

# Americas

QUARTERLY

PAGE 92

**50 YEARS**  
OF SOCIAL, ECONOMIC  
AND POLITICAL CHANGE  
IN THE AMERICAS

THE POLICY JOURNAL FOR OUR HEMISPHERE

FALL 2012 VOL. 6 / NO. 4

## MEET LATIN AMERICA'S **REAL** MIDDLE CLASS

WHAT THEY BELIEVE | WHAT THEY PURCHASE | WHAT THEY WANT

### PLUS

U.S. AMBASSADOR  
THOMAS  
**SHANNON:**  
21st-Century  
Diplomacy  
with Brazil

RICHARD  
**FEINBERG:**  
How CSR Saved  
a Venezuelan  
Company



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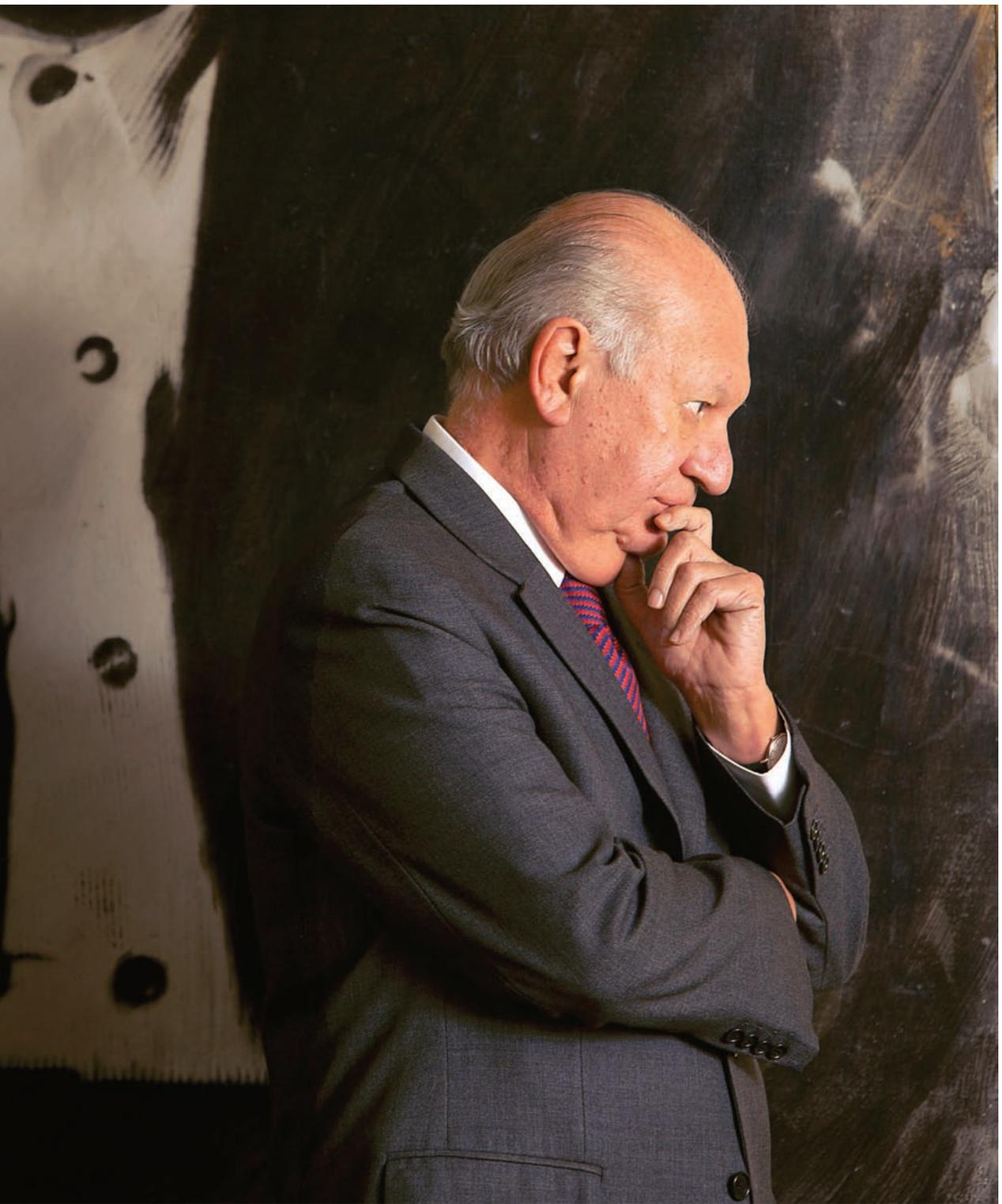
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Photo taken by Enrique Siqués at *Fundación Democracia y Desarrollo* in June 2012.

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**Natural Resource Extraction: Boon or Curse?** The rising demand from China and India for natural resources represents a potential bonanza for Latin America. But it also poses a formidable set of challenges, ranging from economic governance to environmental protection.

# BRAZIL'S STRATEGIC LEAP FORWARD

EDUCATIONAL EXCHANGES IN SCIENCE ARE A GREAT IDEA, PERHAPS ONE OF THE MOST IMPORTANT DIPLOMATIC INITIATIVES IN HEMISPHERIC POLICY. BUT NAVIGATING ALL THE OBSTACLES TO REALIZE SUCH A SIMPLE AND POWERFUL GOAL ISN'T AS EASY AS IT SEEMS.

**By Thomas A. Shannon, Jr.**

**D**uring their meeting in Brazil in March last year, U.S. President Barack Obama and Brazilian President Dilma Rousseff discussed a plan to send 101,000 Brazilian students overseas to study science, engineering, mathematics, and technology-based disciplines. Announced soon after, the initiative, Science Without Borders, has signaled President Rousseff's interest in marking her tenure by building a gateway for her country to the twenty-first century.

Just before their tête-à-tête, Obama had announced his own plans to send 100,000 American students to Asia and promised to unveil a similar initiative for Latin America in Santiago, Chile—the next stop on his 2011 Latin America tour. During their Brasília meeting, both leaders talked about the importance of using education to improve national science and engineering capacity to drive economic development, promote social mobility and enhance innovation.

What their joint initiative has also become is a tool for—and an example of—modern strategic diplomacy.

President Rousseff had already been working on a plan to use study abroad programs to internationalize Brazilian higher education and ac-



She blinded me with science: Brazilian President Dilma Rousseff discusses the Science Without Borders initiative with U.S. President Barack Obama in Brasilia in March 2011.

celerate Brazil's scientific and technological development. Impressed by the scope and ambition of the U.S. initiative, she committed to match it.

Four months later, in July 2011, President Rousseff rolled out Science Without Borders at the Presidential Palace, pledging her government to fully fund 75,000 scholarships for study abroad, and announcing commitments from Brazil's private sector to fund an additional 26,000.

Initially, the focus was on a core group of countries with universities capable of taking a large influx of Brazilian students: the United States, Canada, Great Britain, France, Germany, and Italy. Soon afterward, other countries such as China, Russia, India, Sweden, Ireland, and Belgium stepped forward to offer places at their universities to eager Brazilian students.

The first stage was to begin with a one-year program for undergraduates, who would return to Brazil to finish their degrees. The program would

then expand to include masters and doctoral students as well as those pursuing post-doctoral research.

For President Rousseff, the program meant more than just the academic, scientific and technical skills that students would acquire. The president also realized the potential benefits that mastering foreign languages, especially English, would bring. Science Without Borders therefore included allocating funding and time for language training. There were also the skills and connections that were to be gained by such a massive undertaking. Providing internships at major science and technology companies and leading innovation laboratories and research institutions would mean that Brazilian students would combine study and practice—learning firsthand how to connect research to commercial industry and product development—and connect with technical professionals in the host countries.

### HOW DID IT COME TO THIS?

**T**he launch of Science Without Borders is not the first time Brazil has reached beyond its frontiers to jump-start important economic programs. The creation of Embraer, Brazil's world-class aviation company in 1969, was the product of aeronautical engineering cooperation between the Massachusetts Institute of Technology (MIT), Brazil's Aeronautical Training Center (CTA) and the Aeronautical Institute of Technology (ITA) in the 1940s. And Brazil's agricultural research service, *Empresa Brasileira de Pesquisa Agropecuária* (Brazilian Agricultural Research Corporation—EMBRAPA), revolutionized Brazilian agriculture, transforming Brazil from a food importer into the world's second largest food exporter, through the training and education of many of its agronomists at U.S. land grant colleges and universities.

President Rousseff's initiative, however, is bigger and more ambitious.

To begin, it is not confined to a single economic or scientific sector. Science Without Borders covers all aspects of scientific study: computer and information technology; mathematics; physics; biology; health science; marine science; industrial and electrical engineering; mining, oil and gas technologies; and systems analysis and industrial design.

The aim is to lift Brazil's scientific and economic capabilities in a single generation.

Second, it is a public-private partnership. This is not just a publicly funded educational travel fund. The Brazilian private sector plays an important role in funding and training; on the U.S. side, Boeing has pledged support for scholarships and internships as well. The private-sector focus is significant. The vast majority of the students who participate in Science Without Borders will not return to government jobs, but are instead

Finally, Science Without Borders will be a powerful driver of what President Rousseff envisions as Brazil's new economy—which encompasses not only cutting-edge science and technology, but the social changes that come with it.

And here, the timing has been excellent.

The project coincides with the Brazilian government's recently announced policies to adopt affirmative action-like programs to make Brazilian higher education more representative of Brazilian society. When these policies are fully in place, Science Without Borders will not only dramatically increase the numbers of Afro-Brazilian and female students in universities or studying abroad, but expand the diversity of those studying science, technology and math—the engines of the new global economy.

Moreover, the focus on language training to prepare students for study

The hope is that the economic impact and potential of these programs will entice Brazil's private sector to become more involved in secondary education, similar to what we have seen in the United States. Together, these factors will require a qualitative improvement in Brazilian secondary education, especially in public schools. Ultimately, it will not be the absolute number of students sent abroad to study that determines Rousseff's legacy as an education president, but these broad ripple effects of Science Without Borders.

#### WHY THIS IS IMPORTANT: THE GRIST OF MODERN DIPLOMACY

**T**he strategic and commercial advantages presented to the U.S. by Science Without Borders are as stunning as they are obvious.

First, polling indicates that the U.S. is the preferred destination of most students competing for Science With-

## THE AIM IS TO LIFT BRAZIL'S SCIENTIFIC AND ECONOMIC CAPABILITIES IN A SINGLE GENERATION.

likely to work in private companies—thus expanding Brazil's already-growing entrepreneurial class.

Third, by targeting North America and Europe, President Rousseff is globalizing Brazilian science and its educational institutions. Science Without Borders students will build networks of friendship and collaboration with professors, mentors, researchers, and the next generation of the world's scientists and engineers. One additional, and no less important, consequence is that the returning students will bring new perspectives and expectations to their home universities in Brazil, thereby provoking change and development in Brazilian higher education.

abroad will allow Afro-Brazilians and women to compete for scholarships and, in the medium to long term, diminish the competitive advantage that upper-middle-class students would otherwise have enjoyed. This is no small step.

But there will also be a downstream effect. The incentive of these promising scholarships, and the growing competition for them, will reshape Brazilian secondary education. There will be a new focus on language instruction, especially English, as well as new resources dedicated to building the math and basic research skills necessary to succeed in science and technology disciplines.

out Borders scholarships. The U.S. will likely receive between 50,000 to 60,000 of the 101,000 students selected for the program, diminishing the competition to attend universities in other countries included in the initiative. Such broad access to Brazil's next generation of scientific and business leaders gives the U.S. an opportunity to shape how these students understand our country. Our experience with international education and youth exchanges clearly shows that the enduring ties developed during such programs create a lasting and positive impression of the United States.

Second, these students are fully

funded, representing a significant commercial opportunity for U.S. universities and colleges. Although funding will vary depending on schools attended, expenses will run at least \$50,000 per student. This puts the low end of potential U.S. gain from Science Without Borders between \$2.5 billion and \$3 billion.

Third, Science Without Borders students will likely only be harbingers of increased contacts with young Brazilians. As the rich and varied educational opportunities offered in the U.S. gain traction in Brazil, more and more students are bound to follow their peers north. This will further expand our relationship across our higher education systems—opening up new possibilities for student, researcher and professor exchanges in all fields of study.

Fourth, the arrival of large numbers of Brazilian students in U.S. universities and colleges will increase the geographic diversity of our science and education programs, especially at the graduate level. Currently, Chinese, Indian and Saudi students dominate the international presence in U.S. science and engineering graduate programs. The increased presence of Brazilians in the U.S. will represent the first significant twenty-first-century influx of students from the Americas, and will act as a bridge for other South American students, paving the way for similar programs with countries such as Argentina, Chile, Uruguay, and Colombia.

Finally, Science Without Borders will allow the U.S. to build on existing research relationships with Brazil's growing science and technology sector. Brazil's expertise in aeronautical engineering, agronomy, environmental sciences, oil and gas technology, and hydroelectric and nuclear energy, among other areas, offers exciting collaborative opportunities for American laboratories and businesses.

Some U.S. companies already recognize this. IBM has established an IBM Laboratory in Brazil, the first in the southern hemisphere. GE has

built a Center of Excellence in Brazil. Ford and GM have built important engineering and design centers in Brazil. Several oil and gas service companies have set up research centers at Brazilian universities. These relationships will position U.S. universities and companies to reap large benefits from Brazil's development and its emergence as a platform for engagement in South America, Africa and beyond.

They will also allow us to diffuse scientific knowledge and practice working with a trusted partner to increase the resilience and survivability of our science.

### MAKING IT HAPPEN

**T**he first batch of scholarship students—nearly 600—departed for the U.S. in January 2012, six months after President Rousseff unveiled Science Without Borders. They were followed by nearly 1,400 students this September for the fall semester. Currently, there are just under 2,000 Brazilian Science Without Borders students studying at 238 U.S. universities and colleges spread across 48 states, from Stanford to the Colorado School of Mines, from the University of Miami to the University of Minnesota at Duluth, and from the University of Nebraska—with the highest concentration of Science Without Borders students—to the Savannah School of Art and Design.

The U.S. was the first country to receive Science Without Borders students. Although lacking a central authority to commit to receiving set numbers of students, the large, diverse U.S. university community, existing international study programs, and available dormitory space, made it easier to place Brazilian students. This was also possible due to the long-standing relationship between Brazil and the Fulbright Commission, which has facilitated the quick transfer of funds and placements of these students in the United States.

While the initial surge of students has put the U.S. well in front of other

partner countries—and increased the total number of Brazilians studying in the U.S. by 25 percent—it is still far below Rousseff's goal of 101,000, not to mention U.S. hopes of hosting 50,000 to 60,000 of these students.

As we look to increase the number of Brazilian students heading for the U.S. (a near 30-fold increase if we are to meet our goal), we have encountered two bottlenecks.

The first is the limited bureaucratic capacity to identify students and place them in universities and colleges. On the Brazilian side, two organizations are managing this process. The *Coordenação de Aperfeiçoamento de Pessoal de Nível Superior* (Federal Agency for Support and Evaluation of Education—CAPES) is handling undergraduate and graduate students on one-year scholarships (called “sandwich” years in Brazil) and the *Conselho Nacional de Desenvolvimento Científico y Tecnológico* (National Council for Scientific and Technological Development—CNPq) is handling full-time graduate students.

On the U.S. side, the Institute for International Education (IIE) is managing undergraduate placement, and Academic and Professional Programs for the Americas (LASPAU) is overseeing placement of graduate students. Both are ramping up in anticipation of far greater volume, but the Brazilian side has the tougher challenge: CAPES and CNPq are tasked with the multiple challenges of evaluating scholarship applications, testing and allotting funding. To facilitate this process, the U.S. has been improving ties between Brazilian and U.S. universities. Earlier this year we sponsored a visit by 28 rectors from Brazilian universities to U.S. institutions on the West and East Coasts and the Midwest. The leaders of CAPES and CNPq accompanied the group. We conducted another trip of rectors in November the same year.

In August, the U.S. Department of Commerce led an education/trade mission to Brazil of representatives from 66 U.S. universities. This was

the largest such mission ever organized by Commerce, and the latest in a surge of delegations to Brazil related to building partnerships in education that intersect with economic, commercial and innovation interests. This year CAPES also signed an agreement with the Association of Historically Black Colleges and Universities to receive 700 students at those institutions in January of 2013.

The second bottleneck is English language competency.

Early Testing of English as a Foreign Language (TOEFL) results show that Brazilian students are not as well prepared in English as many thought. Initially, we had hoped to skim several thousand of Brazil's top science and

language training to those scholarship applicants who scored within 19 points of the TOEFL requirement. Second, we have also identified universities that have a high number of English as a Foreign Language (EFL) students and can provide remedial English training on campus before students start their courses.

At the same time, we are working with our Brazilian counterparts to improve the quality of English language instruction over the long term. Across a number of initiatives in this area, four are especially noteworthy.

**1 An agreement** with CAPES and the *Conselho Nacional de Secretários de Educação* (Brazilian National Council for State Secretaries of Education—

reach of the TOEFL score needed to be accepted into U.S. universities. The first English<sup>3</sup> students will complete the program at the end of September.

**4 Collaboration** with American businesses through *Mais Unidos*, a program sponsored by the U.S. Agency for International Development to fund English-language training for 1,000 students in the underprivileged areas of Rio de Janeiro.

These efforts, along with other programs, will not only increase the number of entering university students who speak English; they will also expand the opportunity to study abroad to students and communities that have lacked contact with comprehensive language programs.

## THE DIPLOMACY OF PEDAGOGY AND TECHNOLOGY

**B**razil and the U.S., through Science Without Borders, are building a twenty-first-century partnership that will not only bring these two hemispheric giants together, but also bring huge economic and development benefits to both.

Although still in its early stages, this partnership promises to reshape the Brazilian economy through science and technology, and build lasting ties of friendship and collaboration among the scientists, engineers and entrepreneurs who will lead the most innovative and dynamic sectors of our economies. It will also link our universities and colleges in new and creative ways, and help build a platform within our hemisphere for scientific and economic advancement.

We still have much work to do.

But Presidents Rousseff and Obama have set out a vision that can direct that work. By turning this vision and purpose into reality, we are showing that our diplomacy can be relevant to the challenges of our new century and equal to the ambitions of the young men and women who will inhabit it.

**Thomas Shannon, Jr.** is the United States ambassador to Brazil.



Visa surge: Brazilian Science Without Borders students attend a visa assistance session at the U.S. Embassy in Brasilia.

technology students to jump-start the Science Without Borders program. However, the inability of many of these students to meet TOEFL requirements has required us to slow down and focus on ways to increase English language capability.

In the short term, we are addressing this problem in two ways. First, CAPES signed an agreement with Northern Virginia Community College to provide intensive English

CONSED) to send 540 public school English teachers to the U.S. for training in English-language instruction.

**2 An agreement** with the Pernambuco state government to send 300 high school students per year to the U.S. to study English in anticipation of their entry into university.

**3 Development** of English<sup>3</sup> (English cubed), an intensive English-language program that is currently offered to aspiring students within close