# Venezuela Case Neg

### Framing - Util

#### Solving existential risks is the dominant moral priority.

Bostrom 12 (Nick, Professor of Philosophy at Oxford, directs Oxford's Future of Humanity Institute and winner of the Gannon Award, Interview with Ross Andersen, correspondent at The Atlantic, 3/6, “We're Underestimating the Risk of Human Extinction”, <http://www.theatlantic.com/technology/archive/2012/03/were-underestimating-the-risk-of-human-extinction/253821/>)

Bostrom, who directs Oxford's Future of Humanity Institute, has argued over the course of several papers that human extinction risks are poorly understood and, worse still, severely underestimated by society. Some of these existential risks are fairly well known, especially the natural ones. But others are obscure or even exotic. Most worrying to Bostrom is the subset of existential risks that arise from human technology, a subset that he expects to grow in number and potency over the next century.¶ Despite his concerns about the risks posed to humans by technological progress, Bostrom is no luddite. In fact, he is a longtime advocate of transhumanism---the effort to improve the human condition, and even human nature itself, through technological means. In the long run he sees technology as a bridge, a bridge we humans must cross with great care, in order to reach new and better modes of being. In his work, Bostrom uses the tools of philosophy and mathematics, in particular probability theory, to try and determine how we as a species might achieve this safe passage. What follows is my conversation with Bostrom about some of the most interesting and worrying existential risks that humanity might encounter in the decades and centuries to come, and about what we can do to make sure we outlast them.¶ Some have argued that we ought to be directing our resources toward humanity's existing problems, rather than future existential risks, because many of the latter are highly improbable. You have responded by suggesting that existential risk mitigation may in fact be a dominant moral priority over the alleviation of present suffering. Can you explain why? ¶ Bostrom: Well suppose you have a moral view that counts future people as being worth as much as present people. You might say that fundamentally it doesn't matter whether someone exists at the current time or at some future time, just as many people think that from a fundamental moral point of view, it doesn't matter where somebody is spatially---somebody isn't automatically worth less because you move them to the moon or to Africa or something. A human life is a human life. If you have that moral point of view that future generations matter in proportion to their population numbers, then you get this very stark implication that existential risk mitigation has a much higher utility than pretty much anything else that you could do. There are so many people that could come into existence in the future if humanity survives this critical period of time---we might live for billions of years, our descendants might colonize billions of solar systems, and there could be billions and billions times more people than exist currently. Therefore, even a very small reduction in the probability of realizing this enormous good will tend to outweigh even immense benefits like eliminating poverty or curing malaria, which would be tremendous under ordinary standards.

### AT Poverty Outweighs Magnitude

Cross-apply our Bostrom evidence against this – currently, the human race is at a key point in its life – if we don’t solve existential impacts first, we’re effectively killing off billions and billions of people – we have a duty to the future generations to create a sustainable and reliable planet on which to live. The aff doesn’t do anything about this, therefore we win on magnitude.

### AT Specific Scenarios Bad

Analyzing specific scenarios is key to being able to thoroughly assess impacts of passing a policy – and what would be the educational value of debate if all we ran were theoretical arguments with no real-world, specific grounding? Furthermore, we do NOT link to structural violence because global warming has nothing to do with that and we actually solve because cap solves poverty

### Term “Domestic Violence” = Problematic

#### The aff’s use of the term “domestic violence” is rooted in a heteronormative understanding of relationship violence which excludes the experiences of LGBTQ individuals

Ristock, University of Manitoba Women’s and Gender Studies Program Provost and Vice-President, 2005

[Janice, July 2005, Violence Against Women Online Resources, “Relationship Violence in Lesbian/Gay/ Bisexual/Transgender/Queer [LGBTQ] Communities: Moving Beyond a Gender-Based Framework”, p. 3,<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.208.7282&rep=rep1&type=pdf>, accessed 7-13-18, DMH]

Violence in lgbtq relationships may be referred to as partner violence, relationship violence, or same-sex/same-gender domestic violence. The term "domestic violence," however, has been most strongly associated with heterosexual relationships and assumes certain gendered roles (male batterers, female victims); therefore it can work against acknowledging violence that occurs in samesex/same-gender relationships. It is a term that some members of lgbtq communities cannot relate to because of these assumptions (see for example Chung &Lee, 1999). However, some researchers and lgbtq groups continue to use the term "domestic violence" in order to draw parallels to and make comparisons with heterosexual domestic violence.

## Squo Solves - Oil

#### Recovery of oil sector is key for Venezuela

SIPA 17 (“SIPA, APOCALYPSE NOW: VENEZUELA, OIL AND RECONSTRUCTION”, 6-19-17,https://energypolicy.columbia.edu/sites/default/files/CGEPApocalypseNowVenezuelaOilandReconstruction7%3A17%20\_1.pdf)

Venezuela’s oil-reliant economy has been battered over the past three years, as ongoing production problems were magnified by the drop in oil prices that began in mid-2014. The economic pain became more severe in 2016, when export revenue fell to US$27 billion, down 73 percent from US$94 billion in 2012. Additionally, a substantial amount of production is mortgaged and held up in the domestic market and debt payments, leaving only a fraction of its oil exports to generate revenue, which in turn is used to pay back the country’s foreign debt. Imports of foods and manufactured goods have plummeted even as domestic production has been crippled by price controls. As a large chunk of the most important industries were expropriated throughout these years, there is no chance of having domestic production kick in to substitute for those imports Venezuela can no longer afford. The country’s acute financial crisis has spiraled into a full-blown humanitarian crisis marked by deteriorating public health, spreading malnutrition and contagious diseases, and skyrocketing crime. Hyperinflation has magnified the country’s woes. Meanwhile, the government of Nicolas Maduro has refused to recognize the National Assembly elected in December 2015, in which opposition parties won a supermajority (two-thirds), and has called for the election of a new Constitutional Assembly on July 30, in a bid to revise the constitution, undermine the legislative and judiciary powers, and consolidate his grip on power. The outlook for the Venezuelan oil industry and the broader economic and political challenges facing the country are intrinsically linked together. Venezuela is trapped in a catch-22: the recovery of its oil sector is essential to getting the country on track, but the oil sector itself cannot recover without much delayed investments and a prior recovery in the underlying economic conditions, needed to restore investor confidence. The checklist of prerequisites to leverage the country’s large oil and gas resources includes improving governance, strengthening the country’s institutions, getting the fundamentals of the economy right (such as a unified exchange rate and an end to the monetary financing of the fiscal deficit), taming runaway inflation, and tackling down crime.

#### The price of oil is trending upwards

Wald 18 (Ellen Wald, “Oil Prices Are Going Up... And So Is Your Gasoline Bill”, 4-29-18, Forbes, https://www.forbes.com/sites/ellenrwald/2018/04/19/oil-prices-are-going-up-and-so-is-your-gasoline-bill/#66fcb4825a3f)

The price of the U.S. benchmark oil, WTI, reached its highest level in three years on Thursday – nearly $69 per barrel – before retreating slightly. The European benchmark, Brent, rose to over $73 per barrel. These higher prices are largely the result of a draw down in oil stocks, meaning there is less oil in storage globally. For several years, the oil market has experienced a substantial oil glut, and this signifies a change.

Both the International Energy Agency (IEA) and the Organization of Petroleum Exporting Countries (OPEC) have made statements to the effect that the glut is ending. This means less supply, and therefore higher prices. Oil prices have also been pushed higher by geopolitical factors such as heightened tensions in Syria, the threat of new sanctions on Iran and unrest in Venezuelan oil fields.

This means that Americans will be seeing higher gasoline prices this summer. In fact, many commuters are already noticing that gas prices have been slowly climbing. Gasoline prices usually trend upwards at this time of year anyways, because refineries often undergo planned maintenance and transition to produce summer blends of gasoline. Prices tend to remain elevated over the summer because summer gasoline blends are more expensive to produce and because demand for gasoline is higher. The higher price of crude oil this year compared to the last three years means gasoline prices this summer should be higher still.

## China Investment Good

#### Turn - Chinese investment is good for Latin America – key to infrastructure and growth.

Kaplan 18[Stephan Kaplan, associate professor of international affairs and political science at George Washington University, “China is Investing Seriously in Latin America. Should You Worry?”, 1-24-18, <https://www.washingtonpost.com/news/monkey-cage/wp/2018/01/24/china-is-investing-seriously-in-latin-america-should-you-worry/?noredirect=on&utm_term=.8c383f9cff4e>]

This past week, China held its second ministerial meeting with the Community of Latin American and Caribbean States (CELAC) in Santiago, Chile. There China announced plans to have the Belt and Road Initiative (BRI), its flagship economic and development program, invest in Latin America. During the past decade, Chinese policy banks, charged by the government to finance infrastructure and trade, have provided more than $140 billion in loan commitments to Latin America. With the BRI expanding into the region, Latin America is assured that these financing spigots will not only stay open, but also will further China’s integration with the region’s trade. Chinese Foreign Minister Wang Yi says Latin America has already become the second-largest destination for Chinese overseas investment. How does China’s investment approach compare to that of Western lenders? And will China be able to recoup its investments in a region with a history of debt? My research shows that, unlike the approach taken by Western investors, Chinese lending often takes the form of patient capital. By emphasizing nonintervention in sovereign affairs and refraining from imposing conditions like fiscal austerity or transparency, as Western governments do, China promises its financing horizon will not be influenced by such short-term policy targets. That helps regions have the flexibility to spend during economic downturns. China’s patient capital also tends to align better with debtors’ long-term development goals, allowing countries to incrementally correct policy errors without the threat of abrupt financial destabilization. Chinese state-to-state financing packages are clearly aimed at boosting exports and commerce, often featuring guaranteed contracts for Chinese contractors or machinery suppliers. But they also tend to promote infrastructure and foreign direct investment as key drivers of longer-term growth. This patient capital strategy could promote Latin American development, avoiding the region’s volatile cycles of boom and bust. However, there’s a potential moral hazard. By lending without conditions, China may encourage governments to spend without bounds, sowing the seeds for future debt problems.

#### Chinese investment good – it is key to maintaining free trade and Chinese savings mean that struggling countries do not have to impose austerity measures.

Kaplan 18[Stephan Kaplan, associate professor of international affairs and political science at George Washington University, “China is Investing Seriously in Latin America. Should You Worry?”, 1-24-18, <https://www.washingtonpost.com/news/monkey-cage/wp/2018/01/24/china-is-investing-seriously-in-latin-america-should-you-worry/?noredirect=on&utm_term=.8c383f9cff4e>]

China invests in both trade and geopolitical influence — pushing free trade and multilateralism, as the U.S. once did Some U.S. policymakers, influencers, and pundits fear that China is investing in Latin America not for commercial reasons but to buy geopolitical influence, pushing the United States aside. For example, Trump’s national security strategy claims China is attempting to “challenge American power” by seeking “to pull the region into its orbit through state-led investment and loans.” Similarly, a recent National Endowment for Democracy report suggests the China-CELAC forum, which excludes the United States and Canada, is a “convenient policy framework to introduce and promote its soft power agenda.” Are they right, or are they missing some nuances? Despite long-standing U.S. concerns about unfair trade competition, China’s approach is clearly built on multilateralism, free trade, and globalization — values that previous Republican and Democratic administrations shared. Shoring up regional public goods like infrastructure may end up benefiting U.S. firms, making trade and investment easier. While China may be interested in geopolitical influence, it most certainly also has many commercial objectives in the region, including promoting new export markets, alleviating its domestic overcapacity and helping its companies globalize their operations by gaining cheap assets, market share, and key marketing, distribution, and engineering capabilities. But investing in soft power has had its down sides. It’s true that Latin American governments have flocked to Chinese capital, eager to address long-standing infrastructure deficits. But many Latin Americans have criticized China for its extensive promotion of Chinese firms, labor, and machinery within state-to-state investment contracts, and its lack of local governance standards, including inadequate environment and labor protections. But critics of Chinese investment in Latin Americas have failed to notice an important concern: not its current boom in investment, but a sudden bust. A boom may help the region develop; a bust could lead to another regional debt crisis. So will China lend prudently and foster its promised development, or instead lend too ambitiously and foment a bubble? How will China balance its investment risks? At times China has mispriced investment risk, and the country has lent defensively to absorb its bad investments. For example, China’s extended its loans to Venezuela for more than a decade during periods of volatility — first through the global financial crisis and then through the 2014 commodity downturn. But of course, Venezuela’s situation is deteriorating rather than improving. The country is struggling to repay its outstanding Chinese debts (totaling about $17 billion to $20 billion) amid its historic crisis and dwindling state-oil production. In response, China has reportedly loosened the terms on some of Venezuela’s outstanding loans, allowing the country to pay interest only and defer its principle payments, and also the underlying collateral, removing minimum oil shipment quantities and extending repayment deadlines. China has enough foreign reserves to absorb such losses, even beyond Latin American borders from Sri Lanka to Indonesia. How can it avoid such moral hazard problems and ensure successful investments in the future? China’s success in reaching its growth targets domestically during its miracle years revealed its ability to prosperously manage local investment projects. Can it also foster good governance internationally? Rather than imposing policy conditions, China increasingly tempers its state-to-state credit risks by diversifying its investments to include market-based instruments. For example, China has created private equity funds (e.g., China-LAC Cooperation Fund, China-Latin America Infrastructure Fund) that are investing in manufacturing, energy, logistics and even technology. It’s also participating in public private partnerships (PPP) and varying its project financing partners to include Chinese commercial banks, multilateral institutions (e.g. World Bank, Inter-American Development Bank) and local development banks. In other words, China is experimenting with market-based solutions, and moving incrementally in its international economic efforts, much as it did during its domestic development. Its approach to global economic affairs appears to be more pragmatic than ideological — and may be more likely to defend than upend the liberal economic order.

## Brazil

### Turn - Refugee Crisis Good

#### Brazil will benefit for several reasons from allowing refugees into their country and their president has shown he is willing to implement now. Stuenkel 16

[Oliver Stuenkel International Relations professor; 9/29/16; “Temer and Refugees in Brazil: Off the Mark”; americasquarterly.org;<http://www.americasquarterly.org/content/temer-and-refugees-brazil-mark>]

There are three reasons why such a refugee deal would make sense for Brazil: First, the arrival of refugees could help Brazil’s economy by reducing Brazil’s chronic shortage of skilled workers and by boosting innovation. Refugees – like migrants in general – rarely count on institutional channels or jobs in the public sector, where risk is not rewarded, and so are forced to innovate. The United States serves as a powerful example: Although the foreign-born represent only an eighth of the U.S. population, some 40 percent of Fortune 500 firms were founded by immigrants or their children. Over half of U.S. start-up companies valued at over $1 billion had at least one immigrant founder. Apple, Google, AT&T, Budweiser, Colgate, eBay, General Electric, IBM and McDonalds all owe their origin to a founder who was an immigrant or the child of an immigrant. The same is true in Brazil, where migrants were crucial to economic growth and innovation throughout the 20th century. Critics often retort that refugees may import terrorism and generate xenophobia. Again, the U.S. serves as a useful example: It has accepted 3 million refugees since 1975, yet none has been convicted of domestic terrorism. Xenophobia is extremely unlikely to become a serious problem in Brazil. Brazil is, like the U.S., a country built on the backs of hard-working people from Europe, Asia and Africa, and its rich history of recurrent waves of immigration from all over the world have turned it into a culturally and ethnically diverse melting pot that shaped its national identity (even though racism remains a problem). Brazil is home to more than 10 million people of Arabic descent, and many occupy leading positions in business and government – such as Temer himself. In the university course I teach in São Paulo, my students' surnames point to ancestors from Japan, Hungary, Portugal, Italy, Germany, Lebanon, Syria and Spain – a degree of diversity comparable to any major US university. Yet today, Brazil is no longer an immigrant nation: In 1900, 7.3 percent of Brazil's population was made up of immigrants, while today's figure is a paltry 0.3 percent and declining. During the military dictatorship, immigrants came to be seen less as an opportunity and more as a national security concern, a notion that still influences the way the national bureaucracy deals with immigrants today. Given how few foreigners now live in the country, Brazil, with a population of 200 million could, in theory, absorb a million foreigners or two without causing a surge of xenophobia – the foreign-born populations would still be remarkably low. Second, making a contribution on refugees would significantly boost Brazil's reputation abroad and help partially offset the negative image its current economic and political crisis generates. With governments in Europe and the Middle East desperate to deal with the situation, actively seeking to find ways to bring more refugees to Brazil could help the country in future negotiations with policy makers most affected by the crisis – particularly considering that the rise of populists across Europe, partly in response to the refugee crisis, can be seen as a major threat to stable democracy across the continent. Finally, as the world's seventh-largest economy, Brazil no longer has the luxury to remain passive when it comes to facing the world’s most urgent global challenges. Whenever I make this argument, critics respond that since Brazil did not cause any war, it has no obligation to address its consequences. If applied to other global challenges such as climate change, this logic is dangerously simplistic and shortsighted, and will make meaningful international cooperation impossible. It also overlooks that even accepting 100,000 refugees over the next years would represent a mere 2 percent of Syrians who have fled their country – this would hardly put Brazil at the forefront of this global struggle. Considering the many potential gains at home, there has never been a better moment to step forward.

### Brazilian Economy Strong Despite Crisis

#### Brazilian economy remains strong during Venezuelan refugee crisis

**OECD 18** [OECD, Brazil- Economic Forecast Summary, May 2018, <http://www.oecd.org/eco/outlook/brazil-economic-forecast-summary.htm> qc]

BRAZIL The recovery is strengthening and growth will reach 2.8% in 2019. Solid investment growth reflects improving confidence thanks to recent reform efforts, including in financial markets. Surprisingly low inflation has enhanced the room for monetary easing, which has improved financial conditions. Growth is expected to gain momentum on the basis of further improvements in investment and a recovery of private consumption on the back of lower inflation. Fiscal sustainability, and hence investor confidence, remains at risk without a pension reform. Strengthening the focus of social spending towards those most in need and scaling back ineffective regressive tax breaks and subsidies for specific economic sectors can make public expenditures more effective and more inclusive, and rein in opportunities for corruption. Maintaining strong growth will require further efforts to strengthen productivity, including via greater integration into the global economy. The economy has recovered from the recession The deep recession is over, and year-on-year growth is now above 2%. Investment has supported the recovery, helped by lower interest rates and reforms that improved confidence. These include measures to contain credit subsidies and deepen private financial markets, as well as a labour market reform. However, consumption has been moderate, and the benefits of the recovery have yet to materialise for many Brazilians. The unemployment rate has fallen below its peak of over 13%, but much job growth has been in informal employment rather than in quality jobs. Inflation has fallen below the target range and has been particularly low for low-income households. The quality of fiscal policy has shown some incipient improvements on the back of lower discretionary expenses, but also lower subsidies.

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## Colombia

### Colombian Economy Stable

#### Colombia is Managing Venezuelan Refugees Well and is Stable

Welsh 18 [Teresa Welsh, reporter for foreign affairs and has a degree for Latin American studies, “Colombia Conducts Census of Venezuelan Refugees as Crisis Deepens,”<https://www.devex.com/news/colombia-conducts-census-of-venezuelan-refugees-as-crisis-deepens-92544>, 04/16/18 // Grace Zhang]

WASHINGTON — Colombia is undertaking a campaign to count the number of Venezuelan migrants who have fled their country’s ongoing political and economic crisis to determine who has crossed the border and what services they need, so it can best respond to displaced populations arriving in its eastern departments.

Felipe Muñoz, who has been tasked by Colombian President Juan Manuel Santos with managing the government’s border response, said there is a need to formalize the services and aid his country is already providing to Venezuelans. Bogotá also wants to prepare for a likely increase in migration in the coming months as the situation next door continues to deteriorate.

In two months, we hope to register all Venezuelans who have entered the country without documents in order to know their situations and to be able as a government to establish some modification or extension of humanitarian public policy that the Colombian government is already implementing,” said Muñoz via video at a Brookings Institution event held in Washington, D.C.

Exact numbers of people who have arrived are hard to come by and it is difficult to ascertain if people intend to stay in Colombia or move to another country in South America or the Caribbean.

The lack of accurate data influences the way the United States State Department, U.S. Agency for International Development, and NGOs can plan for and respond to the crisis, a problem the Colombian government hopes the census will help solve. According to Muñoz, there are 30,000 Venezuelan children in the Colombian public school system, and 25,000 in the child care system. Twenty-five thousand Venezuelans have been provided free medical care by Colombia’s public health system.

The Colombian government also intends to set up a formal process for Colombians who had fled their own country during a decades-long civil war for Venezuela, but now seek to return home. This includes children that have a parent from each country but were born in Venezuela and do not have Colombian identity papers.

“They have the right to be Colombian,” Muñoz said.

While Colombians fled their civil war for a stable neighboring Venezuela for decades, that number of migrants does not compare to the pace at which such a large number of people are now fleeing a crumbling Venezuela. According to Matthew Reynolds of the United Nations High Commissioner for Refugees, Latin American has never seen a migrant crisis of such scale as the one currently caused by instability in Venezuela. He said the 1.5 million figure frequently cited by those counting the number of people who have fled Venezuela is a conservative estimate.

“Almost two-thirds of Venezuelans remain in an irregular situation without documentation and unable to apply for asylum or another legal status because of bureaucratic obstacles, long waiting periods, high application fees,” Reynolds said. “Venezuela itself has generously hosted a large refugee population from the region and other parts of the world for decades and this generosity should be recognized and reciprocated.”

Colombia first recognized the need to have a more coordinated response to its border issues in 2015 when the Venezuelan government expelled 22,000 Colombians, Muñoz said. It took about six months for the government’s efforts to get the border situation under control. That infrastructure helped Colombia react in 2017, which saw new highs in the number of Venezuelan migrants arriving.

Karen Freeman, senior deputy assistant administrator in the Bureau for Democracy, Conflict and Humanitarian Assistance at USAID, said the Colombian government’s response so far has been impressive.

“I need to be very generous in my praise of the Colombian government for the role they’re playing as well as countries in the region who are absorbing the impact of the migration,” Freeman said.

Last month, USAID announced an immediate commitment of $2.5 million to aid Colombia’s response to the Venezuelan migrant crisis. The funds will provide emergency food and health assistance for arriving Venezuelans as well as the Colombian communities hosting them. On Friday, the U.S. government announced an additional nearly $16 million in aid, including a contribution to the UNHCR regional response and more money for host communities in Colombia and Brazil.

While Muñoz said his country recognizes its responsibility to provide and care for those migrants that cross into Colombia, the government needs more help from NGOs to better coordinate the response. It particularly needs assistance in managing the health system, to ensure there are no outbreaks of preventable diseases. Because access to medical services has deteriorated so intensely inside Venezuela, many migrants have not had basic care such as vaccines for several years.

“The Colombian government has been taking care of the situation and continues to do so. It is an issue of highest priority for the president, the foreign minister, and the government,” Muñoz said. “The government and state entities will continue to act with solidarity and generosity, but also with security and control.”

#### Colombian economy is strong now and will grow in the near future.

Finance Colombia 2018 [“Colombian Economic Outlook: A Conversation on Recovery, Rates, and Blockchain with Central Bank Head Juan José Echavarría” 18 April 2018 <http://www.financecolombia.com/colombian-economic-outlook-a-conversation-with-central-bank-head-juan-jose-echavarria/>] qc

The Colombian economy slowed more than expected in 2017 to growth rates not seen in a decade. What were some of the main drivers in play? And are you seeing more opportunities for a rebound in 2018? What are the biggest economic risks to Colombia in 2018? The Colombian economy grew 1.8% in 2017, slightly below the growth figure for 2016, or 2.0%. This digit was close to the one forecasted by the central bank’s technical staff months ago, 1.6%, and to the expectations by the majority of market analysts. The fall in the terms of trade since mid-2014 and the sharp slowdown or even contraction of the country’s main trading partners in the region have been the most important reasons behind the slower growth of the economy in the last few years, including 2017. Additionally, the Colombian economy continued to face some adverse transitory supply shocks. In 2017, the process of adjustment of expenditure continued after the huge negative shock to national income due to the fall of the international price of oil and other commodities exported by the country. While an increase in the terms of trade was reported in the same year, their levels remained significantly lower than those observed before 2014. Similarly, the adjustment of both public and private expenditure has taken place gradually in a less favorable external context. However, there has been a significant advance in this process, as suggested by the reduction of the external imbalance. For 2018, the external and internal conditions are more favorable than in previous years, which allows to trust in an acceleration of growth. In its most recent projection, the technical staff of the central bank forecasts a growth figure of 2.7%, and considers that, within a stable international economic context, it may continue to improve and converge towards potential growth in coming years. On the one hand, the average of international oil prices would increase again compared to the previous year, even after considering any foreseeable correction on its level in the coming months. Additionally, the economies of the region begin to show signs of recovery, and advanced economies are at their best moment in the last ten years, which suggests that sectors such as non-traditional exports and services may gain momentum and help consolidate long-term growth. On the domestic front, the decline of inflation and the expansionary monetary policy should help to stimulate demand in the coming months. In addition, investment in civil works announced by the government will continue to contribute significantly to growth, as happened in 2017. However, the possibility of a strong decline of oil prices by an excessive supply that may be deemed to be permanent may require greater and more prolonged adjustments in domestic spending besides those already foreseen. Likewise, the decisions on monetary, fiscal and trade policies that are being made in advanced economies must be considered. Particularly, those related to unforeseen changes in the U.S. Fed’s benchmark interest rate could cause increases in the volatility of financial markets as well as in the risk perception of the economies of the region, increasing the costs of the sources of funding.

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