

# 2024: Elections, Challenges, and Predictions for the Incoming Governments

In May, one of the largest elections in history will take place as India, the most populous country on Earth, heads to the polls. In the United States, a déjà vu scenario is shaping up between Joe Biden and Donald Trump for the November presidential elections. Meanwhile, in Latin America, Mexico, the Dominican Republic, El Salvador, Panama, and Uruguay will elect presidents in what political scientists call a “super electoral cycle”. Some of these countries face scenarios of change following recent shifts in government, significant political upheavals occurring in Argentina, Guatemala, or Ecuador, while others anticipate continuity.

Amid incendiary rhetoric, Donald Trump is likely to secure the Republican Party’s nomination to challenge Biden for the presidency. The former president, despite baseless claims of electoral fraud in the 2020 elections, has managed to stay relevant in the U.S. public sphere and maintain control of the Republican field.

At 81 years old, Biden, after a period of high inflation, relies on the economy as his strongest ally to win over non-conservative voters who fear Trump’s return. Surveys, acknowledging the



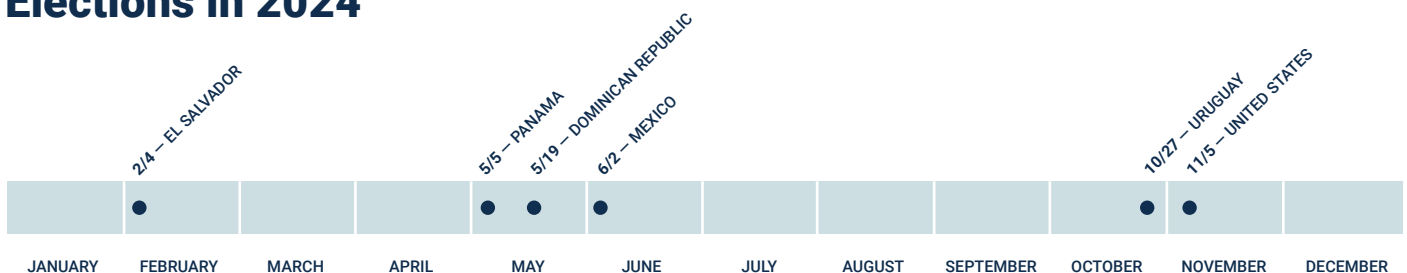
Donald Trump / Joe Biden - Source: Wikimedia Commons

uncertainty of Trump’s candidacy, show a slight shift in trend as the idea of a “comeback” for the millionaire gains ground. Currently, according to RealClearPolitics, the site that publishes the average of all national polls, the former White House occupant leads Biden in voter intention by two percentage points.

For Trump, the challenge is not only political but personal. He has never acknowledged his defeat to Biden, branding him as the “most corrupt” president in U.S. history without providing



## Elections in 2024



## [ 2024: Elections, Challenges, and Predictions for the Incoming Governments ]



evidence for his accusations. Trump faces legal processes at both federal and state levels, involving criminal and civil charges. The most prominent trial, related to the events leading to his supporters' Capitol invasion on January 6, 2021, will commence in March, preceding a crucial electoral day. While Trump capitalized politically and financially on fundraising during his court appearances among his unwavering supporters and the Republican electoral base, many Americans remain skeptical of his "witch hunt" narrative regarding the trials. The memory of a furious president attempting to prevent the certification of Biden's victory by pressuring Vice President Mike Pence is still fresh, contributing to the divisive nature of his discourse.

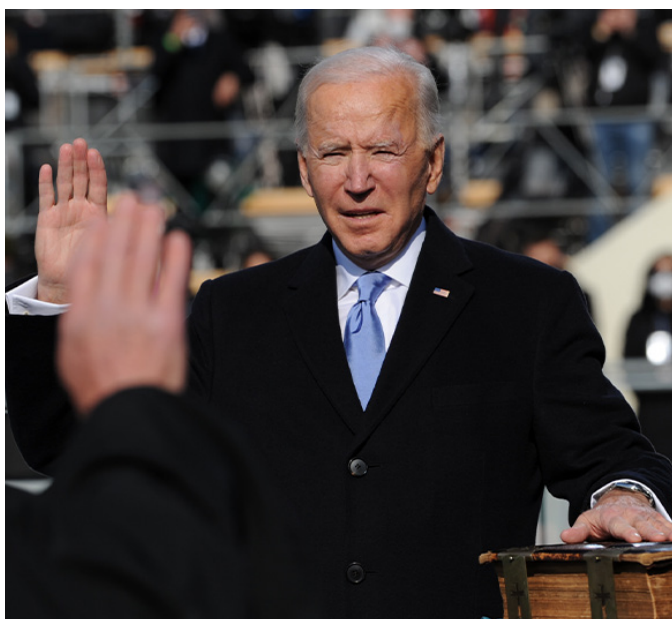
Regardless of who wins the White House, enormous challenges await, including the continuity of support for Ukraine in its conflict with Russia, managing relations with the European



Donald Trump - Source: Wikimedia Commons

Union and the functioning of NATO, which were less smooth during the Trump era than Biden's term. Fundamental decisions on the Israel-Hamas conflict, such as supporting or opposing the "two-state solution" (in contrast to Biden), will need attention. Other questions arise: Will the trade war with China, initiated by Trump, reignite if he returns to power? If so, will the U.S. maintain its policy of "strategic ambiguity" in its relationship with Taiwan?

Taiwan has just elected a new president, the current vice president, Lai Ching-te, of the Democratic Progressive Party, a sovereigntist group that, despite losing the majority in the island's autonomous government, gained favor among voters amid Beijing's threats to take Taiwan by force. The United States, Taiwan's principal military ally, congratulated the Taiwanese people and sent an unofficial delegation to Taipei, causing irritation to the Xi Jinping government in Beijing.



Joe Biden - Source: Wikimedia Commons



## [ 2024: Elections, Challenges, and Predictions for the Incoming Governments ]



South of the Rio Grande, the Mexican electorate is favoring President Andrés Manuel López Obrador. His candidate, former Mayor of Mexico City Claudia Sheinbaum, holds over 50% of the vote preferences in polls, far ahead of the opposition candidate Xóchitl Gálvez, as the campaign enters a mandatory hiatus until March 1st. Economic stability, decreasing inflation, low and declining unemployment rates, combined with AMLO's charisma, underpin Sheinbaum's aspirations. She even managed to gain support from former Foreign Minister Marcelo Ebrard, who initially sought to succeed the president and criticized internal processes within their party, Morena.



Claudia Sheinbaum - Source: Wikimedia Commons

The challenges facing Sheinbaum's government include security issues and finding a lasting solution to the migration crisis, for which cooperation with the United States, the primary destination for migrants crossing Mexican territory, is crucial. The scenario may differ significantly with Trump, increasingly hardline on illegal migration, compared to Biden, whose administration recently secured a victory in the Supreme Court to prevent Texas from controlling its border forcefully with barbed wire along the so-called Rio Grande on the U.S. side.

Mexico's attention is focused much more to the north than the south. Regardless of the outcome of the June 2nd elections, it is challenging to foresee significant modifications in its relationship with the rest of Latin America, where elections will be taking place everywhere.

The most predictable election is in El Salvador, scheduled for early February, where President Nayib Bukele is expected to be re-elected due to the popularity gained from his "war against gangs." Official data shows a sharp decline in the homicide rate in a country that was one of the world's most violent less than a decade ago. How-



Nayib Bukele / El Salvador prison - Source: Wikimedia Commons

## [ 2024: Elections, Challenges, and Predictions for the Incoming Governments ]



Daniel Noboa and Lavinia Valbonesi - Source: Wikimedia Commons



ever, the controversy surrounds a mechanism that led to the detention of over 70,000 people, locked in mega-prisons and, against existing human rights conventions, presented as war spoils to the public.

Combatting violence is a central theme in Latin American electoral discourse. Daniel Noboa ascended to the Presidency of Ecuador in November, facing the worst security crisis in the country's history. Unlike Bukele, Noboa does not require constitutional reinterpretations to seek re-election, but he needs tangible results from his declared "internal war" against criminal organizations.

In Argentina, under the leadership of the ultraliberal Javier Milei, who took office less than two months ago amid the country's worst crisis since the beginning of the century, challenges are immense. With poverty exceeding 40%, particularly concentrated among children, inflation over 200% annually, negative reserves, unpayable debts, and closed credit markets, Milei still enjoys support from over half of the population. However, the equation is difficult to resolve: how



much hardship will Argentinians endure for the fiscal adjustment Milei advocates? The first general strike against his cascade of measures, just 45 days into his term, predicts increased social tension in Argentina, especially as summer ends, vacations conclude, and the combined effects of the crisis and executive decisions become more apparent in people's pockets.

Far from any possible short-term stability, Guatemala is witnessing the initial steps of Bernardo Arévalo's government after the prosecutor's office attempted to prevent his inauguration. Supported by the international community, Arévalo recently assumed the presidency, facing initial clashes with Attorney General Consuelo Porras, who led the offensive against him and announced that she will not resign. Arévalo faces the enormous challenge of creating maneuvering capacity in a minority parliament, with his main adversary entrenched in the Attorney General's office, and he must deliver results to meet the population's high expectations in a country with a 60% poverty rate.



General strike in Argentina - Source: Wikimedia Commons



## [ 2024: Elections, Challenges, and Predictions for the Incoming Governments ]



Bernardo Arévalo - Source: Wikimedia Commons



Adding the highest level of uncertainty is Venezuela under Nicolás Maduro. His regime reached an agreement in Barbados with the opposition, proposing internationally supervised elections in 2024 to address the lack of transparency in the disputed 2018 elections, denounced as fraudulent by dozens of countries that rejected the Chavista government. However, the understanding could collapse due to the onslaught against the opposition, particularly its main figure and presidential candidate, María Corina Machado, effectively barred from elections with no set date.



The United States eased oil sanctions on Venezuela, ostensibly to facilitate the Barbados agreement, although it needs its companies to collect their oil debts in Venezuela before it's too late and, in doing so, release some Venezuelan crude into a market that has been intermittently supply-constrained. The decision the incoming U.S. government will make in January if the Venezuelan regime fails to fulfill its electoral commitment remains uncertain. •



Nicolás Maduro - Source: Wikimedia Commons

The information available in this presentation is for information purposes only. LATAM ConsultUs' information, recommendations, analysis, conclusions and ideas are merely its opinions, and consequently shall not be interpreted in any way as investment advice, offers or invitations to sell or buy or subscribe to any product or service. The use of information, recommendations, analysis and ideas of LATAM ConsultUs are the sole responsibility of those who choose to use them, and thus LATAM ConsultUs shall not be liable in any way for the financial and/or economic performance and/or in kind and/or in any amount over investments or trades carried out using the information, recommendations, analysis, conclusions and ideas provided by LATAM ConsultUs. The value of the products can go up as well as down as a consequence of market fluctuations. Latam ConsultUs cannot guarantee that the information contained in this presentation is precise, complete or timely since it is only accurate as of the date of publication; as are the prices of the products which are solely indicative, and they should not be relied on to provide advice to your clients. [contactus@latamconsultus.com](mailto:contactus@latamconsultus.com)