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Monday, January 19, 2009

Latin America's Political Outlook

Will Chavez and Morales win referendums? Will Chile turn right? We take a closer look at Latin America's political outlook this year.

BY JOACHIM BAMRUD

While Venezuelan strongman Hugo Chavez still garners most of the media headlines from Latin America these days, there are plenty of other political developments in the region that merit just as much, or more, attention.

Latin America will hold six presidential elections this year in addition to six legislative ones and two major referendums that could decide the future of Bolivia and Venezuela. Chile, Ecuador, El Salvador, Honduras, Panama and Uruguay are scheduled to hold presidential elections between March and December, while Mexico will hold a key congressional poll in July.

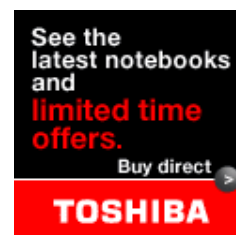
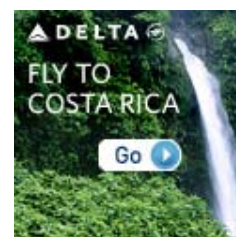
The outcome will be mixed, with El Salvador likely turning left, while



NEXT PRESIDENT? Sebastián Piñera, a businessman and key shareholder in LAN airlines, may become Chile's next president. (Photo: SebastianPinera.cl)



NEW OR SAME? Colombian defense minister and possible president Juan Manuel Santos with current president Alvaro Uribe, who may or may not run for a third term. (Photo: SNE)



Chile and Panama will likely elect center-right candidates. Ecuador may re-elect its sitting leftist president, while Honduras will elect a successor to an increasingly leftist president, causing Chavez to lose a key ally.

Some experts believe the growing crisis will force populist governments to moderate their policies.

“The current group of “populist” states – Argentina, Bolivia, Ecuador, Venezuela, and Nicaragua will be preoccupied with economic and financial issues given the turmoil in global markets, dropping commodity and mineral prices, and concerns over inflation,” says Riordan Roett, director of the Latin America studies program at Johns Hopkins University.

Jerry Haar, Associate Dean and Professor in the College of Business Administration, Florida International University, agrees. “*Pragmatism* will trump terms like *left* and *right*, as Brazil has manifested under [president Luis Inacio Lula da Silva],” he says. “Even die-hard socialists like Correa, Morales and Ortega may have to soften their rhetoric and restrain their actions as their financial patron Hugo Chavez sees his bank account shrink due to the plummeting price of oil.”

However, other experts warn that the crisis could actually lead to more radicalization in Latin America. “Political tensions and radicalization are likely to increase in much of Latin America as wounded capitalism and international markets continue to retreat and begin to reorganize,” says William Ratliff, research fellow at the Hoover Institution at Stanford University. “Reduced foreign investments, commodity exports and prices, as well as declining remittances and other factors, may take a heavy toll. They will demonstrate...

[Full story, including country-by-country outlook](#)

Keywords: Argentina, Bolivia, Brazil, Ecuador, El Salvador, Honduras, Mexico, Panama, Uruguay, Venezuela

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GETTING CLOSER: Businessman Ricardo Martinelli continues to lead polls in Panama. (Photo: Martinelli2009)

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