

WEEKLY POLITICAL COMPASS

Welcome to this edition of the Weekly Political Compass from Teneo's political risk advisory team.

This week, we are taking a closer look at **South Africa's** looming elections. Meanwhile, debates about constitutional change have begun in the **Philippines**, **Hungary** will ratify **Sweden's** NATO accession, election campaigning will begin in **Mexico**, and rising food prices are triggering protests in **Nigeria**. Our graph of the week zooms in on **notions of decline** across different societies.

Should you have questions or wish to discuss any of these stories in greater detail, please do not hesitate to reach out to us!

GLOBAL SNAPSHOT

On 23 February, **South Africa's** President Cyril Ramaphosa proclaimed 29 May as the date for the national and provincial elections. Our Africa expert [Anne Frühauf](#) analyzes the situation.

What are the immediate next steps?

The Electoral Commission will now finalize an election timetable, while parties' campaigns kick into high gear. On 24 February, the ANC launched its manifesto at Durban's Moses Mabhida Stadium.

What are the ANC's prospects?

The location for the manifesto launch shows just how crucial an electoral battleground KwaZulu-Natal (KZN) province will be, amid emerging speculation that ex-president Jacob Zuma's MK Party could help squeeze the ANC's margins in the province and even at the national level. This could sow doubt over expectations that the ANC will still garner above 45% of the national vote and end up forming a coalition with smaller, largely moderate parties.

WHAT TO WATCH

ASIA PACIFIC

US/China

An advocacy group representing US automakers urged the US government to block imports of low-cost Chinese autos and auto parts from Mexico. The group [argues](#) that such sales could represent an "extinction-level event for the US auto sector." Chinese-branded autos are virtually nonexistent in the US market, but Chinese-owned factories ship auto parts from Mexico, and US automakers fear a surge in imports of finished electric vehicles, which is already [underway in Europe](#).

Philippines

The lower house of congress today started its debates on constitutional change, ostensibly to ease the nationalist restrictions in the constitution on foreign ownership of public utilities, advertising and basic educational institutions. The senate is also discussing constitutional change. However, upper house members are wary of joining the lower house proceedings because the latter may insist on an interpretation of the required three-fourths vote to approve

the draft amendments as computed from the combined number of the full legislature, which would allow the 317-member lower house to overwhelm the 24-seat senate. Because of this, it remains unclear how the two chambers will reconcile and approve their potentially different versions because of the constitutional requirement that the legislature must act as a constituent assembly to draft amendments.

EUROPE

Hungary

Parliament is scheduled to ratify Sweden's NATO accession on 26 February, the first day of parliament's spring session.

The ratification follows Swedish Prime Minister Ulf Kristersson's visit to Budapest last week, which resulted in an agreement for Hungary to acquire four additional Swedish fighter jets. On the same day, parliament is set to accept the resignation of President Katalin Novak (Fidesz), who decided to step down following a controversial pardon to a convict linked to a child abuse case. After Novak's dismissal, parliament will have 30 days to elect a new president, most likely Fidesz-nominated Tamas Sulyok (independent), current president of the Constitutional Court. Given his low public profile and extensive legal experience, he is considered a "safe" candidate who should help Orban avoid new political scandals at the presidential level.

Russia

On 29 February, President Vladimir Putin is set to deliver his annual address to parliament. This is a constitutionally mandated overview of the situation in the country and the guidelines of internal and foreign policy. One signpost to watch this year is whether Putin makes any references to Transnistria, an internationally recognized part of Moldova which has been controlled by Russia since 1992. On 28 February, self-proclaimed pro-Russian authorities of Transnistria are scheduled to hold a congress of deputies – the first one since 2006 – and might request Moscow's "protection" against alleged threats from Moldova or even demand to be annexed by the Russian Federation. Such a move would signal Russia's territorial ambitions beyond Ukraine and further escalate tensions with Western capitals.

LATIN AMERICA

Brazil

Act in favor of former President Jair Bolsonaro (PL) on Sunday shows the strength of the far-right movement in Brazil.

Numbers diverge widely as to participants in the act, but aerial photos seem to attest to at least 300,000, which is more than 30 times larger than the last campaign rally of President Luiz Inácio Lula da Silva (PT) in August 2022. Three prominent allied state governors, including São Paulo's Tarcisio de Freitas, were present. The act does not change Bolsonaro's ineligibility or other troubles with Justice, including several Federal Police investigations regarding his responsibility for leading a movement towards a coup and the storming and ransacking of public buildings in Brasilia on 8 January 2024. However, the pressure increases on President Lula da Silva to deliver good results to try and lure the support of centrist voters who favor neither side of the current polarization between the former and the current presidents.

Mexico

Claudia Sheinbaum, the presidential candidate for the governing National Regeneration Movement (Morena), will unveil a set of 100 key proposals on 1 March, the official start of campaigning for the June election. Sheinbaum has already said that her proposals will encompass 20 constitutional reforms recently announced by President Andres Manuel Lopez Obrador (AMLO) that include a populist and unfunded pension reform and the suppression of independent regulatory bodies. Given that Sheinbaum is politically unable – and seemingly unwilling – to deviate from her mentor, the manifesto is unlikely to contain anything significantly new or different from AMLO's policy recipe. According to the latest Mitofsky poll carried out earlier in February, Sheinbaum is on 51.6%, while her main rival Xochitl Galvez of the Strength and Heart for Mexico (Fuerza y Corazon por Mexico) coalition is on 27.8%, and Jorge Alvarez Maynez of the Citizen Movement (MC) is on 5.1%. Even as polls consistently put Sheinbaum in a dominant position, the campaign is likely to be combative and polarizing.

MIDDLE EAST AND AFRICA

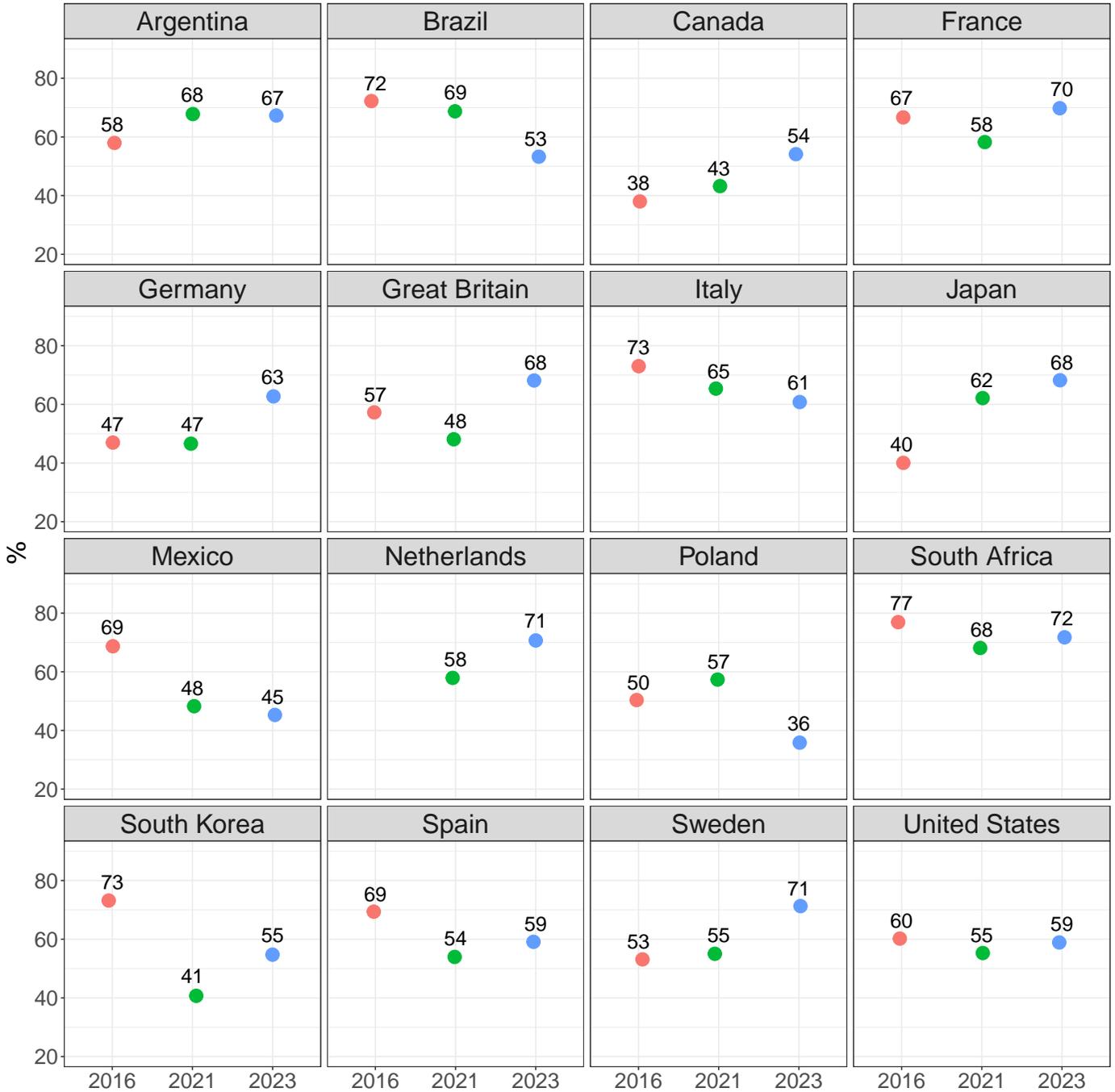
Nigeria

The Nigeria Labour Congress (NLC) plans to stage a protest on 27-28 February in response to growing concerns about rising food prices. This is despite the government stating that the planned protests are illegal and the state security agency hinting at the possibility of rogue elements hijacking the protests. Meanwhile, the Trade Union Congress (TUC) has declined to participate in the NLC-led protests, citing concerns over the volatile state of the country, which it says could turn the protests into “anarchy”. The TUC’s public denouncement of the NLC’s action comes as a major surprise given that the two labor unions have historically aligned on issues. There is still a possibility that the protests could be called off at the last-minute.

GRAPH OF THE WEEK

Most people feel their country is in decline

% who agree their country is in decline (2016–2023)



Source: Ipsos (November–December 2023)

Most citizens across the globe feel **their country's society is in decline**, yet countries have followed notoriously different trajectories over the last decade. For instance, two countries where major elections are taking place this year (the UK and South Africa) have seen a recent spread of pessimism, with around 70% of respondents feeling that their country is in decline. This feeling has also become more prominent over time in other advanced economies such as Japan, Sweden, Germany, and Canada. Meanwhile, in the US, Spain and Italy support for such views has remained comparatively stable. High levels of pessimism across various countries will continue to create a breeding ground for volatile politics, particularly in this crucial election year globally.

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