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FEATURED Q&A

Will a New Anti-Gang Measure Make Guatemala Safer?



Guatemala's Congress passed new anti-gang legislation last month after the escape of 20 gang members from a prison, which led to the resignations of security officials from President Bernardo Arévalo's government. // File Photo: Guatemalan Government via Flickr [PDM 1.0](#).

Q Guatemala's Congress on Oct. 21 approved long-stalled legislation that lengthens sentences for convicted gang members, designates the Barrio 18 and Mara Salvatrucha (MS-13) gangs as terrorist organizations and orders the construction of a new prison to hold gang members. The legislation was approved following the escape of 20 gang members from a prison and the resulting resignations of three top security officials, including Interior Minister Francisco Jiménez. How will the anti-gang legislation affect Guatemala's fight against organized criminal groups? To what extent does organized crime—and related public corruption—represent a risk to the country's institutional stability? How does Guatemalan President Bernardo Arévalo's handling of organized criminal groups compare to that of other heads of state in the region, such as El Salvador's Nayib Bukele and Ecuador's Daniel Noboa?

A Salvador Paiz, president of Funsepa and board member of Fundesa in Guatemala City: "Guatemala's recently enacted anti-gang law (Decree 11-2025) represents a long-awaited strengthening of the country's security framework. By explicitly designating Barrio 18 and Mara Salvatrucha (MS-13) as terrorist organizations, the law elevates the fight against gangs to a national-security priority, allowing the use of counter-terrorism tools and coordination across institutions. It also creates an Extraordinary Interinstitutional Working Group—integrating the National Civil Police, penitentiary system, Public Ministry, human rights ombudsman and judicial branch—to address

Continued on page 3

TODAY'S NEWS

ECONOMIC

Colombian Central Bank Holds Key Interest Rate Steady

Colombia's central bank on Friday held the country's benchmark interest rate steady at 9.25 percent. The vote was a split decision, with four of seven board members opting to keep the rate unchanged.

Page 2

BUSINESS

Chevron Gets Q3 Reprieve From Stabroek Block

Oil major Chevron's third-quarter earnings beat analysts' estimates, thanks partially to the beginning of the company's involvement in the offshore Stabroek Block in Guyana.

Page 3

POLITICAL

Mexican Mayor Assassinated in Apparent Hit

Carlos Manzo, mayor of Uruapan in Mexico's Michoacán state, was killed Saturday by a gunman during a Day of the Dead celebration.

Page 2



Manzo // File Photo: Mexican Government.

POLITICAL NEWS

Recovery Underway in Jamaica After Hurricane Impact

At least 59 people have been confirmed dead in Haiti and Jamaica as a result of Hurricane Melissa, which struck the Greater Antilles last week as a Category 5 storm, the Associated Press reported. Search and rescue teams worked through the weekend in Jamaica, where Melissa made landfall at its peak intensity on Oct. 28, and where authorities have confirmed at least 28 deaths. As of early Sunday, approximately 60 percent of Jamaican utility customers had no electricity and public water systems remained offline for roughly half of the island, Al Jazeera English reported. Jamaica's death toll from the storm is expected to rise in the coming days, authorities said on Saturday; it took multiple days for assistance to arrive to the hardest-hit areas, including the town of Black River, which Prime Minister Andrew Holness described last week as "ground zero," the AP reported. Locals in southwest Jamaica reported near-total devastation of coastal towns, causing widespread homelessness in affected areas, according to the wire service. A U.S. State Department-sponsored assistance team has arrived in Jamaica to assist with recovery efforts, the U.S. Embassy in Jamaica said in a statement Saturday on social media site X. Secretary of State Marco Rubio on Oct. 29 had authorized the assistance, which includes eight Chinook helicopters intended to airlift supplies to inaccessible regions.

Mayor in Mexico's Michoacán State Assassinated

A mayor in the Mexican state of Michoacán was shot and killed at a public Day of the Dead ceremony on Saturday night, the Associated Press reported. Carlos Alberto Manzo Rodríguez, mayor of Uruapan and an

independent politician, took office in 2024 and was outspoken against organized crime, frequently denouncing both criminal groups and President Claudia Sheinbaum's security strategy while urging stronger government action against cartel violence. He had also accused Michoacán's governor, Alfredo Ramírez Bedolla, and the state police of corruption, the AP reported. Security Minister Omar García Harfuch said that the attack was carried out by an unidentified man, and that the weapon used was later linked to two armed clashes between rival criminal groups operating in the region. Two suspects were arrested and a third was killed following the attack, the security ministry later confirmed. The region around Uruapan is known for growing avocados, an industry heavily targeted by organized criminal groups. In Michoacán state, groups such as the Jalisco New Generation Cartel (CJNG) and La Nueva Familia Michoacana operate, leading to clashes, assassinations and the rise of armed self-defense groups, El Economista reported. President Sheinbaum convened an emergency meeting of her security cabinet on Sunday and condemned Manzo's assassination in a post on X. Hundreds of residents filled Uruapan's streets to accompany Manzo's funeral procession, chanting "Justice! Justice! Out with Morena," referring to Sheinbaum's party, the AP reported. Mexico's latest election cycle saw the highest number of political murders in its modern history, with 63 assassinations of political figures reported between June 2023 and June 2024, according to El Economista.

ECONOMIC NEWS

Colombia's Central Bank Holds Key Interest Rate Steady

In a split decision on Friday, Colombia's central bank voted to keep the country's benchmark interest rate unchanged at 9.25 after inflation increased in September, Bloomberg News reported. On the central bank's seven-member board, four voted to keep the key rate

NEWS BRIEFS

Petrobras to Lay Off More Than 1,000 Employees

Brazilian state-run oil firm Petrobras plans to lay off 1,100 employees by the end of next year under a new voluntary severance program, the company said in a statement today. Petrobras is set to release third-quarter earnings data later this week; the firm said on Oct. 24 that its crude oil exports increased by 26 percent year-on-year in the quarter, Reuters reported. Relatively low global hydrocarbon prices have driven down oil firm's earnings in the second half of this year.

Citi to Establish Office in Guyana

New York-based financial services group Citi on Friday announced that it plans to establish a representative office in Guyana. "This strategic initiative is driven by Guyana's exponential economic growth, particularly in infrastructure and export financing, and its increasingly attractive investment climate," Citi said in a statement. Citi said that opening a representative office in the South American country will allow it to help its clients and partners access global markets, and will help support Guyana's growth, socioeconomic development and financial infrastructure.

Volkswagen Secures \$426 Million in Credit Lines From BNDES

German automaker Volkswagen announced Friday that it has secured \$426 million in new credit lines from Brazilian development bank BNDES, Reuters reported. The company said the credit will help it to increase the development of hybrid vehicles and grow imports from its operation in Brazil, the wire service reported. Volkswagen said it plans to offer hybrid versions of all vehicles it develops and manufactures in South America, beginning next year.

unchanged, while two favored a cut of a half percentage point and one called for a cut of a quarter point, Bloomberg News reported. The decision to keep the rate unchanged was in line with economists surveyed by the news service. Colombia's central bank has kept borrowing costs unchanged at all of its meetings this year, except for its April meeting in which it cut the benchmark interest rate by a quarter point. Board member Mauricio Villamizar had said last month that policymakers may need to consider a rate increase this year if inflation continues to rise, Bloomberg News reported. The country's annual rate of inflation rose to 5.2 percent in September, a figure that barely changed from the beginning of this year; annual inflation was 5.1 percent in August. The largest contributors to the increase in September included higher prices for food, housing and transportation. The central bank predicts inflation of 4.25 percent at the end of next year; its inflation target is 3 percent, plus or minus one percentage point. The government of President Gustavo Petro has said it will boost the minimum wage next year in an effort to protect spending power, Bloomberg News reported.

BUSINESS NEWS

Chevron Net Income Down 20% In Q3 Amid Low Oil Prices

Chevron recorded \$3.6 billion in net income in the third quarter, down 20 percent year-on-year but ahead of market analysts' predictions, Bloomberg News reported. The firm said in a statement Friday that the beginning of cash flow from operations at Guyana's offshore Stabroek Block, in which Chevron assumed a 30 percent stake after acquiring Hess in July, helped sustain revenue growth despite low oil prices. Brent crude oil lost more than 10 percent of its value between September 2024 and the beginning of last month. Chevron did not publicly disclose any earnings or production statistics from its export operations in Venezuela, which resumed in August.

FEATURED Q&A / Continued from page 1

the gang problem systemically, alongside a prevention task force that engages the ministries of education, social development and culture to promote social reintegration and prevention. The law arrives at a critical juncture. Cocaine production in Colombia has reportedly increased tenfold over the past decade, and most U.S.-bound shipments now move through Central America, placing Guatemala at the heart of global trafficking routes. This intensifies pressure from both transnational gangs and drug-linked corruption networks seeking to capture state institutions. As Guatemala prepares in 2026 to appoint new leadership in the Supreme Electoral Tribunal, Constitutional Court, attorney general's office and comptroller's office, defending these institutions from illicit co-optation will be vital. Civil society initiatives such as Guatemala Visible play a crucial role in safeguarding their independence. The challenge now lies in implementation—ensuring that enhanced enforcement capacity does not slide into repression but strengthens the rule of law. Unlike El Salvador's militarized crackdown, President Arévalo's approach aims for balance: firm on crime, yet respectful of human rights and institutional integrity. Time, ultimately, will be the judge."

A Sarah Phillips, associate for northern Latin America at McLarty Associates: "The Guatemalan government's passage of sweeping anti-gang legislation ushers in a new chapter for the Central American country's public security strategy. The decision to designate Barrio 18 and MS-13 signals the Arévalo administration's intent to disrupt entrenched criminal networks that have historically undermined Guatemala's governance structures. Moreover, the creation of a maximum-security prison to isolate gang leaders will help address overcrowding issues that have long plagued Guatemala's prison system. Despite low rates of incarceration, Guatemala's infrastructure

deficiencies and a high percentage of pre-trial detainees have led prisons to operate at nearly 300 percent capacity. The prison break last month underscores the need for the Guatemalan government to address not only gang activity, but broader—and related—issues of corruption. Despite Arévalo being elected on an anti-graft campaign in 2023, bribery and corruption remain a perennial issue. The ruling center-left Semilla party has struggled to make progress on the president's anti-corruption agenda due to the party's minority position in the unicameral Congress. From an investment perspective, tackling corruption issues would help improve Guatemala's business climate by creating a more predictable and transparent investment environment. Earlier this year, the U.S. Trade Representative's National Trade Estimate Report highlighted that corruption in public administration and government procurement remains a significant obstacle in Guatemala, affecting both U.S. exporters and foreign investors. Compared to some regional counterparts, President Arévalo's response to crime attempts to balance security initiatives with constitutional protections. Arévalo's domestic approach to seek more systemic, sustainable reforms could help foster long-term confidence among U.S. firms. Ultimately, however, improving Guatemala's security climate will require cross-border collaboration to effectively combat the transnational nature of organized crime."

A Tiziano Breda, associate analysis coordinator for Latin America at the Armed Conflict Location & Event Data Project:

"Former President Alejandro Giammattei had already promised to designate gangs as terrorist organizations, but he failed to secure sufficient political support. This legislation has now been passed to align with Washington's security approach, which merges the fight against organized crime with the war on terror. It introduces harsher sentences

Continued on page 4

FEATURED Q&A / Continued from page 3

for gang-related crimes, promises to freeze bank accounts used for extortion and sets out the construction of a new maximum security prison. However, harsher sentences are not that helpful if the certainty of the penalty cannot be ensured by an efficient judiciary, and convictions do little to weaken gangs if corruption and lack of adequate security protocols allow their leaders to pull the strings from prison. Arévalo's security strategy has been anchored on enhancing police operations, reinstating order in prisons and preventing gang recruitment for at-risk youth. Contrary to the presidents of El Salvador and Ecuador, it has not sought to do so through the imposition of emergency measures that restrict citizen rights, nor by imposing the president's will on other state branches. This has consolidated his image as a democrat, but has also allowed the attorney general and her cronies in the judiciary to be a constant thorn in his government's side, focusing more on going after the Semilla party than on uprooting widespread corruption and reducing impunity rates. It was this mid-level corruption that actually led to the escape of 20 Barrio 18 gang members, undermining the stability of Arévalo's government. As a result, he has been unable not only to retake control of prisons, but also to rein in an escalation of gang violence in the streets, which has contributed to a 15 percent increase in homicides so far this year."

A **Steven E. Hendrix, managing director of Hendrix LLC and former coordinator for foreign assistance of the U.S. Agency for International Development:** "As a Guatemalan attorney and someone who litigated and worked in Guatemala's justice sector over the past 25 years, I view this legislation less as a breakthrough than as a political reflex. Congress' move to declare Barrio 18 and Mara Salvatrucha terrorist organizations and lengthen sentences comes amid long-stand-

ing frustration with impunity, extortion and gang control of neighborhoods. From my years helping build rule-of-law institutions, I know those institutions have been undercut by infiltration, weak prosecutions and over-reliance on weak courts. Politicians often respond to crises with new laws rather than new strategies—and without a data-driven framework, legislation alone rarely changes outcomes. Organized crime in Guatemala is not just a security problem—it is a systemic risk to institutional stability. Drug-transit corridors, endemic extortion and corruption within security and judicial institutions continue to erode public trust and state capacity. Having coordinated rule-of-law programs in Guatemala and across Latin America, I have seen how those corrupt linkages drag governance into paralysis. Comparing President Bernardo Arévalo's approach with those of Nayib Bukele in El Salvador and Daniel Noboa in Ecuador reveals sharp contrasts. Bukele's extreme 'mano dura' model—marked by mass arrests, mega-prisons and prolonged emergencies—has reduced crime, but at serious cost to democracy and human rights. Noboa has militarized Ecuador's response, deploying armed forces to confront cartels and retake prisons. Arévalo is more measured, emphasizing institutional reform, oversight of extortion networks and better prison management. Yet none of the three countries has grounded its security response in evidence-based strategy. Cities such as Bogotá, Cali, Medellín, Houston, Los Angeles, Chicago and New York reduced gang violence only after adopting integrated, data-driven approaches that treated violence as a public-health challenge. In short, the new law is a political signal, not a strategy. Without data-driven policy and stronger institutions, it risks echoing the past rather than creating durable change."

The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta.

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