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FEATURED Q&A

What Are Chile's Most Pressing Security Concerns?



Chilean President Gabriel Boric's government is considering tougher security measures following the killing of three police officers last month. // File Photo: @GabrielBoric via X.

Q Chile's government is considering tougher security measures and new antiterrorism laws after armed assailants killed three police officers on April 27 in the country's Biobío region. A government spokesperson said after the attack that a new intelligence law and regulations on police use of force are also needed. What are the most pressing security concerns facing Chile? What new security measures is Chile's government likely to propose, and to what extent would the changes make Chile safer? How likely are Chilean lawmakers to pass government-backed security reforms?

A Peter M. Siavelis, professor of politics and international affairs at Wake Forest University: "The brutal killing of three police officers in Chile's southern Biobío region could not have come at a worse time for President Gabriel Boric's government. The attacks contribute to a growing public perception that the country's security situation is spiraling out of control. While Chile remains relatively safe—and Santiago is a far safer national capital than most in Latin America—the extraordinarily violent nature of recent crimes shocked Chileans. What is more, government statistics show that the rise in violent crime is due mainly to criminal gang activity, often with foreign ties. These connections have prompted Chileans to view rising crime as a problem of illegal immigration. The government responded to the police killings with a series of new security and terrorism proposals that would expand the definition of terrorism, toughen penalties for terrorist activities and target terrorist financing. While the measures are likely to

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TODAY'S NEWS

POLITICAL

E.U. Lifts Some Sanctions On Venezuelan Officials

The European Union on Monday said it was temporarily lifting some sanctions against Venezuelan officials, including the head of the elections authority, ahead of the country's July presidential election.

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BUSINESS

Petrobras Reports 38% Fall in Profit for First Quarter

Brazilian state-owned oil company Petrobras posted a 38 percent fall in profit for the first quarter, missing analysts' estimates.

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ECONOMIC

IMF to Release \$792 Mn Tranche to Argentina

The International Monetary Fund said Monday that it would release a \$792 million tranche of its \$43 billion loan program to Argentina. The lender also praised the austerity policies of President Javier Milei.

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Milei // File Photo: @JMilei via X.

POLITICAL NEWS

E.U. Lifts Some Venezuela Sanctions Ahead of Election

The European Union announced Monday that it is temporarily lifting some sanctions against the leader of Venezuela's elections authority and three former officials ahead of the country's July 28 presidential election, Bloomberg News reported. The European Union, which also extended other sanctions against the Andean nation through Jan. 10, is among the regional bodies that is negotiating access for its observers ahead of the election. Last November, Venezuelan National Assembly President Jorge Rodríguez blasted the European Union after it extended sanctions on dozens of officials in the South American country. Rodríguez, a close ally of Venezuelan President Nicolás Maduro, said at the time that the country would not invite E.U. election observers if the sanctions remained in place, Bloomberg News reported. Venezuela has banned opposition favorite María Corina Machado from holding office, and authorities have jailed and charged other opposition activists with crimes. However, another opposition candidate, Edmundo González, has so far

been allowed to run. "We acknowledge recent encouraging steps and reconfirm our commitment and support for the smooth progress of the electoral process," said E.U. spokesman Peter Stano. However, Maduro's government said Monday that the sanctions relief wasn't broad enough. "Deceitfully, they removed some members of the National Electoral Board from the sanctions list, to supposedly send a signal of good faith or relief, and we say frankly that we reject that position," Foreign Affairs Minister Yvan Gil told newspaper *El Universal*. [Editor's note: See related [Q&A](#) in the March 8 issue of the Advisor.]

ECONOMIC NEWS

IMF Agrees to Release Next Tranche of Loan to Argentina

The International Monetary Fund on Monday agreed to release the next tranche of its \$43 billion loan program to Argentina, the Associated Press reported. The \$792 million payment will be available to the South American country's government in June, and the agreement followed an IMF review of Argentina's compliance with the terms of the loan. The

NEWS BRIEFS

Santander Hit With Data Breach Affecting Chile, Uruguay, Spain

Santander announced today that it had suffered a data breach affecting customers in Chile and Uruguay as well as in its home market of Spain, Reuters reported. Information on some of its current and former employees was also targeted in the breach, the bank said, adding that it had "immediately implemented measures to contain the incident." The measures included blocking access to the database that was compromised. In addition, Santander said it had put additional controls in place to guard against fraud.

Petroperú's Board Wants Government to Sell Majority Stake

Embattled Peruvian state-run oil firm Petroperú released a statement Monday revealing that the company's board had formally requested the Peruvian government to sell a majority stake in the firm to the private sector, Bloomberg News reported. Petroperú is wholly state-owned, and the board said that without such a sale—amid mounting losses and an outage at its new Talara refinery—it would need a \$2.2 billion bailout and funding from the nation's treasury indefinitely to continue.

Grupo Aeroméxico Saw 29% Increase in Profit for 2023

Mexican airline Grupo Aeroméxico disclosed Monday in paperwork for an initial public offering in the United States that the firm saw a 29 percent increase in profits during 2023, Reuters reported. The airline previously had declared bankruptcy in 2020 amid the Covid-19 pandemic's shock on travel, but it exited bankruptcy proceedings in 2022. The firm is now seeking more capital and a larger valuation with a U.S. initial public offering.

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pass, they are only a first step for improving Chile's security situation, given the problem's multidimensional nature. Additional proposals should advance the modernization and strengthening of police while enhancing professionalism and respect for human rights, strengthen the state intelligence system, and introduce measures to regulate the oversight and control of weapons. Winning over the public involves not just legislation but also a war of perception to address the perceived tie between insecurity and illegal immigration. Winning this battle entails a comprehensive immigration reform to weed out well-intentioned immigrants from

those with gang connections. With approval ratings in the basement and no majority in Congress, Boric faces a difficult task."

A Daniela Jara Leiva, professor in the Department of Sociology of the University of Valparaíso:

"In recent years, insecurity has become one of the main problems in Chilean society, despite the fact that no serious measures have been taken to address it. The recent assassination of three policemen reopened the old debate about antiterrorism laws. The new discussion about antiterrorism laws, and the debate about the new

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lender's executive board still must approve the disbursement, which could take weeks, the wire service reported. In announcing the decision, the IMF praised President Javier Milei's severe austerity policies, which the lender said have "resulted in faster-than-anticipated progress in restoring macroeconomic stability and bringing the program firmly back on track," the AP reported. The IMF also praised Argentine officials for "the decisive implementation of their stabilization plan." In his economic overhaul plan, Milei has eliminated thousands of government jobs, slashed wages in the public sector, cut subsidies and halted public works projects. He has also devalued the country's currency by more than 50 percent. In an interview in March with the Financial Times, Milei said his government was "in a very strong position" to reach a new agreement with the IMF. Argentine Finance Secretary Pablo Quirno told the newspaper that government officials and the lender in recent weeks have started to discuss a new loan, he added that, "we are speaking without urgency." [Editor's note: See related [Q&A](#) in the May 6 issue of the Advisor.]

BUSINESS NEWS

Petrobras Reports 38% Fall in Profit, Misses Estimates

Brazilian state-owned oil company Petrobras on Monday posted a 38 percent drop in net recurring profit for this year's first quarter as compared to the same period last year, Reuters reported. Analysts polled by LSEG had expected a net recurring profit of 30.2 billion reais, but the figures released Monday in a filing showed only 23.9 billion reais, or \$4.63 billion, in profit for the Brazilian oil giant. Petrobras said lower sales volumes and the devaluation of the real were to blame for the lower-than-expected result, along with a drop in oil prices as compared to the first quarter of 2023. The firm's sales of oil, gas and derivatives fell 4.6 percent during the quarter when compared to last year, falling to 2.92 million barrels of oil equivalent per day, Reuters reported. Last

THE DIALOGUE CONTINUES

Will the USMCA Accord Survive an Upcoming Review?

Q **The United States-Mexico-Canada Agreement (USMCA) is up for review in July 2026, at which time any of the three countries can opt not to renew the trade accord, an action that would put its future into question. The upcoming review makes 2024 a critical year for the future of the USMCA, as both Mexico and the United States will have presidential elections, and the priorities of the countries' leaders will determine the future of the trade deal. What are the most important parts of the USMCA review process? How do the Mexican and U.S. presidential candidates view the agreement, and what actions are likely given who is elected in the two countries? What's at stake in the elections for businesses that are affected by the USMCA?**

A **Carlo Dade, director of the Trade & Investment Centre at the Canada West Foundation and member of the Mexican Council on Foreign Relations:** "With federal elections in all three North American countries, trying to predict whether the current trade agreement will survive the review is a mug's game. But predicting the issues upon which survival may depend is a bit easier from the Canadian side. Aligning on U.S. engagement with China will feature prominently. In Article 23 Section 6, Mexico and Canada committed to 'prohibit the importation of goods into its territory from other sources produced in whole or in part by forced or compulsory labor.' Understood but unwritten is the intention to target imports from China. The Americans claim to have made more than 3,000 seizures of

suspect goods; Canada has none. The fact that there is such a large discrepancy will be a problem for Canada, irrespective of who is in the White House. For Mexico, rising Chinese investment in its auto sector will be a point of contention with both Canada and the United States. For agricultural issues, Mexico will face united opposition and pressure from Canada and the United States on its ban of genetically modified corn for human consumption. Food security and corn in particular have deep cultural significance in Mexico. Canada and the United States are waging a global battle for acceptance of genetically modified crops that is almost existential for their agricultural export sectors and cannot afford the precedent of a ban in North America. Meanwhile, Canada has largely won the North American dispute case on dairy access, but this has only infuriated the Americans more. Canada has legislation under debate that would ban any future concessions on dairy access in trade agreements. Given how much Trump bragged about opening the Canadian dairy market, a second Trump administration would be out for vengeance, while a second Biden administration would have incentive to get, and publicly proclaim, the win on dairy that Trump couldn't achieve. Finally, if the Americans are unhappy with progress on trilateral efforts to stem the flow of fentanyl into the United States, it could turn into a poison pill for the agreement."

EDITOR'S NOTE: The comment above is a continuation of the [Q&A](#) published in the April 25 issue of the Advisor.

month, Petrobras warned when it released its production figures that a decline in sales was due in part to a larger proportion of biofuel being mixed into fuel for sale. Petrobras' earn-

ings before interest, taxes, depreciation and amortization in the first quarter amounted to 60.04 billion reais, a roughly 17 percent decline as compared to the first quarter of 2023.

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rules of use of force, represents sensitive issues for the government and the sectors that are involved. On the one hand, there's the memory of the military dictatorship and the lessons about the use of force between civilians and the army. On the other, there's more recent objections to the antiterrorist laws of the last decades regarding the Indigenous conflict in Araucanía. The government currently has the difficult task of not giving into penal populism, adjusting to international standards and uniting its sector. It should also address new types of organized crime. In the case of the rules for the use of force, the tension is in the opposition's intent to get the Senate to consider that military courts be the ones that judge transgressions in the use of force, and not civil tribunals, as the government proposed. The attorney general has shown that he is worried about what he believes would be an unprecedented loss of power for the Public Ministry and a display of lack of confidence. At the same time, it would be important to generate other transversal agreements that recognize the need to reinforce preventative measures, like an intelligence law that permits the state to strengthen and anticipate the state's action in this area."

A **Patricio Navia, clinical professor of liberal studies at New York University and professor of political science at Universidad Diego Portales in Chile:** "Although Chile has relatively low levels of crime compared to other Latin American countries, murders and other violent crimes have increased drastically in the past few years. Many people blame the growing immigrant population for the higher perception of crime. The Boric administration had an early soft policy on crime and terrorism. A few days after taking office in 2022, the chief minister in the cabinet traveled to the Araucanía region to start a dialogue process with the Mapuche movement but was received with gunshots. In December 2022, Boric issued

presidential pardons to people sentenced for violent crimes, including violence against the Carabineros police, during the 2019 social uprising. As the perception of insecurity began to increase and has dominated news coverage, the government has attempted to take a tougher stance against crime. But the right-wing opposition, sensing it can

“**The right-wing opposition, sensing it can make electoral gains, has demanded an excessive iron-fist approach.**”

— **Patricio Navia**

make electoral gains, has demanded an excessive iron-fist approach. For example, right-wing legislators attempted to introduce an amendment to anticrime bill that would require that all accusations of police brutality be tried in military courts. Although the Chilean Carabineros police is a national institution, it is not a military body. The amendment was defeated in the Chamber of Deputies, but it might be reintroduced in the Senate. There's no doubt that Chile needs better legislation and more resources to combat crime and provide security to the population, but the right-wing opposition is trying to make a political point to show the Boric government as soft on crime. Instead, the government and the opposition should learn from other experiences and adopt policies that can reduce crime and improve security in Chile. If an agreement is reached, Boric will claim victory, but the right will still have an electoral advantage on anticrime policies. More importantly, Chileans might finally see that the political elite is capable of reaching agreements and solving problems."

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

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