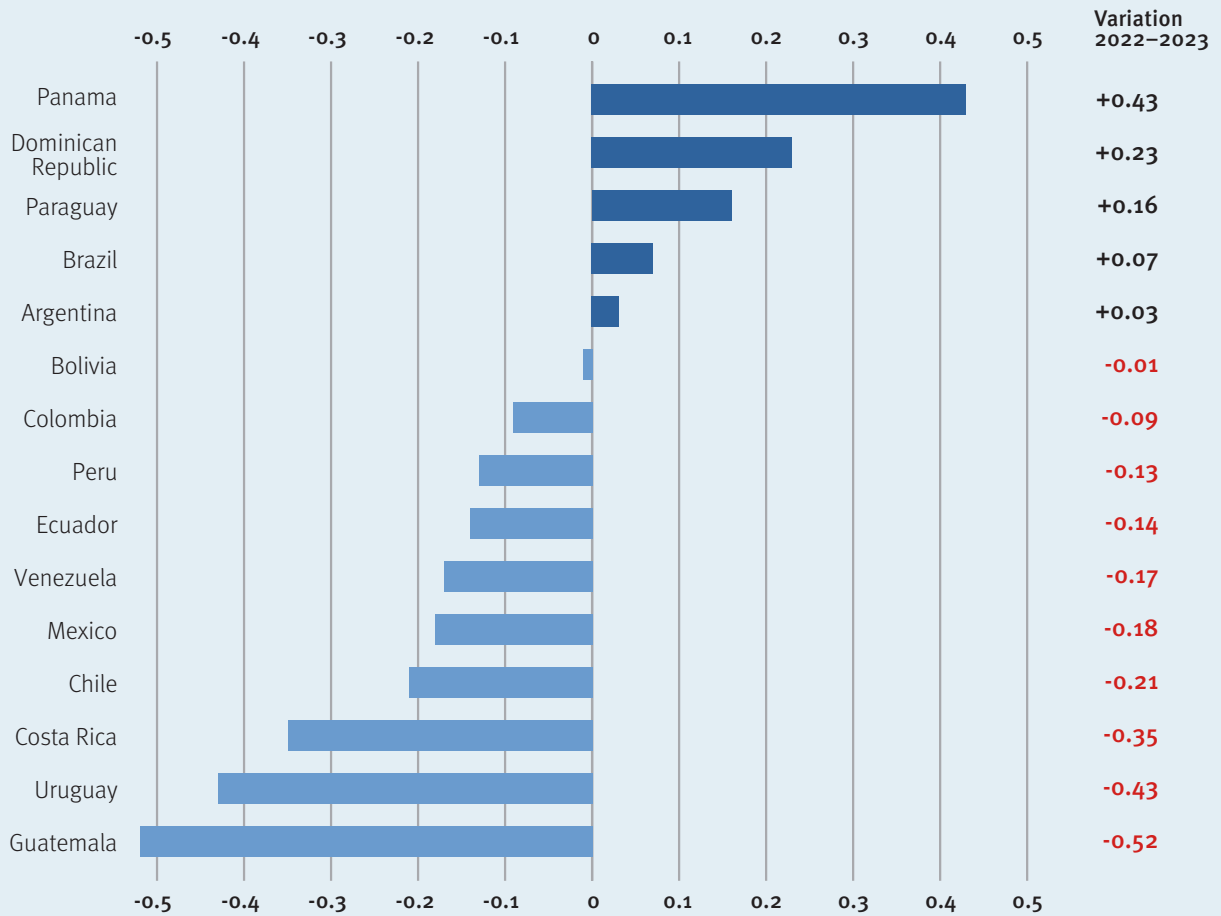
## Overall Ranking

1	Uruguay	6.99	8	Brazil	4.83
2	Costa Rica	6.76	9	Colombia	4.78
3	Chile	6.67	10	Ecuador	4.68
4	Peru	5.53	11	Paraguay	4.61
5	Dominican Republic	5.42	12	Mexico	3.87
6	Panama	5.39	13	Guatemala	2.86
7	Argentina	5.07	14	Bolivia	2.56
			15	Venezuela	1.46

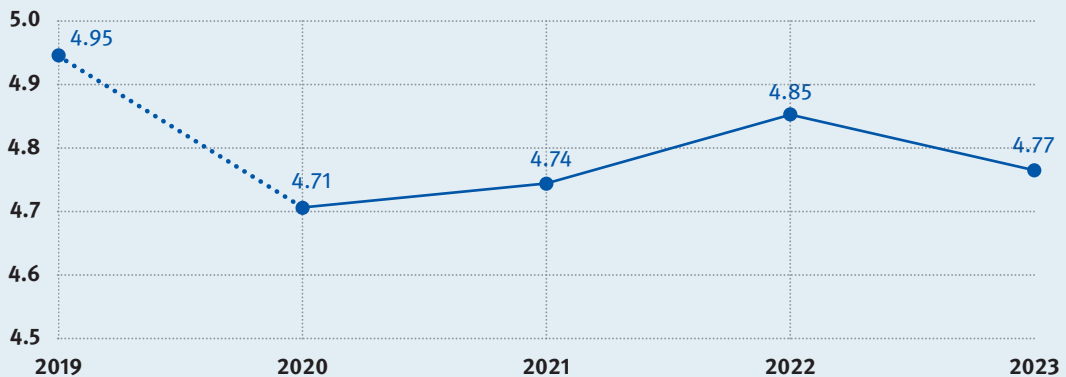




## Overall Score Variation 2022-2023



## Overall Regional Score Over Time



Note: 2019 overall score did not include Bolivia, Costa Rica, Dominican Republic, Ecuador, Panama, Paraguay and Uruguay.

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AT [AMERICASQUARTERLY.ORG](https://americasquarterly.org).**



CAPACITY TO COMBAT CORRUPTION INDEX

# A Tough Year for Anti-Corruption

**This year's CCC Index highlights a more difficult environment for efforts to combat graft.**

*by Geert Aalbers, Brian Winter and Emilie Sweigart*

**I**T WAS A YEAR OF SETBACKS for anti-corruption efforts, and almost no one was immune.

That's the clear conclusion of the fifth annual edition of the Capacity to Combat Corruption (CCC) Index, published on June 27. Rather than measuring perceived levels of corruption as other studies do, the CCC Index evaluates and ranks 15 Latin American countries based on their ability to detect, punish and prevent corruption. In this year's iteration, jointly published by Control Risks and the Americas Society/Council of the Americas (which publishes *AQ*), scores fell in 10 of those 15 countries, leading to a decline in the regional average score for the first time since 2020. Setbacks were seen among countries that did relatively well in the index, such as Uruguay, Chile and Costa Rica, as well as those which scored at the bottom, including Guatemala and Venezuela.

It's important to note that these declines were generally not dramatic compared to 2022, reflecting a general erosion in the anti-corruption space rather than a sudden collapse. But the underlying reasons are still cause for concern. Democracies are under clear duress throughout much of Latin America, as they are throughout much of the Western world. Independent institutions, the key to effectively fighting corruption, are facing increased political pressure in several of the countries we surveyed.

Examples abound. In Guatemala, the past year saw the imprisonment of Jose Rubén Zamora, a prominent journalist who reported



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# The Upside of Helping Cuba's Private Sector

**The United States could help strengthen Cuban businesses, and slow migration flows in the process.**

*by John McIntire*

**T**HE NUMBER OF PEOPLE fleeing Cuba in the past two years has been truly astonishing. Some 350,000 Cubans have attempted to enter the United States since October 2021, according to U.S. government data, a number equivalent to about 3% of the island's population, and that surely understates the actual figure.

A closer look at who is leaving paints an even bleaker picture. A majority of migrants are working-age adults, and the majority of them had worked in Cuba's private sector, according to recently released estimates from the Cuban government. The state sector's share of total employment rose from 69.6% to 72.3% from 2020 to 2022, since 84% of the decline in the labor force was from the private sector; this represents a reversal of the trend during the prior decade. Put another way: Cuba lost almost 5% of its labor force in two years, and 13% of some of its most productive citizens.

Cuba's private sector has struggled for a variety of reasons, especially the restrictive policies of the Cuban government. But a Biden administration package of regulations that could strengthen the Cuban private sector remains stalled in Washington, which seems like a lost opportunity to address a major factor pushing people to migrate to the United States. Here is the current situation and one (hopeful) scenario:

In May 2022 the Biden administration announced a series of measures to support the Cuban private sector, including expanding the access of Cuban en-

trepreneurs to cloud technologies, e-commerce and electronic payment platforms. There were also mentions of microfinancing and training resources. None of the measures have been implemented to date, reportedly due to legal issues in the U.S. — specifically, difficulties in carving out commercial exceptions for private actors without running afoul of blanket restrictions under the Helms-Burton Act of 1996.

The administration's initiatives came nearly a year after the Cuban government allowed for the incorporation of private businesses on the island. Until then, approximately half a million private businesses in Cuba operated under licenses to engage in specific activities, but they had no legal status, which largely limited their ability to contract with the larger state sector and to create ownership wealth for their founders and workers.

The new companies are generally referred to as MIPYMES (the Spanish acronym for micro, small and medium businesses). Their legal structure, called *sociedades de responsabilidad limitada*, or SRLs, in the Spanish acronym, are similar in concept to limited liability companies (LLCs) in the United States and include *socios* or members who are owners.

The SRLs can employ between three and 100 employees and can operate in any sector except for 124 excluded activities specified by the Cuban government (including defense/security, media, health, education and many professional services). Approximately 8,000 SRLs have been established, employing well over 100,000 people. In certain sectors such as logistics (especially the importation of consumer goods) and software development, there are SRLs with several million dollars in revenues, taking market share from inefficient and unprofitable state entities. In terms of the absolute numbers of SRLs, many are in the tourism sector, which has been depressed due to COVID-19 and other factors during the last several years, but is now gradually recovering.

An example of the scale that the SRLs are achieving is their importing of \$167 million in products

during the first four months of 2023, according to official Cuban government data. (They cannot import directly without a state entity in the middle, but it has become routine to pay a small commission for this service.)

Notwithstanding the promising start for the MIPYMES, they will need more time and, importantly, access to capital, to have a major impact on private sector employment and emigration. The economic forces driving Cuban emigration of private sector workers during the last two years — scarcity of inputs, currency distortions, lack of capital, high taxes — have dominated individual decision-making. The new MIPYMES are a real emerging force, but the overall economic environment has been so dismal that it did not meaningfully impact emigration during this period.

That could change, if there were a fortuitous (though unlikely, in the near term) combination of developments: if the Biden administration package of private sector measures is implemented, and if there is further relaxation of rules on the Cuban side, in particular allowing U.S. investors to invest in the MIPYMES (currently, members of SRLs must be Cuban nationals resident in Cuba). Whereas most U.S. investors would not consider Cuba under any circumstances, members of the diaspora who trust the founders of an SRL have a different risk appetite, and some may have a philanthropic motivation as well.

Considering what the Cuban government has offered the Russian business sector in the last month — land leases for 30 years, hard currency profit repatriation, certain import tariff exemptions — asking the Cubans to allow foreign investment into the MIPYME sector may not be far-fetched. Greater capital formation in Cuba would not only raise living standards generally, it could also entice some of its more productive citizens to stay. AQ

McIntire is chairman of the Cuba Emprende Foundation and a director of the Cuba Study Group



Malene Alleyne at the United Nations Headquarters, where she attended a session of the Permanent Forum on People of African Descent in June





THE AQ PROFILE

# An Advocate for the Caribbean

**Jamaican human rights lawyer  
Malene Alleyne is using new  
legal avenues to push for action  
on climate change and more.**

*by Nick Burns*

**M** ALENE ALLEYNE finds that at regional and international meetings, it can be difficult for Caribbean voices to be fully heard. Sometimes literally: At a biodiversity conference in Argentina in April, the Jamaican human rights lawyer began to speak, only to have a moderator intervene, reminding an uncomprehending, largely Spanish-speaking audience to put on their headsets. At another recent conference, there was no translation to Haitian Creole, leaving part of the audience unable to fully understand the debate.

Through her work at her not-for-profit organization, Freedom Imaginaries, that's one of many things Alleyne is trying to change. "The experience of racialized communities is marginal" in major international gatherings, she said. "The issue of inclusion continues."

Alleyne, 41, is part of a generation of advocates across Latin America and the Caribbean who are pushing for dramatically faster change, and a more grassroots approach, on issues ranging from climate change to racial justice. As this generation moves into leadership positions in governments and multilateral organizations, many see an opportunity to remake their countries to become less dependent on extractive industries and more in tune with the interests of marginalized communities.

A graduate of Harvard Law School, Alleyne is, among other initiatives, using human rights law to bring cases on behalf of local communities damaged by industries including mining and oil. For example, last November, she won a resolution from the Inter-American Commission on Human Rights (IACHR) requesting that the Jamaican government take action to protect peasant groups affected by bauxite mining operations in the north of the country.

That generated some controversy in a country where bauxite and its derivatives account for more than a third of exports. But the Caribbean is also one of the regions at greatest risk from rising seas and

the other impacts of climate change, leading to a growing political debate.

Resource extraction "in most cases benefits Global North countries and consumers, as well as local political elites who are often in collusion with transnational corporations," Alleyne told *AQ*. "As inevitable as this model of development seems to be, it's fueling the climate crisis, which for some countries in the Caribbean is an existential threat."

That's another reason why representation is so important at conferences and in courts around the region, she said. "If [people on the frontlines] could be empowered to claim rights to defend their lives and livelihood, to participate in environmental decision-making that typically excludes them ... I assume that they can advance real change and real reforms."

## The Caribbean on the world stage

**W**HEN *AQ* TALKED TO ALLEYNE, in New York for a meeting of the UN Permanent Forum on People of African Descent, at the top of her mind was the issue of representation of the peoples — and marginalized groups — of the Caribbean in international fora.

Alleyne's is a critique that comes from years of experience inside what she calls the mainstream world of human rights — including stints at the IACHR and the UN Refugee Agency.

Though some smaller countries in the region find that maintaining a delegation in New York or Geneva is a prohibitive expense, the nations of the Caribbean have generally good representation in international fora, said Juan Salgado, a researcher at the World Justice Project.

But for a poor person in the Caribbean, "it's virtually impossible" to make a successful rights claim in international judicial venues, Salgado told *AQ*. "In theory, they do have access ... however, you need some leverage and the education and resources."

Alleyne said that she is encouraged by the reception that her ideas have gotten in some international

# **“As inevitable as this model of development seems to be, it’s fueling the climate crisis, which for some countries in the Caribbean is an existential threat.”**

venues — for example, at a conference under the auspices of the Escazú Agreement, an international environmental treaty signed by two dozen Latin American and Caribbean nations.

“At the end I said, “This venue is great but ... people of African descent are not represented. I thought that was very well received.” Not only was she invited back, but an Indigenous woman approached her afterward to give her a blessing. “She saw someone who spoke directly to groups that feel marginalized,” said Alleyne.

Alleyne’s goals aren’t limited to a seat at the table. Freedom Imaginaries’ website says it aims to use human rights law to “tackle legacies of slavery and colonialism,” “promote reparations and accountability, [and help construct a] truly post-colonial world” where the rights of nature and of marginalized groups are respected. Alleyne wants to see the Caribbean escape the resource-dependent system she sees as contributing to the continuation of racialized inequalities that began under slavery and colonialism.

Some Caribbean leaders are already taking up the climate cause in a novel way. The most prominent example may be Barbadian Prime Minister Mia Mottley, who led a drive to create an instrument at the International Monetary Fund to finance climate adaptation for small island nations. Her Bridgetown Initiative, unveiled at COP27 in Egypt, entailed a proposal to “substantially tweak the global financial architecture” to make more money available to countries on the frontlines of the climate crisis.

Mottley has also called for reparations to Barba-

dos, both on the grounds of a “development deficit” resulting from legacies of slavery, but also on the grounds of climate justice.

Alleyne called Mottley “one of the most visionary” leaders in the Caribbean. “The insistence from developing countries to have this discourse on loss and damage finance is extremely important.”

But, Alleyne added: “Reparations will not be transformative if the discussion stops there, especially if the governments that are claiming these [funds] haven’t put in place accountability and transparency structures to ensure that any funds received on the basis of climate reparations are distributed equally so that frontline communities benefit.”

## **A Jamaican test case**

**A** LLEYNE’S RECENT ADVOCACY on behalf of peasant communities in the northern St. Ann region affected by bauxite mining provided a test for her approach.

After years of advocacy by environmental groups in Jamaica, in March 2022 Prime Minister Andrew Holness designated the Cockpit Country Protected Area, shielding some 78,000 hectares of land from extractive activity. The area is known both for its surviving rainforest and for its rich history — sheltering, from the 17th century onward, communities of escaped slaves known as maroons who continue to enjoy a degree of political autonomy.

But the designation of the protected area did not satisfy environmental advocates, who point out that

## **“What we can do from one generation to the next is build a pathway.”**

mining can still take place very close to the dwellings of peasant communities who live outside the protected area.

“We considered the definition of Cockpit Country to be much broader than what was defined by the government,” said Theresa Moodie, CEO of the Jamaica Environment Trust. “We have been proposing [that] we add a buffer zone.”

In June 2022, Alleyne submitted to the IACHR a request for precautionary measures on behalf of peasant communities affected by mining in St. Ann’s parish, requesting the organization require Jamaica to “take the necessary measures to protect the rights to life, personal integrity, and health of the Afro-descendant persons identified as beneficiaries in the St. Ann region.”

Moodie discussed Alleyne’s close work with local communities ahead of the request: “She was learning about the industry and the kind of impact it was having [by] speaking to people and learning from them.”

Last November, the IACHR granted the request, “after considering that they are in a serious and urgent situation that poses a risk of irreparable harm to their rights in Jamaica.” In January, in a separate judgment, Jamaica’s Supreme Court granted a temporary injunction on bauxite mining in parts of St. Ann’s and Trelawny parishes.

The decision did not please everyone. In the *Gleaner*, Jamaica’s paper of record, an article by Lance Neita, a consultant who works in the bauxite industry, warned of harm to a mining industry that buoys Jamaica’s economy and supplies it with jobs and foreign reserves. Neita quoted a Jamaican folk saying, “Back no know him a wear shut until shut drop off,” whose meaning is roughly equivalent to, “You don’t know what you’ve got until it’s gone.”


Jamaica is the world’s seventh-largest bauxite producer; exports increased over 20% between 2021

and 2022. Aluminum oxide, a derivative of bauxite, accounted for 36% of Jamaica’s exports as of 2020.

But the cost-benefit logic isn’t so simple. “When we look at things like agriculture, which is being impacted by mining [yet] employs more people ... I just don’t believe it’s a strong enough argument,” said Moodie.

Alleyne also points to ties between extractive industries and the climate crisis. Because of its location and the nature of its island countries, the Caribbean is more vulnerable than other regions to extreme weather and natural disasters. “In large and wealthy countries with strong safety nets, localized natural disasters can be absorbed,” writes the economist Adam Tooze. “For the smaller states of Central America and Caribbean such shocks can easily become all-consuming.” Hurricane Dorian, which hit the Bahamas in 2021, inflicted damage totaling approximately 25% of the country’s GDP — one of the highest in the Caribbean — in just three days.

Alleyne sees her work as a contribution toward imagining a future where Caribbean societies are free from the unequal social and environmental toll of extractive industries. What would that look like, economically? It’s an issue the Caribbean is already grappling with today, as nations like Trinidad and Tobago, historically reliant on hydrocarbons, see their production drop.

“It’s not a problem that can be solved in a conversation or even in one generation of activism,” Alleyne said. “There needs to be a cross-movement, cross-disciplinary community discourse on alternative models. ... What we can do from one generation to the next is build a pathway so maybe future generations can benefit from a different world in which people can live better.” 

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Burns is an editor at AQ



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PHOTO ESSAY

# A TASTY ORCHID

*A popular flavor that was unseated by synthetic options, Mexican vanilla is gaining favor once again.*

PHOTOGRAPHS BY MAURICIO PALOS

**T**HE FLAVOR IS MILD, the color is muted, and its name has become synonymous with plain. But *Vanilla planifolia*, the orchid endemic to Mexico, is full of history, a plant domesticated by pre-Hispanic cultures from the Totonacapan region in the Gulf of Mexico.

Today, synthetic vanilla flavoring, including petrochemical derivatives, dominates the market. Only 2% of vanilla flavoring sold worldwide comes from orchids. And, despite being its cradle and home to the only known natural pollinators, Mexico produces less than 8% of the natural vanilla used in recipes around the globe.

But in Huasteca Potosina, the native region of the orchid, local communities are staging a comeback, producing natural vanilla and exporting north.

Many farmers choose to pollinate vanilla orchids manually using a needle or toothpick to ensure their production will be commercially viable.





Farmer Bardomiano Hernández Hernández, leader of the trio La Danza del Cascabelito (Dance of the Little Bell), blesses the community's water well at the onset of the rainy season. The ritual is performed on Saint John's Day, recognizing the region's patron saint of agriculture.

José Domingo Hernández Medina, right, also part of the trio, plays the Nahuatl harp during a ceremony to bless the waters. The rainy season is the best time to sow the vanilla orchid.







Sugey Morales and her sister-in-law Lizeth Díaz set out vanilla pods to dry. Demand for natural ingredients keeps growing. In 10 years, producers in San Luis Potosí saw prices jump from \$5 a pound to close to \$80.




A photograph of a person sitting in a wooden chair with a cane backrest. The person is wearing a white tank top and grey pants. The chair is made of dark wood and has a cane backrest with a diamond pattern. The person is sitting on the right side of the frame, and the chair is on the left side. The background is a plain, light-colored wall.

Dried vanilla pods are also used in crafts. The main producers in San Luis Potosí are the Tének and Nahuatl Indigenous communities, who maintain their ancestral relationship with nature through cultural practices.



Farmer and trader Luis Morales likes to sculpt crosses and scorpions out of dried vanilla.

A lush green forest scene with a prominent plant in the foreground and a stone wall in the lower right. The plant has a thick, segmented stem and large, feathery leaves. The background is filled with dense foliage and trees. A stone wall is visible in the lower right corner, with a person's arm and hand partially visible on the right edge.

**“Everything I plant in my  
land matters, but maybe  
the most important  
is the vanilla because  
it brings us a little money.”**

— MARÍA CRISTINA SÁNCHEZ, 60,  
FARMER AND HEALER



María Cristina Sánchez learned vanilla farming from the Totonacos Indigenous community in Veracruz in 2006. She started her own production in 2009, mixing vanilla orchids with medicinal herbs and other crops.



Besides being a farmer, Sánchez is a healer sought after by her community.

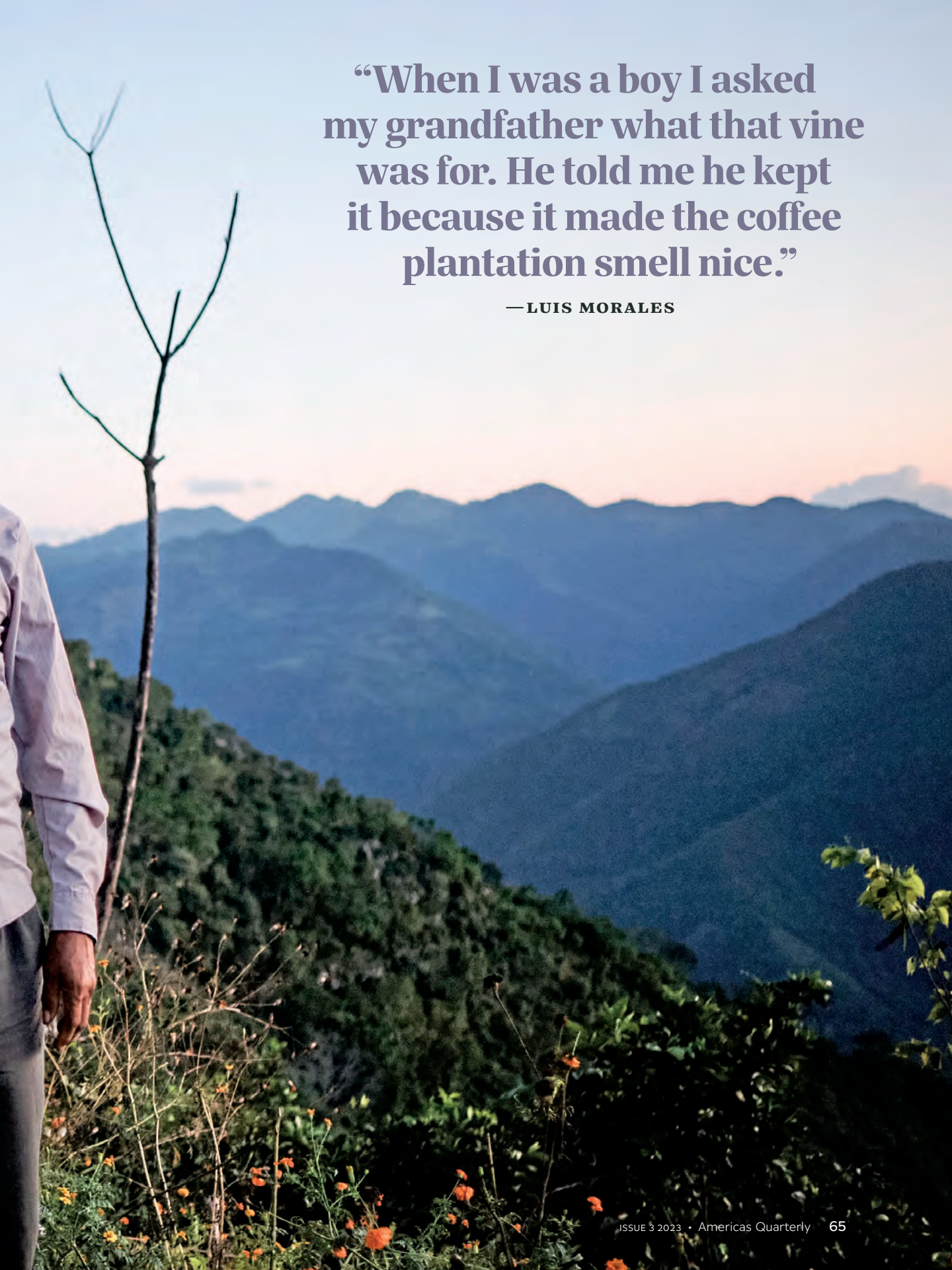




Sánchez likes to keep vanilla in the house, which she says welcomes her visitors with a nice aroma.



Luis Morales, 72, and his family enjoy a sunset after visiting a vanilla producer in the community of Ahuehuevo, San Luis Potosí. After learning about vanilla from the Totonacos in 2006, Morales realized the orchids had been on his family's land since he was a child.



**“When I was a boy I asked  
my grandfather what that vine  
was for. He told me he kept  
it because it made the coffee  
plantation smell nice.”**

**—LUIS MORALES**



Luis Morales Jr. weighs green vanilla beans from a local producer. The family has also become a bridge between local producers and buyers across Mexico and abroad.

Morales holds workshops teaching pollination and vanilla farming. Although the area is the orchid's original habitat, commercial cultivation there is very recent. "I like it, but because it generates income, it is more expensive than all the products I know here in the region," Morales told AQ.





A worker scoops some vanilla ice cream at a parlor in an upscale neighborhood in Monterrey, Nuevo León. Gourmet chefs and food producers are the main clients for the farmers in Huasteca Potosina.





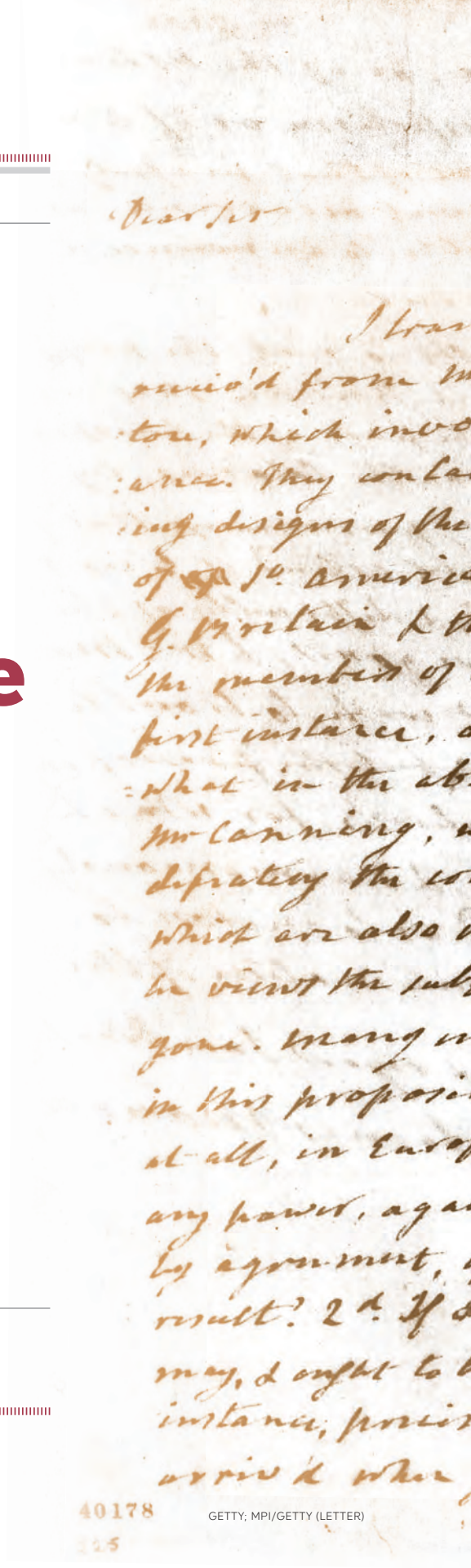
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# The Never-Ending Life of the Monroe Doctrine

The infamous U.S. policy turns 200 this year. Initially hailed by Latin American leaders, its chief legacy today is one of confusion.

by Britta Crandall and Russell Crandall

A 1912 painting by Clyde De Land depicting the birth of the Monroe Doctrine in 1823. The doctrine inaugurated the U.S.'s often proprietary relationship with Latin America.





Date bill October 17. <sup>th</sup> 18 23

submit to you two dispatches which were  
in haste, while I was lately in Washing  
your interests of the highest import



inst others, presuming that a council  
of the kind proposed, may lead to the  
case can exist in which a council  
be departed from, is not the proposal  
by that case? 3! Has not the epoch  
G. W. W. must take her stand.

**T**HE YEAR WAS 1823 and the newly independent Latin American republics were under threat. Despite winning diplomatic recognition from the United States, they were not yet safe from possible reconquest by their former European masters. This risk was more than theoretical: the Spanish monarchy was stronger than ever, buoyed by the Holy Alliance of Russia, Prussia and Austria — which helped it stomp out a short-lived constitutional government in Spain in 1823.

The U.S. was worried about Europe, too. Russia was laying claim to Oregon. If the czar and the Holy Alliance could make gains in the New World, the United States could say goodbye to its territorial ambitions for the Pacific Coast, and Latin America could once again fall under the control of imperial Spain — or even predatory France.

At this point, Britain stepped in to make an offer. As a constitutional monarchy, Great Britain had little patience for the absolutism of the Holy Alliance. Even though the British had recently torched the White House during the War of 1812, they approached the James Monroe administration (1817–24) with a proposal to devise a joint declaration against feared interference by the Holy Alliance in the Western Hemisphere. At the time, Great Britain was the preeminent global power, while the United States was little more than a “second-ring show in the high-strung Atlantic circus,” in the words of historian Caitlin Fitz.

Monroe wanted to cooperate with Great Britain.

But his more wary secretary of state, John Quincy Adams, ultimately won out. Adams argued that going alone would allow the United States to raise its own credibility as a regional power while avoiding appearing to be a mere lackey of Great Britain. As he wrote to his boss, “It would be more candid as well as more dignified to avow our principles explicitly to Russia and France, than to come in as a cockboat in the wake of the British man-of-war.”

The Monroe Doctrine was the result. Presented to Congress on December 2, 1823, it was a sweeping, bold declaration calling for a hemisphere free of European interference. It pledged U.S. nonintervention in the Old World and affirmed the United States would view European attacks on its hemispheric neighbors as aggression against itself.

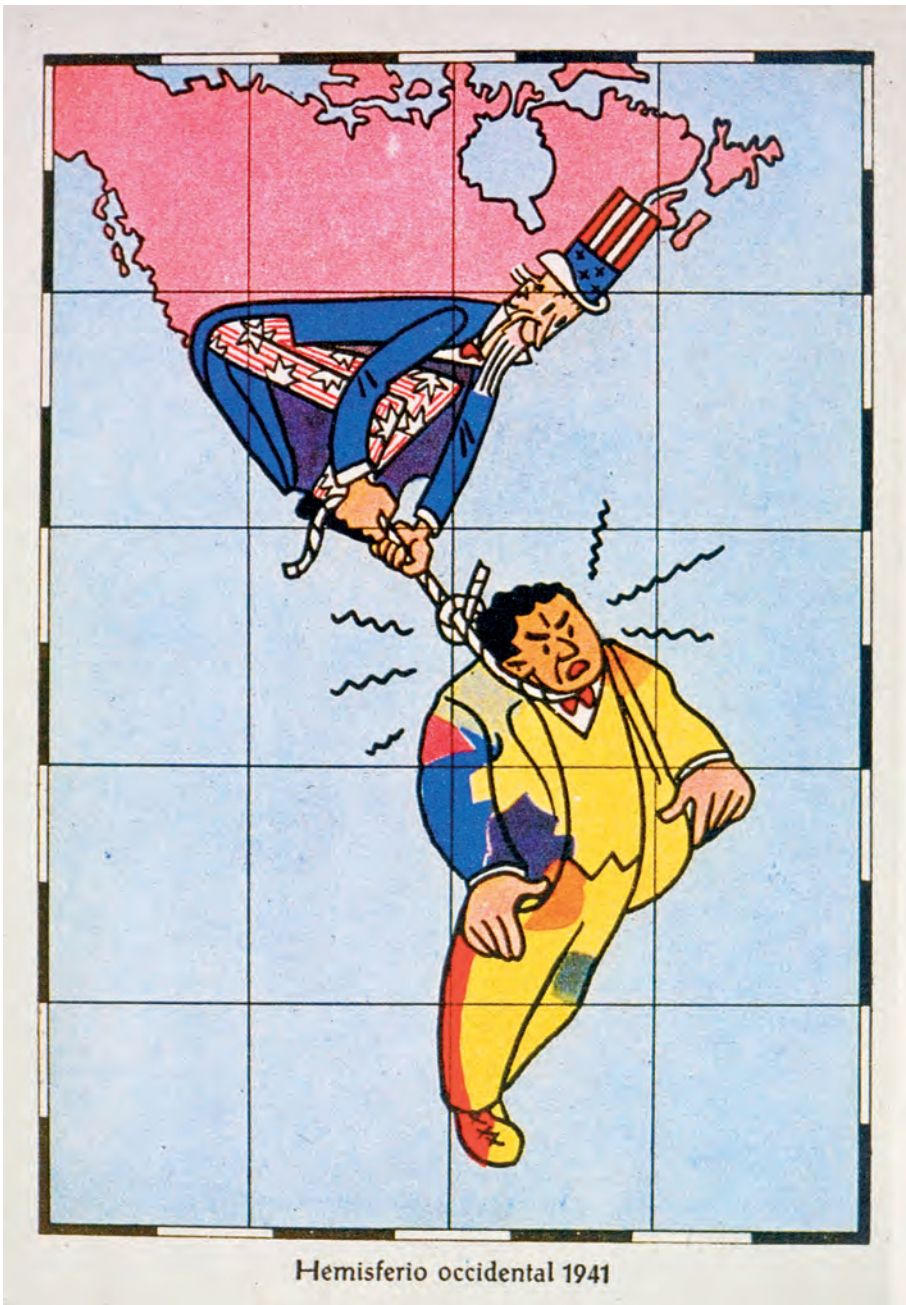
In making this announcement, the United States was unilaterally telling its European counterparts that Washington now considered the Western Hemisphere what came to be called its strategic “backyard.” But there was a second — these days often overlooked — tenet of the Monroe Doctrine: an emphasis on republicanism, as opposed to monarchical forms of government in the region (although the U.S. did acknowledge the independence of Brazil, headed by Emperor Pedro I, in 1824).

The doctrine represented the beginnings of the United States’ often proprietary relationship with Latin America. But it’s worth noting that at the time of its announcement, the Monroe Doctrine was more of a symbolic display than one showcasing military



1824

**“England and the United States protect us. These two nations, which form today the only two powers in the world, will not permit that help be given to Spain.”** — Simón Bolívar



This 1941 postcard depicts Uncle Sam throttling a caricature of South America. In the 1930s and into World War II, U.S. policy toward Latin America took another pivot.

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1895

**“The United States is practically sovereign on this continent, and its fiat is law upon the subjects to which it confines its interposition.”**—U.S. Secretary of State Richard Olney

might. The U.S. lacked the ability to enforce Monroe’s stated goals. Despite the fierce reputation the doctrine would gain in future decades and centuries, the pronouncement did not prevent European moves violating Monroe’s warning — such as the British annexation, in 1833, of the Falkland Islands (which Argentina refers to as the Malvinas), Spain’s reassertion of colonial control in Santo Domingo (today’s Dominican Republic) in 1861, or, most famously, Napoleon III’s bold gambit to establish a French puppet regime in Mexico during the U.S. Civil War. Until very late in the 19th century the United States was busy becoming the master of its own continental territory, focusing on its westward expansion to the Pacific Coast.

From today’s perspective, it may come as a surprise that many Latin Americans were supportive of Monroe’s defiant declaration bolstering their precarious independence. Colombian Vice President Francisco de Paula Santander described how “this policy, consolatory to human nature, would secure to Colombia a powerful ally should its independence and liberty be menaced by the Allied powers.” Simón Bolívar himself wrote that “England and the United States protect us. These two nations, which form today the only two powers in the world, will not permit that help be given to Spain.” And both Chile and Argentina expressed gratitude to the United States for positioning them beyond the reach of Europe.

### The doctrine evolves

**A**T THE TURN OF THE 20TH CENTURY, European meddling prompted a tweak to the doctrine’s original focus on protecting independence and democracy. In 1902, British, Italian and German gunboats stalked the Venezuelan coast after Caracas ceased paying its foreign debts. This helped prompt President Theodore Roosevelt’s (1901–09) sharp announcement in 1904 that the United States had the right and responsibility as an “international police power” to curb “chronic wrongdoing” — that is, “flagrant cases” of fiscal insolvency and civil unrest in the region.

While the original doctrine was about global powers staying out of Latin American affairs, now Washington — far more global a power in 1904 than 1823 — was now proclaiming its right to go in. Over the next two decades, American troops landed in the Dominican Republic, Haiti and Nicaragua, among other countries. The gloves were off.

But in the 1930s and into the World War II era, U.S. policy toward the region took another pivot — and so does our understanding of the Monroe Doctrine’s legacy. President Franklin Roosevelt embraced consultation and cooperation over gunboats and U.S. marines with his Good Neighbor Policy, accepting the principle of non-intervention at the Montevideo Conference of 1933.



2013

**“The era of the Monroe Doctrine is over.”**—U.S. Secretary of State John Kerry



Venezuelan President Nicolás Maduro, left, greets Russian President Vladimir Putin in 2017. Meetings like this one continue to prompt some U.S. foreign-policy hawks to complain of violations to the Monroe Doctrine.

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The creation of the Rio Pact in 1947 appeared to make the Monroe Doctrine multilateral, transferring the responsibility for defense from the United States to all 19 signatories. With the ensuing creation of the Organization of American States in 1948, Theodore Roosevelt's pugilistic version of the Monroe Doctrine would often seem obsolete in ensuing years. The John F. Kennedy administration invoked the Rio Pact, not the Monroe Doctrine, during the 1962 Cuban Missile Crisis. Similarly, President Johnson's major policy speech outlining intervention in the Dominican Republic in 1965 also omitted any reference to the Monroe Doctrine.

### **A confusing legacy**

**E**VEN AS THE MONROE DOCTRINE receded from prominence in official U.S. policy, it gained ground during the fraught Cold War as a

catchphrase employed in both liberal and conservative accounts of U.S. regional policy. Legions of liberal critics in the U.S., and those in countries on the receiving end of perceived *yanqui* empire, equated the doctrine with heavy-handed, paternalistic and even racist U.S. policy in the hemisphere.

As international communism became the new enemy and violator of the Monroe Doctrine, unilateral intervention by the U.S. was the response. In a period marked by both the perception and the reality of U.S. involvement in coups, CIA intrigue and botched military interventions, the doctrine was understood by many in the U.S. and Latin America alike as a rationale for such action. Even if the doctrine was not always officially invoked during the Cold War, actions are louder than words. The Pan-American defense doctrine was relegated to a back seat as the United States took the fight against international communism into its own hands.



2018

**"It has been the formal policy of our country since President Monroe that we reject the interference of foreign nations in this hemisphere and in our own affairs."** —U.S. President Donald Trump

Over the years, many have pronounced the Monroe Doctrine dead. Writing in the late 1990s, diplomatic historian Gaddis Smith wrote that the end of the Cold War marked the end of the Monroe Doctrine. Others have argued that it perished with the multilateralism in the lead-up to and after World War II.

But the confusion has not ceased: Well into the 21st century, policymakers and politicians continue to invoke what is now an unhelpful, even counterproductive term. On the American right, the Monroe Doctrine is shorthand for an unapologetically hawkish approach to the U.S. sphere of influence, one that sees non-hemispheric activity, whether from Germany in the early 1900s, to Russia and China today, as axiomatically malevolent and requiring a stern U.S. response. In this perspective, the doctrine is a more pragmatic, realpolitik reflection of relative power dynamics, as opposed to any specific endorsement of unilateral regime change.

The problem is that the Monroe Doctrine has been overused and misunderstood to the point of meaninglessness; it is one of those phrases, like globalization or neoliberalism, that means all things to all people. Perceived moves by Beijing in the region? Nicolás Maduro's regime cozying up to Moscow? Conservatives reflexively howl that the Monroe Doctrine has been breached. Liberals criticize ever-abiding U.S. imperialism. The result is an overriding legacy of confusion.

Perhaps rather than a binary focus — asking

whether the doctrine is obsolete, or alive and well — it is more helpful to ask which version of the doctrine will mark the century to come. Will it represent new emphasis on supporting democracy? Or will policy revert to the unilateral heavy-handedness of the turn of the 20th century?

The United States will always view its near abroad differently from other parts of the world. But that's not to say that the U.S. has the ability or desire to unilaterally intervene in the hemisphere the way it did a century ago. Today, Latin American countries have agency and strength that they lacked in 1823. At the same time, most Latin Americans now view the doctrine as synonymous with U.S. unilateralism. In this sense, the doctrine is at once irrelevant, confusing and potentially damaging to U.S. relations with the region.

The changing nature of hemispheric dynamics have left the Monroe Doctrine behind: The best thing that could happen to its legacy is for it to recede into the past. AQ

Britta Crandall is a professor of the practice of political economy at Davidson College. Russell Crandall is a professor of Latin American studies at Davidson College. This essay is adapted from the authors' recent book "Our Hemisphere?": The United States in Latin America, 1776 to the 21st Century, available from Yale University Press.



2023

**"It is no longer the time for a policy of America for Americans, of the Monroe Doctrine. You have to respect countries' freedom and independence."** —Mexican President Andrés Manuel López Obrador

# ARGENTINA: Economic and Political Perspectives

August 24  
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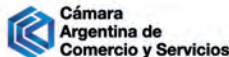
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ONE YEAR LATER



# The Window Is Still Open for Latin America

**A year after AQ's special report, a look at what's still needed to make nearshoring work for the region**

*by Shannon K. O'Neil*

**A** DEFINING TREND of the last year is the fluidity of global supply chains. Companies are on the move, driven by the memory of COVID-19 disruptions, seismic shifts in demand and supply, demographic changes and, increasingly, geopolitics. Latin America's economies have yet to take full advantage of this dynamism. To do so, they will need to find a way to work together before the window of opportunity closes.

For the 25 years leading up to the pandemic, McKinsey calculates that less than 2% of global supply chains moved to a different country. This stickiness reflects the business maxim that if it isn't broken, don't fix it. Yet today corporations are becoming untethered, and more boards of directors and CEOs contemplate significant shifts in their global footprints.

Some of this itinerant money is making its way to the Western Hemisphere. Mexico holds the pole position due to its geographic location, the USMCA trade and investment deal, and its inclusion in the U.S. Inflation Reduction Act, which allocates hundreds of billions of dollars in subsidies to create North American electric vehicle and renewable supply chains.

As a result, and despite many less than business-friendly policies from President Andrés Manuel López Obrador's administration, industrial parks along the border are full and commercial real estate vacancy rates hover at a low 5% nationally. The last quarter was a banner one for foreign direct investment (FDI), led by autos and electronics. Recent growth,



too, has surprised analysts on the upside, with GDP expectations now above 2% for 2023.

But these investment flows resemble more a stream than a tsunami. To put it into perspective, foreign investment is back to its pre-covid-19 levels, coming in around \$40 billion annually. And Mexico’s global investment share is holding steady at just 2% to 3% of international flows, despite being the 15th largest economy in the world. It has maintained, not gained, market share as global supply chains are on the move.

Brazil, too, has seen investment inflows — China’s BYD, which is on a path to become the world’s largest electric vehicle maker, purchased an old Ford plant to kick off its South American car production. More money is flowing into energy, agriculture and mining. Overall, the tenth largest economy in the world attracts just 3% of global FDI and has struggled to keep that pace. As for Chile, Colombia, Peru and Argentina, political uncertainties have tempered financial interest, flatlining foreign investment to less than 3% of the global pie.

In contrast, hundreds of billions are pouring into Vietnam, Singapore and Indonesia. Southeast Asia now captures more than 10% of global FDI, much of it driven by new manufacturing capacity.

One of Southeast Asia’s advantages over Latin America has been its incorporation into regional supply chains. Trade between these nations and with the manufacturing powerhouses of East Asia has grown to some 63 cents out of every dollar. And the ratification of Regional Comprehensive Economic Partnership, a free trade deal among the 15 members, promises to accelerate these ties.


By contrast, in Latin America regional trade remains limited. The Inter-American Development Bank calculates that less than 15% of exports stay within the region. Investment does not fare much better: less than 10% stays in the region.

Regionalism in Latin America has gotten a rhetorical boost this last year. Brazilian President Luiz Inácio Lula da Silva kicked off his new term resurrecting

UNASUR, the Union of South American Nations, and CELAC, the Community of Latin American and Caribbean States, two main regional confabs that had gone all but dormant in recent years. The leaders of Colombia, Argentina and Chile have joined him in his efforts.

But less has happened. At UNASUR’s first summit, Lula’s embrace of Venezuela’s authoritarian leader Nicolás Maduro overshadowed the commercial integration efforts on the agenda. Meanwhile, Chile, Colombia, Mexico and Peru have all but forgotten the Pacific Alliance, a decade-old free trade agreement. The Mercosur deal with the EU, which is expected to boost regional production alongside cross-Atlantic traffic, is still on ice in Brussels.

Latin American nations should not turn away from the United States and their privileged positions vis-à-vis the world’s largest consumer market. Due to free trade agreements with the U.S., a dozen nations can potentially tap into the hundreds of billions of dollars in subsidies in the U.S. Inflation Reduction Act. Once the Americas Partnership for Economic Prosperity is developed, the 11 countries that have signed up with the U.S. may benefit from new financing and other support to help build out cross-border industrial and commercial clusters.

The current supply chain reshuffle will not last all that long. History and basic economics show us that corporate footprints will again become sticky, their managers loath to upend profitable operations. Governments still have work to do at home. They need to invest in infrastructure, streamline policies to lower the costs of logistics, improve educational opportunities to diminish significant skills gaps, and more generally take steps to improve the business environment. Finally, to attract international money and production, regionalization is vital, as it can create economies of scale no nation, however well-run, can achieve alone. 

|||||  
*O’Neil is a vice president, deputy director of studies and senior fellow for Latin America Studies at the Council on Foreign Relations.*



A display in Panama City's Museo de la Mola (Visual Arts, p. 88)

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Cristina Guevara on Panama City's Museo de la Mola

# Books

## Nonfiction

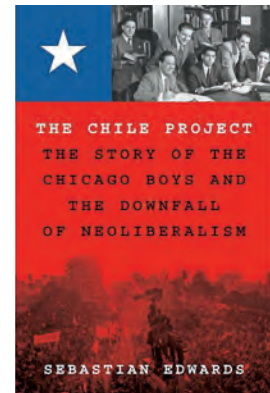
**A realistic account of Chile's tragic journey to economic success has one glaring weakness.**

**Reviewed by Brian Winter**

ONE OF THE MOST TRAGIC, murderous chapters in Latin America's modern history gave rise to arguably its most successful economic experiment. This difficult truth is the subject of Sebastián Edwards' new book, *The Chile Project: The Story of the Chicago Boys and the Downfall of Neoliberalism*. As the title suggests, Edwards tries to not only reckon with the legacy of Augusto Pinochet's 1973 coup, but also connect it to policy debates still raging today in Chile and indeed throughout the Western world. It's an emotionally charged, fraught task, one at which the book largely succeeds — with one unfortunate exception.

The Chicago Boys of the book's title were a shifting group of young Chilean economists, many (though not all) of whom graduated from the University of Chicago and were disciples of the free-market guru Milton Friedman, whose 1975 visit to Santiago seems to have decisively convinced Pinochet to put the "boys" in charge of the economy. It is fascinating, and revealing about today's politics in Chile and elsewhere, that *none* of the Chicago Boys whom Edwards interviewed for his book self-identifies today as a "neoliberal," describing their project as more socially minded than critics believed. But, terminology aside, there is no doubt that their agenda of privatizations, tariff cuts, deregulation and overall embrace of a business-friendly, free-trading model was unlike anything that had ever been tried in Latin America before.

That they did this during an era when Chilean dissidents were still being machine-gunned and thrown from helicopters into the sea is a stain that continues to haunt — and delegitimize — Latin American capitalism today. Early in the book, Edwards acknowledges the obvious: "Given the historical moment," he writes, "a neoliberal revolution of this magnitude could not have been possible under a democratic regime." That



***The Chile Project:  
The Story of the  
Chicago Boys and  
the Downfall of  
Neoliberalism***

By Sebastián Edwards  
Princeton University Press  
Hardcover  
376 pages

doesn't mean the reformers always had it easy: Nationalist sectors of Chile's military strongly resisted their efforts, suspecting they were giving away the country's wealth to nefarious foreign interests; the notorious DINA secret police even ordered them followed. But there's no doubt the Pinochet regime's repression permitted "shock therapy," holding the line even as unemployment soared beyond 25%, waiting for a more dynamic economy to take root.

That payoff did eventually come — and how. Today's Chile has a per capita income double that of Ecuador, and 40% higher than Costa Rica; the three countries were peers in the 1980s. Far from being "just" a story of GDP growth, or just the rich getting richer, Chile also has Latin America's highest human development indices, and its second-lowest poverty rate, behind Uruguay. Much of this progress happened *after* democracy returned in 1990, but few disagree that the Chicago Boys' policies laid the groundwork.

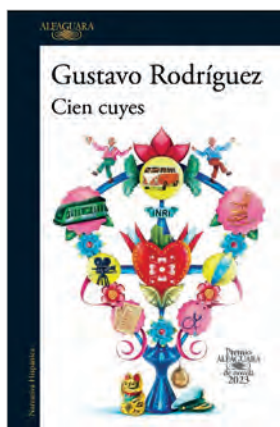
Of course, Edwards' book comes out at a time when that legacy is being questioned; he is laudably direct and honest about flaws in the Chilean model, namely persistently severe inequality, that led to the 2019 protests and their (now uncertain) aftermath. Which is why it is such a disappointment that the author waits until near the end of the book to ask, "Did the Chicago Boys know about human rights violations?" and then dedicates barely three pages to the answer, lamely concluding: "We will never know for sure the facts on these thorny issues." This is not just a matter of historical record; the question of whether and how Latin America's economies can be effectively reformed under democracy is as relevant as ever in today's context of stagnation and renewed social unrest. Edwards' book suggests, in both its brilliance and its shortcomings, that the answer remains sadly elusive. **AQ**

Winter is editor-in-chief of AQ

## Fiction

**A new novel puts on display how, in a changing Lima, the wealthy are not spared loneliness and isolation in old age.**

**Reviewed by Andrea Moncada**



**Cien cuyes**

By Gustavo Rodríguez  
 Alfaguara  
 Paperback  
 264 pages

“IN TRUTH, CHICKENS face a better death than humans,” sighs Jack Harrison, one of the characters in *Cien cuyes*, the latest novel by Peruvian writer Gustavo Rodríguez.

In its pages, Rodríguez explores the indifference that modern Peruvian society displays toward its elderly population, presented as shadows of an antiquated past. The novel centers on Eufrasia Vela, a woman from a working-class Lima neighborhood, who earns a living taking care of the city's upper-class elderly.

As the novel begins, Eufrasia works for Doña Carmen, a widow who lives alone in her apartment in the wealthy district of Miraflores. She meets another resident in the building — Jack Harrison, a retired doctor suffering from the consequences of a stroke — and later takes a post as an assistant

in a nearby nursing home, looking after seven seniors.

Eufrasia's kindness and tenderness towards her charges is juxtaposed with the fact that, despite their status as rich *limeños*, they have all been more or less left behind, either by their families, by their waning health, or simply by the passage of time. Their lives serve as indication that, while the process of growing old in Latin America is shaped by one's socioeconomic status, privilege does not necessarily shield the elderly from loneliness or solitude.

In fact, privilege can deepen isolation. According to national data, Miraflores has the highest number of people over 70 living alone in all of Lima. Rodríguez alludes to this reality: Very few people aside from Eufrasia visit these elders. Doña Carmen and Harrison's respective children live abroad, and the rest are childless and have no relation with their extended family. Only money ensures they are cared for. That is not the case for Eufrasia. "Who was going to take care of me in my old age? You can pay for that, but we the poor need our children," says Eufrasia to Harrison, explaining her decision to have a child years previously.

Eufrasia's own life story illustrates how the Lima her octogenarian charges know best is a city that no longer exists. She is from Simbal, a village in the northern Peruvian region of La Libertad, and moved to Lima in her youth with her sister in search for work. Her story is shared by millions of Peruvians who migrated from their cities and towns to Lima in two massive waves, first in the 1950s and then in the '70s

and '80s, settling in the city's outskirts and forever changing the cultural and racial composition of the capital, a process described as "popular overflow" by the anthropologist José Matos Mar. All of the seniors can remember a time when Lima was dominated by a white traditional class and was far less fast-paced, filled with large residential homes instead of tall concrete buildings, trams instead of cars.

That Lima is now only a memory that lives within them, the memory of "a less threatening city" that they will take with them on their final adventure. Each one, starting with Doña Carmen, comes to the decision that it is no longer worth living when the world they knew is long gone. The indifference that modern society directs at them is a corollary of the triumph of the new Lima — which Eufrasia belongs to — as a melting pot of Andean and Amazonian idiosyncrasies and customs. Traditional *limeños* no longer rule as they once did.

But rather than resigning themselves to their inevitable passing, these elders find in Eufrasia an ally, someone to help them take back control of their lives in a final act of defiance. As Doña Pollo, who lives in the nursing home, puts it: "It is better to burn out than to slowly fade away." In *Cien cuyes*, Eufrasia serves as a bridge between the two Limas, helping one make room for the other. AQ

Moncada is a Peruvian analyst and journalist based in the UK

## Upcoming Books

The latest in economics, history, policy and fiction from across the hemisphere

### FICTION

**The MANIAC**  
Benjamin Labatut  
October 2023  
Penguin Press  
368 pages

**The Apple in the Dark**  
Clarice Lispector  
Translated by Benjamin Moser  
October 2023  
New Directions  
384 pages

### NONFICTION

**Latin America's Democratic Crusade: The Transnational Struggle against Dictatorship, 1920s-1960s**  
Allen Wells  
September 2023  
Yale University Press  
736 pages

**How Things Fall Apart: What Happened to the Cuban Revolution**  
Elizabeth Dore  
August 2023  
Duke University Press  
352 pages

# Film

## Documentary

**On the eve of the Ukraine war, queer Cuban migrants to Russia grapple with hard choices, cultural gaps and geopolitical upheaval.**

**Reviewed by Ena Alvarado**



### ***Calls from Moscow* (Llamadas desde Moscú)**

Directed by  
Luis Alejandro Yero

Screenplay by  
Luis Alejandro Yero

Distributed by  
Cosmic Productions and  
Cuarto Oscuro Cine

Cuba, Germany  
and Norway

Starring Daríel Díaz,  
Daryl Acuña, Juan Carlos  
Calderón and Eldis Botta

**F**OR THE PROTAGONISTS of Luis Alejandro Yero’s *Calls from Moscow*, the Russian capital was a place of intense silence and isolation on the eve of the invasion of Ukraine: almost a ghost town.

“Here nothing happens,” says one of the four Cubans, recently exiled queer men, who form the focus of this bold first feature film, shot just weeks before the start of the war.

Undocumented, unable to speak Russian and facing the brunt of the Kremlin’s anti-LGBTQ laws, the men’s decision to abandon their homes lays bare Cubans’ desperate search for a more promising future.

Dariel, Daryl, Juan Carlos and Eldis live in spare, furnished apartments high enough above the ground to block out any noise from the city below. Yero trails the daily experiences of his uprooted compatriots as they pass their days between precarious work — construction gigs, call center stints — and seemingly uninterrupted phone use. They lip-sync on TikTok and keep up with the news back home. They also talk: Conversations with bosses, clients and, of course, loved ones fill the air of an otherwise silent Moscow.

Wide shots of huge Soviet-era plazas, snowy train tracks and concrete parking lots, all devoid of people, contrast with a Caribbean Spanish typically reminiscent of party and dance. On the phone, the men pass through waves of intimacy, nostalgia and dejection. “Of course I’m not happy,” Juan Carlos tells Yero. “But it was tougher to live in Cuba, unfortunately.” At least from Russia, he can help his mother, brother and other close family “in one way or another.”

The degree of misery in Cuba would be hard to overstate. In the summer of 2021, persistent food and medicine shortages led to the largest anti-government street protests since the 1990s. According to U.S. Customs and Border Protection data, more than 224,000 Cubans — nearly 2% of the country’s population — migrated to the United States in 2022



Migrants trade one single-party authoritarian state for another in Luis Alejandro Yero's feature film debut.

alone. News outlets worldwide qualified the exodus as the largest “since Fidel Castro rose to power.” This year might even break the record again, as roughly 135,000 Cubans have already crossed the U.S. border.

The war in Ukraine only intensified the island’s problems. High gasoline and diesel prices have contributed to more blackouts, and the tourism industry, once heavily reliant on Russians, has continued to drop from pre-pandemic levels. Yet the Cubans in *Calls from Moscow*, though geographically closer to the conflict than their family and friends, seem oblivious to its cascading consequences. “Everything is normal. The streets are quiet,” Juan Carlos explains. “In the beginning, the youth demonstrated” in the streets, but the “police [kicked] the shit out of them, took some prisoners, and that was finished.” In deference to Russia, the Cuban government — previously given to friendly relations with Ukraine — has tried

to stifle any bad press connected to the war. But the irony of an anti-imperialist country supporting the annexation of sovereign land can be lost on no one.

Was leaving home ultimately worth it? This question suggests itself again and again throughout Yero’s *Calls from Moscow*. The four men traded great material lack for a grueling semblance of security. They moved from one single-party authoritarian state to another — and in the process, they gave up boundless sunshine for endless snow. Perhaps most painfully, they compromised deep, personal relationships and replaced them with incomparably poorer digital counterparts. “Cuba is the Russians’ Hawaii,” Dariel jokes. Yet a tropical paradise never seemed less appealing. AQ

Alvarado is a writer and former assistant editor at The Atlantic

# Music

## AQ's Summer Playlist

**Highlights from Cuba's music awards show how inescapable traditions are constantly made new—and lively.**

by **Sebastián Zubieta**



**Vitrola Cuban Mix**

by Gabi Herrera,  
Lemuell and Daniell



**Cuando me besas**

by Wil Campa



**Sueños**

by Rumba Timba

**E**ARLIER THIS YEAR, I spent time in Cuba teaching music at the Colegio Universitario San Gerónimo in downtown Havana. My visit coincided with the awards ceremonies for Cubadisco 2023, the annual celebration of the country’s record industry, similar to the Grammys in the U.S. or the *Prêmio da Música Brasileira* in Brazil.

Cubadisco was founded in 1997 and gives awards in 30 categories to Cuban musicians and a handful of international awards each year. This year, the main gala, hosted in the beautiful Teatro Nacional de Cuba, was broadcast on national TV with the usual pageantry, a succession of guest hosts and killer musical interludes by some nominees.

A hotbed of excellent musicians and innovation for over a century, Cuba’s musical traditions are always present — *son* and *salsa*, the big band sounds of the 1950s, the post-revolutionary *trova* movement, and the older Afro-Cuban musical and ritual genres like the *rumba*. This year’s nominees, performers and honorees, like Cuban musicians of all styles, constantly negotiate how they will approach those inescapable traditions and make them significant for themselves and their audiences.

Producer Alejandro Pérez invited three young artists to create the album *Vitrola Cuban Mix*, nominated in the “Covers” category, a project that aims to bring all-time classics to younger generations. The project’s three singers, **Gabi Herrera**, **Lemuell** and **Daniell**, tried the idea by picking one song each. Opening the album — and the Cubadisco festivities — is the hard-hitting “Yiri yiri bon,” an Afro-Cuban mambo, popularized by Beny Moré in 1971, that fascinated Daniell. A sample of Moré opens the track as an homage to the legendary singer, but the new version quickly turns contemporary with a driving *salsa dura* beat and vocal samples. Later, Gabi Herrera takes Miguel Matamoros’ 1931 classic *son-bolero* “Lágrimas negras” on a stylistic journey from pop to a driving *montuno* after moments of scat and a rocking solo. The song





# Visual Arts

## Museum

**Traditional textiles narrate the collective life of a Panamanian Indigenous group threatened by rising seas.**

by **Cristina Guevara**

**I**N THE HEART OF PANAMA CITY'S historic Casco Viejo district lies a tiny museum dedicated to the history and cultural importance of the *mola*. This intricate and vibrant handmade textile is part of the Guna Yala woman's traditional dress and dates back to the 19th century. Today, it is a tie that binds together their culture, history, language and economy, as the Guna Yala face a new trial — becoming one of the first native communities in Latin America to be forced to relocate due to climate change.

The Guna Yala people originate from northwest Colombia and Panama's Darién province. Conflict with other Indigenous groups between 1850 and 1890 forced most Gunas to migrate westward to the San Blas Islands, an archipelago off the north coast of Panama. There, the Gunas gained access to industrial products such as fabric, thread, needles and scissors. Women began transferring the traditional geometric designs that they painted on their bodies onto cloth.

Guna women spend approximately 60 hours making one *mola*, sewing together up to seven layers of multicolored fabric. An intricate design — either a geometric pattern or an element of nature, such as a bird or flower — is then revealed by cutting out parts of each layer, in what's known as a reverse appliqué technique. According to Guna traditional beliefs, the resulting three-dimensional effects merge reality and the supernatural, protecting the women who wear the garments.

More than 200 *molos* are exhibited in the Museo de la Mola, opened in 2019 as a showcase for these textiles and the skill of the women who sew them. Gunas have become internationally known for their *molos*, which





Guna women use a reverse appliqué technique to create intricately designed molas.

A recently restored building in Panama City's Casco Viejo neighborhood, home to the Museo de la Mola



MUSEO DE LA MOLA

Permanent collection

Panama City, Panama

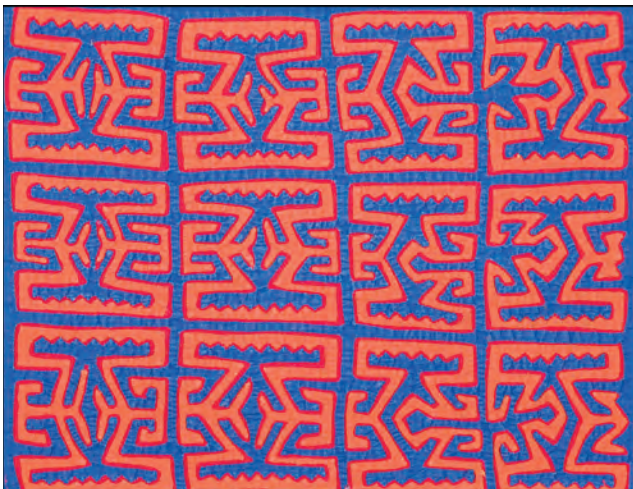
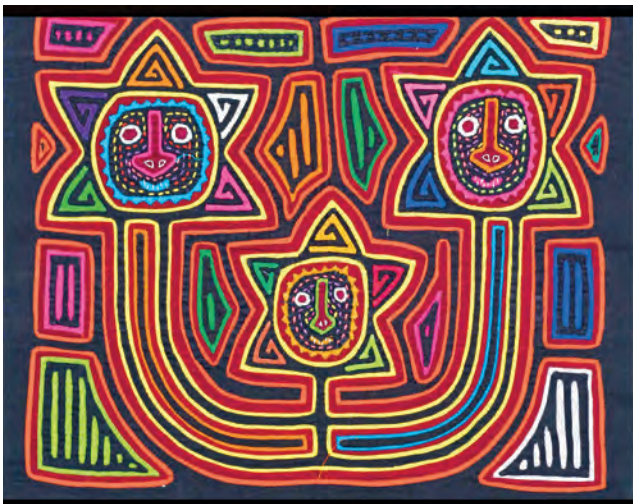
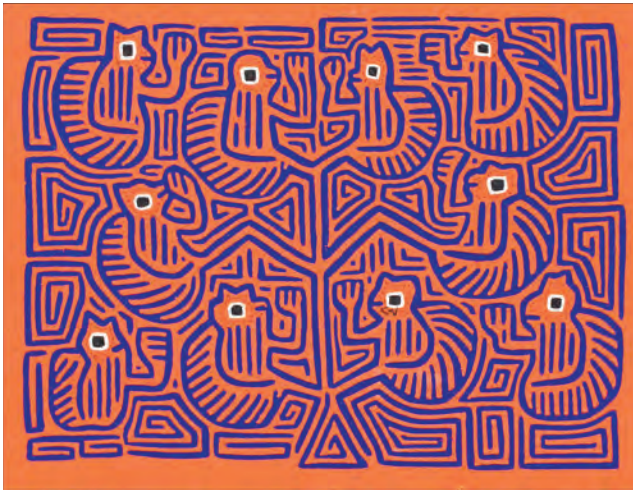
represent a significant source of income for communities that otherwise depend on handicrafts, fishing, tourism and trade. But as sea levels rise in the low-elevation Caribbean archipelago, Guna livelihoods have come under threat. This year, the Panamanian government has put a plan in place to relocate 300 families from Gardí Subdug, or Crab Island, to a housing complex on the mainland, just a 15-minute boat ride from the island.

Between 1907 and 2000, sea level rise on the San Blas archipelago averaged 2.0 millimeters annually. Now the rate has risen to 3.5. By 2050, scientists predict, the islands will be completely underwater.

Though they will have the chance to own land on the mainland, Gunas fear their ethnic and cultural identities will not be preserved once they are living in the bland housing complex with rows and rows of identical houses. And rightly so. They've lived on the Caribbean islands for centuries, enjoying autonomous jurisdiction over them since 1925, when the Guna Revolution took place. The revolution was in response to failed attempts by the Panamanian government to strip away the communities' cultures and traditions through assimilation, including preventing Guna women from wearing their traditional dress. Gunas resisted, rising up against the Panamanian police and government in a three-day uprising that resulted in 27 deaths. A peace agreement mediated by the United States guaranteed respect for the Gunas' traditions and culture.

On the mainland, Gunas will also need to diversify their economy away from fishing and trade. Faced with this new reality, *molas* will continue to serve as a source of income and, perhaps more importantly, a way of keeping the Guna culture and traditions alive. For Gunas, *molas* are a form of writing. On fabric, Guna women portray the peoples' reality. As one description on the walls of the Museo de la Mola puts it, "By creating *molas*, the Guna woman writes down her community's worldview and history, preserving them forever." <sup>AQ</sup>

—————  
*Guevara is a policy analyst and a legislative advisor in the National Assembly of Panama*



More than 200 molas are on display in the Museo de la Mola.

# LATIN AMERICA AT A GLANCE

China's direct investment in Latin America reached \$12 billion in 2022, far below the levels seen between 2015-19. Raw materials sectors still lead, but investments towards services and domestic markets have steadily increased.



ARGENTINA BRAZIL CHILE COLOMBIA DOMINICAN REPUBLIC ECUADOR GUATEMALA MEXICO PERU VENEZUELA

## GDP GROWTH

2023 (projected)	-2.4%	2.1%	-0.1%	1.4%	3.7%	2.1%	3.4%	2.0%	1.9%	4.4%
2024 (projected)	0.0%	1.5%	2.0%	2.1%	4.4%	1.8%	3.5%	1.5%	2.6%	3.6%
2025 (projected)	2.0%	1.9%	2.5%	2.8%	N/A	2.4%	3.6%	2.0%	2.8%	N/A

PROJECTIONS CURRENT AS OF JUNE 2023 EXCEPT FOR GUATEMALA (APRIL 2023)

## ECONOMIC INDICATORS

2023 Inflation (projected)	112.0%	5.0%	8.1%	11.7%	5.2%	2.4%	7.4%	5.8%	6.5%	145.0%
2023 Unemployment rate (projected)	8.0%	8.8%	8.6%	11.1%	6.2%	3.6%	N/A	3.3%	7.5%	N/A
2023 Govt. deficit as % of GDP (projected)	-4.0%	-7.6%	-2.3%	-4.1%	-3.4%	-1.3%	N/A	-3.9%	-2.2%	N/A

PROJECTIONS CURRENT AS OF JUNE 2023 EXCEPT FOR DOMINICAN REPUBLIC AND ECUADOR UNEMPLOYMENT, GUATEMALA INFLATION (APRIL 2023)

## FDI FLOWS FROM CHINA, 2020-2022

Billions of dollars	4.8	14	3.7	0.7	N/A	N/A	N/A	5.7	2	0
Number of transactions	21	18	15	4	N/A	N/A	N/A	41	3	0

## PRESIDENTIAL APPROVAL RATINGS

President										
Approval	25%	56%	28%	34%	65%	15%	22%	58%	14%	19%

SOURCES: GDP growth forecasts, inflation rate, unemployment rate, government deficit as percentage of GDP: Bloomberg (June); Guatemala GDP and inflation: IMF (April); Dominican Republic and Ecuador unemployment: IMF (April); Chinese outward foreign direct investment: Red Académica de América Latina y el Caribe sobre China (2023).

NOTE: Figures rounded to one decimal place.

PRESIDENTIAL APPROVAL: Argentina, Zuban Córdoba (June); Brazil: Genial/Quaest (June), Chile, Plaza Pública Cadem (June); Colombia, Invamer (May), Dominican Republic, Ecuador, Guatemala and Venezuela, CID Gallup (May-June); Mexico, El Financiero (May); Peru, Ipsos (June).


NOTE: Figures rounded to nearest percentage.

ALEJANDRO CEGARRA/BLOOMBERG/GETTY; CASA ROSADA VIA COMMONS.WIKIMEDIA; GETTY; SEBASTIAN BARROS/NURPHOTO/GETTY; FLICKR; HAMILTON LOPEZ/AGENCIA PRESS SOUTH/GETTY; JOHAN ORDONEZ/AFP/GETTY; RADIO ZÓCALO NOTICIAS; WORLD INTELLECTUAL PROPERTY ORGANIZATION VIA COMMONS.WIKIMEDIA; GABY ORAA/BLOOMBERG/GETTY

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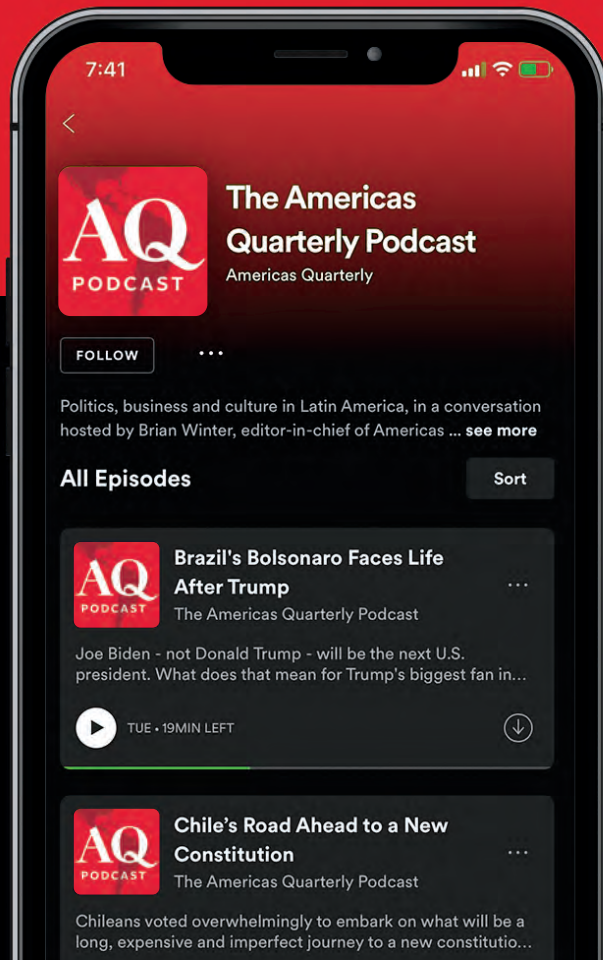
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