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The World Cup Issue



For five weeks this summer, the United States, Mexico, and Canada staged the [largest World Cup in history](#), the first to be hosted across three countries, moving several million visitors through sixteen host cities, three immigration systems, and three sets of security agencies despite the [political frictions running alongside it](#). On the first day of July, with more than two weeks of matches still to play, the United States told its partners at the Free Trade Commission that it [would not renew the USMCA in its current form](#), and one day after the three heads of government sat together at the final, it imposed [fifty percent duties](#)

[on 554 lines of Canadian goods](#). The World Cup showed that operational cooperation across North America still works, at the same moment the agreement governing their economic relationship was allowed to falter. These three nations remain willing to cooperate where each retains unilateral control, while becoming increasingly unwilling to accept binding constraints.

The coordination behind the tournament was extensive and, in places, institutionally new. In August 2025, the three governments convened their [first High-Level Trilateral Coordination Meeting](#), and in March 2026 delegations returned to Washington for a [trilateral meeting on major event security](#) convened under the Inter-American Committee against Terrorism, where they presented their national security architectures and negotiated planning timelines, cross border information sharing, and system interoperability. The United States established a [White House task force by executive order](#) to run interagency and host city planning, and FEMA [awarded 625 million dollars](#) across the eleven American host cities for policing, operational exercises, and cybersecurity, with a further 250 million for counter-drone systems. Canada committed [up to 145 million dollars](#) in federal security funding for Toronto and Vancouver. Mexico's own deployment was the largest of the three by personnel, with [close to 100,000 officers](#) and a defense ministry agreement covering more than 13,000 Mexico City cameras. Its delegation to the March meeting [ran from the foreign ministry to the defense ministry's World Cup coordination center](#). The logistical arrangements were similarly integrated. FIFA appointed [a single logistics provider](#) to move broadcast equipment, medical supplies, and staging across [three customs regimes](#), and Canada opened the [first passenger rail preclearance facility in North America](#) at Vancouver's Pacific Central Station, letting travelers clear United States customs before boarding rather than at the border.

What this cooperation shows is that none of it obliged any government to give up authority it wanted to keep. Security interoperability, cross border logistics, and preclearance are arrangements each country can enter and leave on its own terms. A trade agreement works differently, because it binds each party to accept limits on what it may do to the others and to submit disputes about those limits to panels it does not control. The United States declined to accept that renewal while the operational arrangements were still running smoothly, which suggests the breakdown reflects an unwillingness to be bound rather than any difficulty in working together.

That unwillingness matters most where the agreement's obligations show the largest gaps, which is where the tournament's data infrastructure comes in. Every ticket ran through a unified Fan ID linking a name, nationality, passport number, and photograph, with facial recognition entry at several U.S. venues and biometric turnstiles across the Mexican stadiums, and [FIFA's disclosures](#) confirm those records moved among all three host countries. [Chapter 19 of the USMCA](#) guarantees exactly that flow while asking only that each party maintain some domestic protection framework, and the three frameworks the records passed through share almost nothing. The United States has no federal privacy

statute and [twenty state laws in effect](#), Canada operates under a law whose [reform bill died in January 2025](#) and whose commissioner can recommend but not penalize, and Mexico is the only one with a national standard requiring express written consent for biometric data, which is why its Secretaría Anticorrupción y Buen Gobierno [fined the Mexican Football Federation 42,849,095 pesos](#) a week before the final for collecting Fan ID photographs through a website checkbox.

The World Cup partnership functioned operationally but offered few new revelations for the negotiating table, and the gap between the two will not close on its own. Annual reviews now [scheduled through 2036](#) give the three governments ten consecutive occasions to widen or narrow it. The rounds so far have concentrated on automotive rules of origin and steel, which is reasonable given the exposure, but digital trade is where three divergent regulatory paths will meet a single set of commitments none of the parties has revisited since 2020. That makes Chapter 19 worth putting on the table at the first annual review rather than leaving it to whichever party moves first.

- CCLATAM Editorial Team

Rates Cut: a Latin American Story



For the past two years, the story Latin American central banks liked to tell was one of hard-won credibility: inflation targeting had worked, disinflation was real, and rate cuts were the reward for years of institutional discipline in places like Brazil and Colombia that had once been synonymous with monetary chaos. **The IMF's July World Economic Outlook just complicated that story considerably**, projecting that global headline inflation will rise from 4.1% in 2025 toward 4.7% rather than continue drifting down. The

uncomfortable truth underneath that number is that the region's disinflation was never purely a domestic achievement — and its reversal won't be a domestic failure either.

Brazil is the clearest test case. The Selic rate path that markets have been pricing in assumed continued progress on inflation, progress that made high local-currency yields look like a durable, attractive trade rather than compensation for volatility. If a resurgent global price wave — driven by everything from Middle East-linked oil price spikes to AI-driven capital demand pushing up borrowing costs everywhere — outpaces whatever domestic disinflationary momentum Brazil still has, the central bank faces an unpleasant choice: hold or hike into a slowing economy and an already tense fiscal picture, or cut and risk being seen as validating the return of inflation, undoing years of credibility built at real economic cost.

There's a reasonable case that this is being overread. Core inflation dynamics in much of Latin America have local drivers — food prices, fiscal deficits, exchange-rate pass-through — that don't move in lockstep with U.S. or global headline numbers, and a region that spent the 2010s and early 2020s learning to decouple from Fed-driven capital cycles has more genuine policy independence than it's given credit for. Argentina's Moody's upgrade, delivered in the same window as this inflation warning, is a reminder that country-specific reform stories can still move markets independently of the global backdrop.

The deeper point isn't really about basis points. It's that monetary sovereignty in Latin America has always been conditional — real, but bounded by global capital flows and reserve-currency policy in ways that inflation-targeting frameworks tend to obscure until a moment exactly like this one arrives. The region didn't choose to test that boundary again this month. Global inflation dynamics chose it for them.

Elsewhere in Latam

 Nicaragua crossed a new authoritarian threshold this week. After Daniel Ortega declared that the country would hold no more elections, Nicaragua's parliament moved to abolish electoral competition under his order, prompting renewed criticism from the international community. The announcement matters not because Nicaragua still had free elections, but because the regime is no longer even pretending that ballots are part of the political future. As The Guardian reported, Ortega framed the move as a way to prevent the opposition from returning to power, turning what had long been electoral manipulation into an open rejection of alternation itself.

 Venezuela formally notified the United Nations that it will withdraw from the International Criminal Court, accusing the court of bias against countries in the Global

South. The ICC had been investigating alleged crimes against humanity by Venezuelan security forces and officials. This decision comes as Delcy Rodríguez's government seeks closer alignment with Washington. The move is more than a legal withdrawal: it signals how Venezuela's post-Maduro order is trying to recast accountability as geopolitical persecution, even as victims of state repression remain without answers.

 Ecuador's security partnership with Washington is coming under scrutiny after civilians were attacked during a joint U.S.-Ecuador operations aimed at organized crime. The report included incidents involving rural communities near the Colombia-Ecuador border and fishing vessels near the Galápagos. While President Daniel Noboa deepens cooperation with the United States in the name of fighting gangs, such outsourcing makes it harder to pinpoint accountability for such stories.

 Former Honduran President Juan Orlando Hernández returned to Honduras after being pardoned by Donald Trump for his U.S. drug- and arms- trafficking conviction, which had carried a 45-year prison sentence. Hernández now faces a separate judicial process in Honduras for fraud and money laundering, turning his return into a test of the country's already fragile justice system. The political stakes are even higher because the National Party, with which Hernández is affiliated, is back in power, raising fears that accountability may bend under the weight of political protection.

 Peru is preparing for Keiko Fujimori's inauguration under a Congress already tilting in her favor. Fujimori's Popular Force party won the Senate presidency in alliance with another conservative party, just two days before she is set to take office on July 28. The moment is symbolically loaded: Peru is restoring its bicameral Congress for the first time in more than three decades, while the return of Fujimorismo to the presidency reopens old questions about authority, memory, and democratic guardrails. Fujimori may enter office with institutional momentum, but she also inherits a country split by one of the narrowest and most contested elections in its recent history.

Short Term Rentals Generated 1.33B During the World Cup

World Cup Total Revenue Earned for Jun 10 – Jul 19, 2026 Compared to Same Dates in 2025



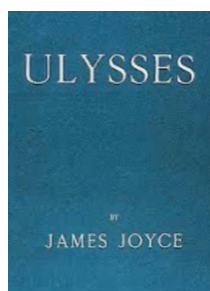
Source: [AirDNA](#)

La Cita

"True fulfillment comes from committing yourself to a cause larger than your own self-interest."

William J. Burns, Former United States Ambassador to Russia and 8th director of the Central Intelligence Agency.

La Lectura



[Ulysses](#) by **James Joyce** is a modernist reimagining of Homer's *Odyssey*, transforming the epic hero's journey into a single ordinary day in Dublin. In the context of renewed attention around *The Odyssey*, Joyce's novel is a fitting companion: instead of gods, monsters, and mythic seas, it follows Leopold Bloom and Stephen Dedalus through memory, humor, alienation, and the strange poetry of everyday life. Its reputation may be intimidating, but *Ulysses* is ultimately a book about finding the epic in the mundane.



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