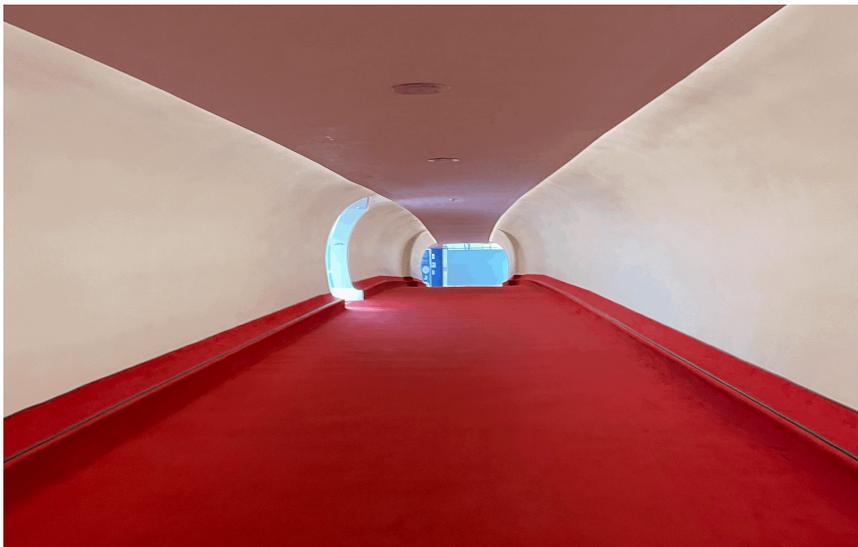


*¡Bienvenidas y bienvenidos to El CC, CCLATAM's newsletter!. Every other week you'll find the main events shaking up Latin America, from Ushuaia in the south to Los Algodones in the north. Sign up [here](#) to stay updated on the region. Get [in touch](#) with us, we may feature an excerpt of your response in the next newsletter.*

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### **The Conflict Issue: How Instability Is Steering Capital Toward LATAM**



As conflicts- Ukraine and the Middle East- and trade policy's shifts continue to affect the global economy, Latin America is stepping into the spotlight. Long considered a risky alternative, the region is now attracting global capital at levels not seen in over a decade. **This isn't the first time the region has drawn capital as a result of global instability.**

In the 1970s, as a result of the oil shock european banks poored petrodollar in Latin America. In the early 2000s, waves of foreign direct investment went to Brazil after the dot-com bubble and 9/11 redefined global risk perceptions. Foreign direct investment went to Brazil, Chile, and Peru as results of a weakened dollar and high demand for commodities. Question is: would Latin America be able to turn this into long term growth?

This week in **Brazil**, [MercadoLibre announced a \\$5.8 billion](#) expansion, while [European firms](#) committed over \$1.2 billion to green hydrogen. [Pimco](#) now calls it a “Goldilocks” moment for emerging-market bonds—particularly in Latin America, where returns are high. **Chile** fast-tracked lithium projects, positioning itself as a leader in sustainable energy supply. Even **Argentina** is surprising skeptics—[Revolut’s](#) acquisition of a local bank signals cautious confidence in its recovery. The data supports the narrative. Emerging market [ETFs](#) brought in \$3.6B in May—\$11B year-to-date. Startup investment is rebounding, and the [CAF](#) is doubling climate funding to \$2.5B.

What’s the good news? This time, the region is better prepared. Central banks in Brazil, Chile, and Colombia have earned credibility. Fintech, green tech, and industrial manufacturing are rising alongside commodities. And unlike in the past, Latin America is now being recognized not just as a shelter, rather as a key piece of the global economic puzzle.

But risks remain. Currency volatility, weak institutions, fiscal reform, massive public deficits, regulatory instability and socio-economic challenges to balanced growth persists. The challenge now is not whether capital will come—but whether it will be used wisely. Governments must convert investment into inclusive development. Latin America is having its moment (again). Let’s not repeat history, let’s build on lessons learnt for Latin America and see what’s at the end of the tunnel..

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## El State of Affairs

[Brazil’s Supreme Court](#) made a big decision that might affect everyone who uses social media. They ruled that platforms like Facebook, TikTok, and YouTube can now be held legally responsible for harmful stuff users post—things like hate speech, fake news, or anything promoting violence. Before, platforms could say, “Hey, we’re just the messenger.” Not anymore. If they don’t take down harmful content quickly, even without a court order, they could get sued. This decision is already shaking things up, and now Congress in Brazil may move forward on a law that spells out exactly what these platforms have to do.

Meanwhile in Mexico, a storm called Hurricane Erick hit hard in the southern states of Oaxaca and Guerrero. These are areas with many Afro-Mexican communities who already face tough conditions. Floods, landslides, power outages—it was rough. Local leaders are asking the government to step up, send emergency aid, and start rebuilding [while insurance companies are assessing losses](#).

In Bolivia and Ecuador, communities gathered to mark the winter solstice with ancestral rituals, blending tradition, music, and dance. At the same time, across Latin America, artists continue to use murals, photography, and street performance to reflect on social justice and daily life—keeping culture at the heart of change.

Looking ahead to this week, keep an eye on how Brazil’s government responds to that court ruling. There’s a lot of talk about reviving the country’s “Fake News Bill,” which would turn these ideas into law. Also, in Mexico, the response to the hurricane will be key—people are waiting to see if help actually arrives. And in Chile, crime and public safety are becoming big election issues, so the political debate is heating up.

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## La Charla



*This week La Charla hosts two bright graduated students, Julia Bernarde (Duke University) and Cynthia Chao (University of Florida) talking about Gen Z, the future of Latin America and beyond. Julia and Cynthia are interns at CCLATAM.*

**How do you envision Latin America in 2035- and what role do you hope your generation will be playing in shaping the future of the Americas?**

We hope our generation will be at the forefront of making Latin America a leader in environmental policy. With the COP30 taking place in Belém, the heart of the Brazilian Amazon Rainforest, there is hope for further recognition, international investments, and climate activism in the region. Environmental progress is not only important for the restoration and maintenance of important ecosystems in the region, it is also an opportunity for economic development and the creation of jobs. We predict that Gen Z will play a vital role in the advancement of such international cooperation and legislation, as we are the first generation to grow up alongside the effects of climate change. It is our hope that we can secure a livable future for those who will succeed us.

**What trends - in technology, activism or climate (not exhaustive list)- do you think are redefining Latin America's place in the world today?**

As aforementioned, Latin America has a massive clean energy potential. With Brazil, Chile, Uruguay, and Colombia scaling up solar, wind, and green hydrogen projects,

nations are positioning the region as a future clean energy hub. Additionally, on the technology side, Latin America has been at the center of the fintech boom, with companies like Nubank accelerating financial inclusion for a majority of unbanked citizens, leading to more equitable societies. Alongside this is the trend of AI automation, which is helping several sectors and industries to accelerate productivity, especially in major markets, such as agricultural precision farming initiatives.

Just as important is the globalization of art, film, and music in redefining the region's strengths and possible new markets. From Bad Bunny's global reggaeton takeover to Brazilian film's *I'm Still Here* receiving the nation's first ever Oscar this year, it is clear how cultural exports are reshaping perceptions of the region as a dynamic, youthful, and creative force.

**If you had the chance to launch one bold, region-wide initiative to promote inclusion, innovation or democratic renewal, what would it be?**

If we had the chance to launch one region-wide initiative, it would have to start from the ground-up. In today's discussions regarding latin america, investment is focused on renewable energy, tech investment, and more key innovations that would drive countries to economic success. However, one key issue remains that prevents the success of such initiatives – the lack of individuals to staff these projects.

As such, our region-wide initiative would focus on redirecting investment to the education sector, specifically primary and secondary education. Latin American countries need to focus on improving the quality of education provided in public schools, as well as the retainment rate of children in school. In Latin America, it is common for children of low economic means to stay home to work and contribute to their families' income, rather than attend school. This prevents younger generations from having the chance to attend higher education institutions and have better opportunities than their parents, which creates a cycle of poverty. Furthermore, an uneducated population stagnates the progress of innovation within the region.

**Through your internship at CCLATAM, how are you tuning your vision into action-and what do you believe is the role of organizations like CCLATAM in amplifying young voices and building a more connected region?**

Through our academic research on the region, we hope that we can contribute a nuanced vision for future policymaking. We hope that our research on green tech

investment and the latin american art market can create new conversations around topics that haven't been previously explored, while showcasing a new wave of economic development in the region. Additionally, we have been given the opportunity to contribute to CCLATAM's biweekly newsletter, which has enabled us to learn more about the socioeconomic trends in latin america while communicating them in a digestible and timely manner to the think tank's audience.

More importantly, our independence in creating content that is both attractive and engaging towards young audiences through social media platforms, demonstrates our role in amplifying visibility and connectedness of the region. As young adults living in Miami, we see in our daily lives the cultural and historical impacts of Latinx communities. CCLATAM, along with other impactful latin american think tanks, fosters a great opportunity to change the narrative from what we are taught in our basic American school curriculum to a more positive and hopeful view.

### **Finally, what's your suggestion for food in Sao Paulo and Miami?**

Although very well-known amongst Paulistas, many folks do not realize the abundance and quality of Japanese cuisine in São Paulo. As the single largest Japanese diaspora of any city, you are sure to score at most Japanese restaurants in the city. Amongst my favorites are OUE Sushi, Oguru Sushi & Bar, and Murakami.

Miami, on the other hand, has a restaurant for every Latin American country you can think of. A favorite of ours is Pinecrest Bakery, a 24/7 cafeteria-style cafe that serves everything from Cuban croquetas to Venezuelan tequeños.

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### **Elsewhere in LATAM**

 International credit rating agency [Moody's Investors Service](#) has downgraded Colombia's sovereign credit rating from [Baa2 to Baa3](#), placing the country at the lowest tier of investment-grade ratings. Simultaneously, Moody's revised its outlook from negative to stable, reflecting confidence in Colombia's medium-term prospects despite recent policy concerns. The downgrade stems from concerns over the government's decision to suspend the fiscal rule—a legal framework that limits borrowing relative to income—even in the absence of a major economic shock. This move has raised questions about the credibility of the country's fiscal policy framework. Nonetheless, Moody's cited the strength of Colombia's institutional framework and expectations of continued economic growth as key factors supporting the improved outlook.

 Colombian President [Gustavo Petro](#) has enacted a significant labour reform following its approval by Congress on 20 June 2025. While softened from the original proposal, the new law introduces a shorter workweek, stronger protections for gig and rural workers, restrictions on short-term contracts, and establishes a pension fund for peasant farmers. [Labour Minister Antonio Sanguino](#) described the reform as a step

toward protecting workers' rights and improving national productivity. In parallel, Petro revoked a previous decree that would have initiated a public referendum on a more radical version of the reform.

 On 25 June 2025, Brazil's Congress delivered a significant setback to President [Luiz Inácio Lula da Silva](#) by decisively voting to suspend a series of recently decreed tax hikes, including increases to the [Tax on Financial Operations \(IOF\)](#). The rare legislative maneuver—reportedly the first override of a presidential tax decree in over three decades—exposes the Lula administration's eroding support in the legislature and casts doubt on its capacity to advance key elements of its fiscal strategy. The congressional rejection of the tax measures could compel the government to pursue spending cuts in order to meet budget targets, potentially jeopardizing funding for social programs and straining relations with Lula's political base ahead of the 2026 general elections. The administration is now internally divided over whether to challenge Congress's decision in the [Supreme Federal Court \(STF\)](#), amid growing concerns about escalating institutional tensions.

 A proposed 3.5% U.S. tax on remittances—recently resurfaced by former President [Donald Trump](#)—could have severe economic consequences for Central America, according to a new report by the [Central American Monetary Council \(CMCA\)](#). The report highlights the potential damage such a tax would cause in countries like **El Salvador, Guatemala, Honduras, and Nicaragua**, where remittances make up between **18% and 26% of GDP**, serving as a critical lifeline for millions of families. Under the proposal, the cost of sending a \$350 remittance would rise from approximately **\$9.21 to \$23**, more than doubling current fees. This added cost could **reduce total remittance flows by an estimated \$1.8 billion** across the region, according to CMCA analysis. The fallout would likely depress household consumption, weaken key sectors such as **retail, services, and agriculture**, and fuel further **migration pressures** as economic hardship deepens. CMCA also warns that taxing remittances could drive transactions underground, pushing migrants toward **informal and riskier channels** for money transfers—raising concerns about transparency, security, and compliance with financial regulations.

 [The International Monetary Fund \(IMF\)](#) has called on Chile to implement a series of structural reforms aimed at reversing its long-term economic slowdown. According to the IMF's 2024 Article IV consultation, Chile's average GDP growth has declined from **6.2% in the 1990s to around 2% in the 2020s**, signaling the need for urgent policy adjustments. The recommended reforms include **reducing bureaucratic barriers** to stimulate private investment—particularly in **mining** and **maritime trade**—as well as expanding **childcare access** to boost **female labor force participation**. The IMF also emphasized the importance of enhancing **public-private collaboration in research and development (R&D)** to spur innovation. Additionally, the Fund urged Chile to take full advantage of its unique strengths as a global leader in **copper and lithium production**, and to harness its **renewable energy potential**—especially in solar and wind power—to meet rising international demand for **critical minerals** in the global green transition.

 [Ecuador's government](#) has launched a **US\$100 million loan programme** aimed at supporting entrepreneurs across the country, with funding available through **May 2026**. The initiative is expected to benefit approximately **150,000 people**, offering loans ranging from **US\$660 to US\$1,320** to help individuals start or expand small businesses. According to the [Ministry of Economic and Social Inclusion \(MIES\)](#), the programme gives **priority to housewives and young people aged 18 to 29**, targeting groups often excluded from formal financing channels. The government hopes the loans will promote **economic inclusion**, reduce informal employment, and stimulate **local entrepreneurship**

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La Cita

*“In art, I seek to break down the barriers that divide us”*

[Yayoi Kusama, 96-year-old](#) Japanese artist, reminds us that peace and progress begin with connections.

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El Estudio



Latin America is at the center of a record-breaking global cocaine surge, according to the UN's [World Drug Report 2025](#). Colombia alone produced 3,708 tons in 2023—its highest ever—driven by more efficient crops and less eradication.

Coca cultivation is spreading fast in Central America, especially in Honduras, Guatemala, and Belize, where criminal groups—not farmers—are leading expansion. Mexico and the Caribbean continue to serve as key transit zones.

The UN warns that enforcement alone isn't enough. It urges countries to focus on rural development, health, and regional cooperation to tackle a trade that's more resilient and professional than ever.

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## La Invitación



WHEN: 15-16 July 2025

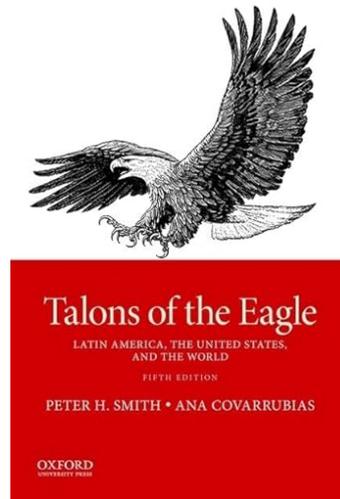
WHERE: Anexo Torre Ejecutiva - Auditorio, Montevideo, Uruguay

WHAT: Organized in cooperation with [Certal](#), will gather **Ministerial -level representatives** to discuss digital policies and rule of law including judicial cooperation, smart cities, cybersecurity, anti-piracy and digital ecosystems in Latam Amongst 60 confirmed speakers, **Yamandu Orsi**, President of Uruguay; **Mauricio Agudelo**, Director, Digital Transformation, CAF Development Bank for Latin America and the Caribbean; **Rodrigo Nicora**, Minister of Justice, Paraguay; **Sebastian Amelio**, Secretary of Justice, Argentina; **Claudio Araya**, Vice Minister Telecommunication, Chile; **Roberto Nobile**, CEO Telecom Argentina; **Marcelo Benitez**, CEO Millicom; **Alejandro Paz**, President Anatel/Uruguay; **Fernanda Cardona**, Minister of Industry, Energy and Mining, Uruguay; **Pablo Scotellaro**, President CERTAL, **Karim Lesina**, Executive VP, Chief External Affairs Officer, Millicom and Co-Founder CCLATAM. Feel free to reach out to

[contact@cc-latam.org](mailto:contact@cc-latam.org) should you be interested in exploring partnership or sponsorship opportunities for this event. We are glad to connect.

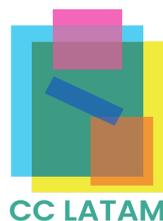
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## La Lectura



In [\*Talons of the Eagle: Latin America, The United States, and The World\*](#), Peter Smith examines two centuries of U.S.-Latin American relations, highlighting interactions of power, diplomacy, and regional agency. Smith's work offers context for understanding the historical patterns that continue to shape today's trade, security, and political connections across the hemisphere, all of which are crucial to understanding conversations about Latin America's future.

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*Thank you for reading, nos vemos en la próxima.*