

The year of moving sideways

Michael Reid

The Americas in a nutshell

After a mediocre economic performance in 2013, Latin America faces another year of treading water. So watch the street—slow-burning social dissatisfaction could turn to conflagration in sudden mass protests almost anywhere, but Argentina, Venezuela and Peru are the likeliest places. The left will remain dominant in the region. The biggest threat to that lies in Brazil, where a possible centre-right victory would change the mood across Latin America.

Economic growth will be around 3%, the region's new normal. In some ways, that is not bad. Most of the larger economies have solid defences against storms elsewhere. But it is a far cry from the 5.4% of 2004-08, the rate the region needs if it is to eliminate the poverty that 30% of Latin Americans still suffer. Growth will become a bit more uniform, thanks to a pre-election fiscal stimulus in Brazil and a splurge on infrastructure in Mexico. After years of faster growth, Chile and Peru face a slowdown. Argentina and Venezuela will struggle, the payback for a decade of populist extravagance.

Brazil apart, the election to watch is in **Colombia**, where Juan Manuel Santos will almost certainly seek a second term in the presidential vote in May. Peace talks with the FARC guerrillas, begun in October 2012, overshadow the ballot. Mr Santos hopes to wrap these up with a peace agreement in time for him to attach a referendum on the deal to the March legislative election. With a successful accord he would coast to victory.

But the path is as strewn with mines as parts of the Colombian countryside. If the FARC procrastinate, Mr Santos may be forced to walk away from the talks. To the right, he will face a challenge from Óscar Iván Zuluaga, the candidate of Álvaro Uribe, his conservative predecessor and former ally turned bitterest foe, who will hope to mobilise opposition by running for the Senate. The left has a strong candidate in Antonio Navarro Wolff, but is disorganised. Mr Santos would probably squeak home even without a peace deal.

In **Chile** Michelle Bachelet, a former president, was poised to win comfortably in an election in November 2013, ending a four-year interlude of rule by the centre-right. She will try to nudge the country

further left than in her previous term, and seek a constitutional change to rewrite the electoral system. But her coalition is unlikely to win enough seats in Congress to manage this on its own. The left will maintain its hold on **Uruguay** in a vote in October 2014, with Tabaré Vázquez, another former president, returning to office. He will tack further to the centre than his outgoing colleague, José Mujica, but will face internal fights in the ruling Broad Front coalition. In **Bolivia**, Evo Morales will win a third term in December 2014 against a disorganised opposition, but

Slow-burning social dissatisfaction could flare up

low-level discontent over corruption and poor public services may cut his majority.

Of a clutch of elections in Central America, the most controversial may come in **Honduras**, in November 2013, where Xiomara Castro may win narrowly. She is the wife of Manuel Zelaya, the president overthrown in a coup in 2009 after he allied himself with Venezuela's Hugo Chávez. If she does win, Honduras looks set to add political confrontation to runaway drug crime and general lawlessness. The conservative ARENA party should win in **El Salvador** in March, though it is likely to require a run-off to beat the ruling left-wing FMLN. The previous month in **Costa**

Rica, the centrist National Liberation Party will hold on to power, but without a congressional majority. **Panama's** election in May will be a close and dirty fight between José Domingo Arias, for the ruling conservative Democratic Change, and Juan Carlos Navarro for the Democratic Revolution Party.

In **Mexico**, 2014 will be a make-or-break year for President Enrique Peña Nieto's ambitious reforms. Attention will focus on his battle to change the constitution to allow private investment in oil, gas and electricity. Foreign oil companies will be watching the detail of the secondary legislation. In **Argentina**, power will ebb away from Cristina Fernández. In **Venezuela** the opposition will hope that a strong performance in local elections in December 2013 will lay the foundation for victory in a legislative election in 2015, which would herald the beginning of the end of Chávez's "revolution", now in the hands of President Nicolás Maduro.

In **Cuba**, for the first time since 1959 the National Assembly will in December 2014 meet in the Capitol, Havana's more-or-less faithful copy of the United States Congress, now being restored. That would be a symbol of President Raúl Castro's desire to separate the institutions of state from the ruling Communist Party before he steps down in 2018. But in Cuba things rarely go to schedule. Having once again falsely forecast the death of Fidel Castro last year, we accept that he will live for ever. ■

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Immortal Fidel, touched by the hand of Maradona