Teneo[®]

LATAM: Scope for a replication of the Bolsonaro phenomenon

- The scope for Latin American countries to emulate Brazil by electing far-right leaders is currently limited despite the continued potency of anti-establishment sentiment.
- Regional political fault-lines could well shift and polarize due to the strengthening of the Right in Brazil.
- Bolsonaro's success or failure will be watched closely across the region, though in practical terms, there are relatively few
 elections in Latin America in 2019.

A key question arising from the recent election victory of Brazil's far-right candidate Jair Bolsonaro is whether he could inspire political outsiders espousing out-and-out rightist views elsewhere in Latin America. Answering this question is difficult because a) Bolsonaro in office may well differ from Bolsonaro on the campaign trail, b) his policy specifics are still being formulated, and c) his success or failure will have an important bearing on whether and/or how far his policies and approaches are emulated. However, it is opportune to examine how fertile the political ground is for far-right politics a la Bolsonaro to take hold beyond Brazil.

Not everything is new

There is a longstanding Latin American tradition of the populist political "outsider", often seemingly emerging from nowhere; this reflects a combination of factors ranging from deep socio-economic inequalities to economic failure to poorly developed party systems. The outsider dynamic has been strongest in Peru, though it remains too early to say whether it will resurface ahead of the 2021 elections. Argentina has seen speculation about a possible outsider candidacy in next year's elections by the TV presenter Marcelo Tinelli, but his intentions are unclear, and if he enters politics – still a big if – it is likely to be under the auspices of an existing party or coalition and most probably as a left-leaning centrist.

The most prominent outsider currently vying for office is El Salvador's Nayib Bukele, who is looking to break the Nationalist Republican Alliance (ARENA) vs. Farabundo Marti National Liberation Front (FMLN) grip on power in the February 2019 elections. El Salvador also illustrates how militarized security strategies – and a heightened public appetite for their application – are nothing new in much of the region, including Mexico and parts of Central America.

Brazilian exceptionalism

Where outsiders do emerge, they are more likely to espouse non-ideological anti-establishment positions than specifically right-wing ones. This points to a certain Brazilian exceptionalism. Nowhere in the region has suffered quite the same mix of corruption scandals, political upheaval, economic recession, and security problems as Brazil over recent years. Mexico – faced with economic stagnation, corruption scandals and worsening security problems – voted in a veteran political

Nicholas Watson Senior Vice President

+44 20 7186 8875 nicholas.watson@teneointel.com

© 2018 Teneo. All rights reserved. This material was produced by Teneo for use solely by the recipient. This communication is intended as general background research and is not intended to constitute advice on any particular commercial investment or trade matter or issue and should not be relied upon for such purposes. The views expressed here represent opinions as of this date and are subject to change without notice. The information has been obtained from sources believed to be reliable but no guarantees can be given as to its accuracy, completeness or reliability. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic or otherwise, without the prior consent of Teneo.

insider – albeit from the Left and running as a "change" candidate – to the presidency this year. The closest Mexico got to a Bolsonaro was Jaime "El Bronco" Rodriguez, who proposed cutting off thieves' hands; he won just 5% of the vote last July.

Peru has certainly experienced an extended political crisis and corruption scandals since 2016, but its economy has remained resilient throughout, while the country's security issues – though a key concern for voters – cannot be compared with Brazil's far more serious security challenges. With Alberto Fujimori (1990-2000), Peru has also had a relatively recent experience with a rightist *caudillo* leader, which did not end well.

Argentina is in recession and politically polarized, while corruption scandals related to the Kirchner years have been a constant over the last two and a half years. Public perceptions of security have also worsened. However, a coherent centerright is already in power, and unlike in Brazil, where the army withdrew from politics with its reputation more or less intact, the end of dictatorship in Argentina left the armed forces completely discredited and in disarray. Celebrating the dictatorship in Argentina remains a total taboo.

As in Argentina, the center-right already governs in Chile and Colombia. Chile's Sebastian Pinera and Colombia's Ivan Duque would both classify themselves as modern, liberal, democratic conservatives, and it is far from inevitable that they would slide towards the more extreme end of the political spectrum even as Bolsonaro upends long-established Brazilian policies. Indeed, if Bolsonaro adopts repressive law and order strategies or echoes the Philippines' Rodrigo Duterte's more outlandish security policies, centrist conservatives like Duque or Pinera would likely keep their distance.

Shifting discourse and fault-lines

This is not to say Bolsonaro will remain an entirely self-contained phenomenon. There are already early signs of a shift in political discourse beyond Brazil; witness Argentine security minister Patricia Bullrich's recent comments in favor of civilians being able to carry firearms. There are also indications that political fault-lines could be moving thanks to the former army captain's rise to power. In Chile, the ultra-conservative Jose Antonio Kast has talked about Bolsonaro's victory helping end the post-dictatorship "stigmatization" of the Right. In Venezuela, Bolsonaro could be part of the reason *Vente Venezuela* leader Maria Corina Machado is establishing a better footing in the mainstream opposition to the Nicolas Maduro regime after years of being pushed to the margins.

Every cause has an effect

If right-wing forces are strengthened or perceived as being in the ascendancy, there is also a chance their opposites will grow, potentially at the expense of the political center-ground. In immediate terms, Bolsonaro's success could push former president Cristina Fernandez (2007-2015) to compete in next year's presidential race. Fernandez's logic is that a popular ex-president facing legal difficulties (Lula) was unable to translate sufficient support to a less well-known lieutenant/proxy candidate, thereby paving the way for the Right to win. Fernandez may therefore persuade herself that – in true populist fashion – only she can head off President Mauricio Macri's re-election.

Looking further ahead, if Bolsonaro – inadvertently or expressly – ends up boosting the Kast-led right-wing in Chile, it could simultaneously provide new momentum for the left-wing Broad Front (FA). That opens up the intriguing possibility of a far more polarized political landscape in which the long-dominant center-ground falls back, leading ultimately to a 2021 election battle pitting out-and-out Right against a much less centrist Left represented by the FA.

Client Portal >>

Nicholas Watson Senior Vice President +44 20 7186 8875 nicholas.watson@teneointel.com

© 2018 Teneo. All rights reserved. This material was produced by Teneo for use solely by the recipient. This communication is intended as general background research and is not intended to constitute advice on any particular commercial investment or trade matter or issue and should not be relied upon for such purposes. The views expressed here represent opinions as of this date and are subject to change without notice. The information has been obtained from sources believed to be reliable but no guarantees can be given as to its accuracy, completeness or reliability. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic or otherwise, without the prior consent of Teneo.