

¡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.



Divide and Rule, Unite and Trade?

[Marco Rubio's trip to Mexico](#) and Ecuador this week highlighted Washington's insistence on security-first diplomacy, where the promise of more convenient trade is conditioned on [cooperation against organized crime](#), drug trafficking, and migration, underscored by the designation of Ecuadorian gangs as terrorist organizations and fresh military aid to Quito. By contrast, the European Union member states seem getting closer to the approval of the trade [treaty with Mercosur](#) (vote is scheduled Wednesday 10 September). If passed, the EU and Latam regain trust, signal reliability, and show that multilateralism and regionalism remain alive, offering Latin America a framework of rules, standards, and collective gains. Yet the geopolitical equation is more complex. India and China are quietly deepening their respective presence in Latin America, seeking lithium in Argentina, Bolivia, and Chile, buying palm oil from Colombia and Guatemala, and negotiating trade deals with Chile, Peru. At the same time, China and Russia are pushing openly for a new global order through the Shanghai Cooperation

Organisation, projecting themselves as a counterweight to the West and enticing governments with investment, infrastructure, and political cover. Latin America will be choosing not just its partners but the very model of global integration it wants to belong to?

CCLATAM Editorial Board

La Charla



This week Karim Lesina spoke with H.E. Milena Mayorga, El Salvador's Ambassador to the USA. The discussion focused on the diplomat's personal experiences, the economic opportunities offered by the country and El Salvador's vision as a regional hub in an increasingly competitive world.

Ambassador, you have a very diverse background: you came from the private sector, the media, and then made the leap into politics. What lessons from those stages have served you most in your current role as ambassador in Washington, especially in working with business leaders and investors?

I come from the private sector and media, both in front of and behind the camera. I was a radio and television producer, and I worked in advertising and marketing. That experience gave me communication and public relations skills that are essential today.

I honed my political skills in the Legislative Assembly, when I was a representative for San Salvador. It was there that I discovered the desire to transform my country, even

when confronting a political class that had been in power for more than 20 years. That time led me to support President Bukele and join his project for change.

When he invited me to Washington, I realized I could use all that experience to represent the country in a time of transformation. It has been a challenge, especially at the beginning with the Biden administration, but with patience, we managed to move from tense relations to a stronger bilateral relationship than ever.

During your time as Ambassador, what has been the most rewarding aspect? What has given you the most satisfaction in building economic bridges between the United States and El Salvador?

I had a difficult start in Washington, so I decided to go out to the states in search of investment: Texas, Florida, California. I also participated in Bitcoin forums, because that step toward economic freedom allowed us to put El Salvador on the map in a different way. Before, we were associated with civil war or gangs, now we talk about tourism and technology.

A key achievement was the formation of the El Salvador Caucus in the U.S. Congress. This positive representation led to an improvement in the travel advisory level for our country, which directly boosted the tourism sector. Today, Americans can visit El Salvador with confidence, opening up new investment opportunities.

Speaking of the investment climate, which sectors are growing the most and offer opportunities for international companies?

Construction already represents nearly 18% of GDP. There is strong demand for housing, hotels, shopping centers, and restaurants, driven by the growth in tourism. However, supply still doesn't meet all demand, which means there is room for new projects.

In tourism, the entire value chain offers opportunities: hotels, experiences, restaurants. Surf City is an example: it's already practically full, but large-scale resorts are still lacking. We want private companies to lead this expansion, with international financing that allows them to invest and grow.

What competitive advantages does El Salvador offer compared to other countries in the region?

President Bukele eliminated 32 taxes and reduced red tape. The policy is clear: no new taxes or rate increases. We want simple rules and a framework that inspires confidence. In addition, we are digitizing the State's finance, education, and healthcare systems to make it more efficient.

From the embassy, we also support investors when they encounter obstacles to ensure their projects move forward. All of this contributes to a dynamic and transparent business environment.

The Salvadoran diaspora is enormous and has played a key role in the country's economy. What role does it play today in promoting new business opportunities and bilateral trade?

The diaspora has been a key driver. Ninety-five percent of them live in the United States and understand how markets and rules work. They're investing in tourism, hospitality, housing, agriculture, and gastronomy.

We call it "reverse investment": without tax incentives, they're returning to investing in their country. Before, they invested in their hometowns; now they're investing in strategic projects. One example is a chef from Washington who opened an Italian restaurant on the new La Unión pier. This reflects how they want to give back to the country what it gave them and support President Bukele in this transformation process.

What message would you give to international business leaders who are still hesitant to invest in El Salvador?

Let them trust that we are a pro-private enterprise country. We don't impose limits or controls that hold back the market. We want demand to flow freely and for investors to see in El Salvador clear rules and a government that facilitates, not hinders.

And looking ahead, what strategies are prioritized to deepen the economic relationship between the U.S. and El Salvador?

Nearshoring is key. If companies can't produce in the U.S., they should do so in allied countries like ours. We want to specialize in sectors where we're competitive, such as textiles, which integrate U.S. inputs (cotton from Georgia) and assembly in El Salvador.

There are also opportunities in nostalgic products unique to our culture, such as loroco, which have a market in the U.S. Latino community. In addition, we continue to negotiate to obtain even more tariff advantages that will make us more competitive.

To close, an inspirational question. What is your dream for El Salvador's position in the world?

Our dream is for El Salvador to be recognized as a regional hub for investment, innovation, and security. We've demonstrated that it's possible to transform a country that was once the most violent in the world into one where peace reigns today.

If we can achieve that, we can also transform the economy. We want to be seen as a gateway to Central America: a market that, although small, has the capacity to project stability, competitiveness, and growth throughout the entire region.

El State of Affairs

Illicit Market, Shifting Strategy

For more than fifty years, the Western Hemisphere has dealt with the issue of illicit drugs. The battlefields have shifted, new substances drive the markets, new payments and investment options are available while the illicit market economy is growing.

How is the Western Hemisphere dealing with such new complex markets? This article is not about alternatives such as market regulation or legalization. Its focus is on how the United States and its neighbors are working together – and how politics shape those choices.

Mexico, once accused of shielding traffickers, **is now cooperating more openly**. In a single summer operation it extradited 26 suspects, among them leaders of once-dominant cartels. Ismael “El Mayo” Zambada, Vicente Carrillo Fuentes, and Servando Gómez Martínez now face U.S. courts. In the 1990s, Colombia’s battles over Escobar’s extradition nearly tore its democracy apart. Today, Mexico delivers high-profile defendants with relative ease. For the government, compliance demonstrates resolve but also buys leverage in a relationship shaped equally by migration and trade.

Ecuador has moved just as quickly. Facing surging gang violence, it welcomed Secretary of State Marco Rubio’s visit and accepted Washington’s decision to classify Los Lobos and Los Choneros as foreign terrorist organizations. That step allows expanded intelligence sharing, sanctions, and security aid. For Quito, cooperation secures resources and signals toughness at home, though it also opens the door to deeper U.S. involvement in its security affairs.

Colombia’s stance is more complicated. Long a showcase U.S. partner, it still extradites traffickers and coordinates operations. But President Gustavo Petro has shifted the emphasis away from eradication campaigns toward crop substitution and rural development. Coca cultivation is rising, and U.S. officials warn Colombia could be “decertified” – judged insufficiently cooperative. Colombia continues to work closely with Washington but seeks to define cooperation on its own terms, balancing sovereignty with external pressure.

Meanwhile, the United States itself is taking a more direct role. In September, a Navy strike sank a Venezuelan vessel allegedly carrying traffickers, killing eleven. President Trump praised the action as deterrence. Warships, fighter jets, and even a nuclear submarine have been deployed to Puerto Rico. In earlier decades, Washington armed and trained partners while avoiding combat. Today, it is using lethal force directly, signaling impatience and a readiness to act unilaterally.

However, cartels are embedded in real estate, mining, agriculture, and retail. Mexican organizations launder billions through construction and trade. Ecuador’s gangs are linked to gold mining and arms trafficking. Colombian groups diversify into illegal logging, extortion, and cybercrime. These markets give them resilience: even if a route is disrupted, income continues to flow.

Here cooperation is far weaker. Arrests and interdictions are visible and politically useful; financial investigations are slower and risk exposing banks and business elites. Few governments showcase money-laundering probes the way they highlight seizures

or extraditions. Without targeting financial networks, the war on drugs risks becoming a war on symptoms, leaving the economic foundations of organized crime intact. Cooperation is real but political: Mexico seeks relief on migration, Ecuador needs aid in crisis, and Colombia maneuvers to defend its sovereignty. Meanwhile, the money flows that sustain criminal markets often escape sustained attention.

Elsewhere in LATAM

 The [Brazilian real](#) gained to **5.415 per dollar** after weak U.S. labor data fueled speculation of interest rate cuts. Analysts say Brazil could benefit as global investors turn toward emerging markets.

 Mexico's main stock exchange, [Grupo BMV](#), plans to offer exchange-traded equity options on major U.S. stocks like **Amazon** and **Apple**, denominated in pesos by the end of 2025. This new offering aims to activate retail-market interest and drive IPOs among small and mid-size firms under recently simplified listing rules.

 Panama initiated development of a **gas pipeline corridor** alongside the canal to bolster its role in global energy logistics. The prequalification phase starts this year, aiming to choose a concessionaire by Q4 2026 while the [IMF forecasts Panama's GDP will rebound to 4.5% growth](#) in 2025, recovering from the economic slump caused by the 2023 closure of the Cobre Panamá mine. **The recovery is led by expansion in non-mining sectors.**

 Mexico inaugurated its [first popularly elected Supreme Court](#) this week, a historic shift in the nation's justice system. [Hugo Aguilar Ortiz](#), a Mixtec lawyer and rights advocate, was sworn in as chief justice alongside eight colleagues after nationwide elections with low turnout. President Claudia Sheinbaum called the move a democratic milestone, while critics warned of risks to judicial independence as the new court takes on more than 1,400 pending cases.

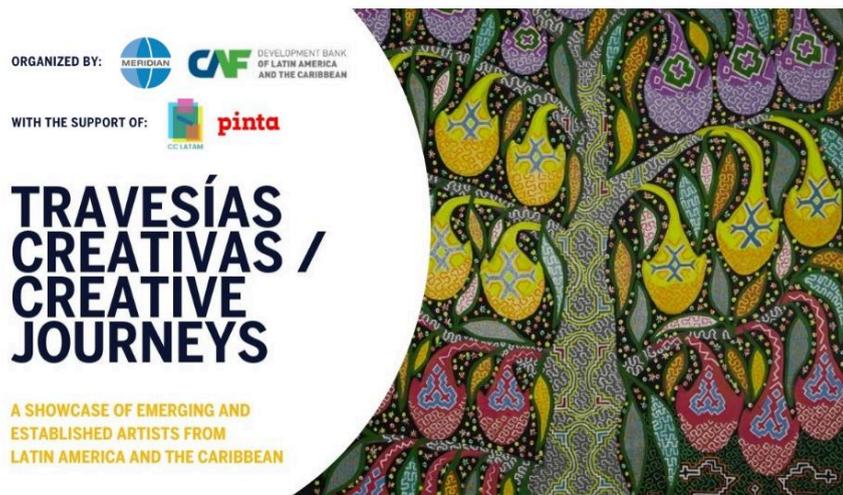
 Former Peruvian [President Alejandro Toledo](#) has been sentenced to an additional **13 years and 4 months** in prison for money laundering in connection with the [Odebrecht scandal](#). This follows a 20.5-year sentence issued in October 2024 for bribery—though both are to be served concurrently.

 In Argentina's most populous province, President Javier Milei's libertarian movement suffered a heavy blow on Sunday. The left-leaning Peronist opposition claimed victory with 47% of the vote, while Milei's La Libertad Avanza party trailed at 34%, according to results tallied late in the evening. The contest in Buenos Aires province was closely watched as both a test of Milei's political strength and a preview of how his movement may fare in next month's pivotal congressional midterms.

“Elegance is not being noticed, it's about being remembered.”

Giorgio Armani, Italian Fashion Designer

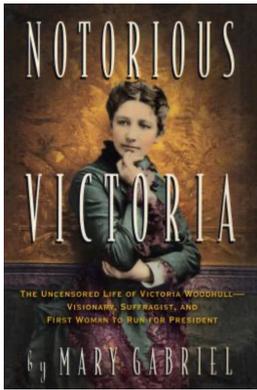
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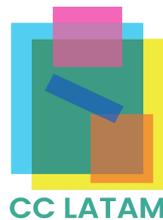
CAF Development Bank of Latin America and the Caribbean, Meridian International Center with the support of CCLATAM and Pinta invites you to visit Creative Journeys. Featuring artwork recently acquired for the CAF permanent collection, the showcase draws inspiration from the region's rich cultural tapestry of traditions and dynamic contemporary societies. Each piece was carefully selected to reflect the cultural values, innovative mindset, and inclusive vision of the region—spotlighting the craftsmanship of both emerging and established artists across mediums and styles.

Starting 11 September at Meridian International Center, Washington DC

La Lectura



You should read *Notorious Victoria* by [Mary Gabriel](#) because it offers a captivating look at Victoria Woodhull, the fearless 19th-century trailblazer who became the first woman to run for U.S. president, open a Wall Street brokerage, and publish a weekly newspaper, all while boldly challenging Victorian society's strict moral codes. Her story of ambition, scandal, and resilience not only brings to life a fascinating and overlooked figure in history, but also sheds light on the early struggles for women's rights that continue to resonate today, making this biography both inspiring and thought-provoking.



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