



Exquisite comedy

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Rather than dictatorships, is there a danger that the region itself could contract a strain of US hubris? This year, for example, Brazil's President Rousseff cancelled a state visit to the United States of America over spying revelations by the host country's security agency and Brazil's director on the International Monetary Fund (IMF) Board, Paulo Nogueira Batista, with surprising candour, criticised the IMF's GBP 1.6 billion payment to Greece in July; an institution which in decades gone by has been a financial saviour not just for Brazil, but other countries in the region too. Brazil and the ten other Latin American countries it represents at the IMF see a very real risk of Greece defaulting, or at least having to delay payments on its IMF liabilities.

Hubris aside, the Americas share one thing in common, put succinctly thus: "Of course, government in general, any government anywhere, is a thing of exquisite comicality to a discerning mind..." So wrote Joseph Conrad in "Nostromo", the book about capitalism in a fictional South American country which I referred to in July (Galeano's Country, Offshore Investment, Issue 238). Those words are as true today as when they were written. Perhaps, however, Latin America was never going to surpass Africa where, even today, there are nine leaders who have been in power for an average of 28 years; as President Yoweri Museveni of Uganda (in office for 27 years) put it: "The problem in Africa in general... is not the people, but leaders who want to overstay in power"; we know that Latin America has not been immune from this.

Conversely, in Venezuela the new President, Nicolás Maduro, is trying to keep alive the spirit of the late Hugo Chávez, telling Venezuelans they "should keep alive his image, voice and thought". But more effort should go into keeping the economy alive.

Chavismo, however, created by Hugo Chávez, just like Peronism has survived colonel Juan Perón in Argentina, will abide. Its key ingredient has been the outward appearance of democracy with power concentrated and laws manipulated. This style of governance saw Hugo Chávez win four elections and lose only one out of six referendums. As we begin a new year, however, Chavismo is a weakened force to be reckoned with because the signs so far are that Nicolás Maduro does not possess Chávez's political astuteness nor his magnetism.

Similar political ideologies exist, for example, in Argentina where Cristina Fernández, less sure-footed, is President. Even although the President's party has kept its majority in both Houses of Congress, support for the governing Front for Victory has gone from 54% two years ago, following her election to a second term in office, down to about 33% following the recent mid-term polls in October. Some political commentators have predicted the beginning of the end for the Kirchner-Fernández era because realistic control policies that deal with the double-headed demon of foreign exchange and imports are sorely needed.

Mrs Fernández may be facing her toughest time since taking office in 2007. Discontent with the government has been growing steadily and at the beginning of October she underwent surgery to drain a blood clot near her brain caused by a two-month-old head injury. Meanwhile, Vice-President Amado Boudou, who has been standing in for her, is being investigated for alleged corruption. Crime and inflation (independent estimates reckon it is running at 25% a year) are two other ailments affecting the body politic.

The president's former Cabinet Chief between 2008 and 2009, Sergio Massa, did well in the mid-term polls and is a possible replacement after he won by nearly 12 percentage points in the province of Buenos Aires where 37% of the country's voters live. He is

currently the mayor of Tigre, only 20 miles or so from Buenos Aires, and heads the Front for Renovation which was only created in June and is a revamped version of Peronism which, in one form or another, has ruled Argentina for all but two of the past 22 years. Seeing his support base as younger and poorer Argentines, he is against cutting public spending and still backs many of the government's social programmes; the main challenge for him will be negotiating the perilous political rapids of the country's congress because unlike his main rival, Daniel Scioli, a Kirchnerist who is governor of Buenos Aires province, he would need to resort to far more politicking and horse-trading with the 256 deputies.

Mr Massa has said that at 41 years of age he is not in a race against time; this may be so, but in the race for the Presidency, just like his Brazilian namesake, Felipe Massa, found out at this year's Monaco Grand Prix, after slamming into the same barrier two days running, a race is full of surprises. With the election not until 2015 there's no sure winner at this stage and a dark horse might still appear, just as Carlos Menem and Nestor Kirchner did. So things could still get messy for Massa.

Also for Nicolás Maduro. Even if Hugo Chávez was still President today, the country's mounting problems which, like a slumbering volcano, could erupt at any time, would have been extremely difficult for him to handle, let alone the poor imitation that Nicolás Maduro seems to be. Crumbling apartment towers, food lines and slums, much like those to be found along the route Chávez's black hearse took from the military academy to the military museum overlooking Caracas, bear testimony to the country's parlous state.

A ceremonial fire awaited the arrival of the late President's hearse, but the one fire that will be hard to extinguish is the one fuelling discontent across a divided Venezuela. When I wrote this column inflation stood at 49%, which is at a level not known in any large Latin American country since the 1990s, and the fiscal deficit hovered around 10% of Gross Domestic Product with the Central Bank's liquid reserves only able to cover a few days' imports in a country where even toilet paper is in short supply.

Although it is necessary to reduce the state's role in the economy, which means that the controls in place need to be removed, the new president has been granted the power by the National Assembly to rule by decree so that he can fight the country-wide corruption and what he describes as economic sabotage by both members of the opposition and his *bête noire*, the US. Already media freedom is being slowly choked, with fears that any sweeping powers will help the President either to manipulate or cancel local elections due this month, the results of which will only be known after my column is published (there is every indication, however, that just like Argentina's mid-term polls, Nicolás Maduro's government could be the loser). Last year's Christmas was joyous for the President after becoming the chosen successor to El Comandante, but this one might not be so merry.

The influence in the region that Cuba and Venezuela once had has been eroded since Fidel Castro and Hugo Chávez are no longer in charge. Venezuela confronts a precipice and Cuba has Raúl Castro, an octogenarian, along with his Politburo members whose average age is over 70, steering the ship of state. Although the Cuban President has moved towards positive reforms, he has insisted on a pace best termed *sin prisa, pero sin pausa* (slowly but steadily). How far these reforms will eventually go, and how long he has left to implement them, is a question to be answered. The next President, however, may not be similar to a young Massa, setting a new course for the island, and might easily come from either the security services or the existing Central Committee. If Argentina swings more towards the Brazilian political model in 2015 that would leave Rafael Correa in Ecuador, who is in office until 2017, as the leading voice for the awkward squad and even although he can rely on support from Evo Morales in Bolivia, neither country has Venezuela's wealth or clout.

It seems to me to be a safe bet that Latin America's democrats are now going to have an easier time in getting their message across, although it is going to still need perseverance of the kind Joseph Conrad prescribed: "Facing it – always facing it – that's the way to get through".

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