

It is summertime in the northern hemisphere and whether or not the fish are jumping, or the cotton is high, Mexicans are not jumping to any conclusions, nor are their expectations high, when it comes to this summer's North American Free Trade Agreement (NAFTA) negotiations with the United States of America.

It is one reason, perhaps, that Mexico is seeking new trade partners because of the prevailing uncertainty over future US policy. Even if the Mexicans never come up against an American border brick wall, it could still happen, if not literally, during discussions if President Trump's NAFTA stance proves to be intractable.

Mexico has a lot on its plate at the moment. Politics are steadier than in Brazil, but that could change next year when presidential elections are held. The conservative National Action Party is not down and out by any means and it should not be forgotten that last year President Enrique Peña Nieto's Institutional Revolutionary Party was hammered in 12 states following elections for governors. Things could get worse if the leftist opposition leader, Andrés Manuel López Obrador (known as AMLO), with his Trumpian tendencies, continues his steady climb up the greasy political pole.

MEXICAN SHARKS

The view shared by many Mexicans is that the visit by Donald Trump almost a year ago, when he was then the Republican presidential nominee, was, according to Fernando Dworak, a Mexican political scientist, a "colossal failure".

The Mexican president's subdued, submissive demeanour confronted Trump's haughty and undiplomatic persona which made the Mexican president look weaker than he already does, to the delight of his political opponents. President Peña Nieto is already unpopular because of the levels of violence and corruption that he has struggled to make a dent in.

The late British artist and writer, Leonora Carrington, who lived in Mexico, said that safety under any



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circumstances is an illusion and returning to Mexico in 1993 after a 25-year absence said she felt at home "as one does in a familiar swimming pool with sharks in it". Certainly the political sharks are circling ahead of next year's presidential elections.

The National Action Party and the leftist Party of the Democratic Revolution have joined forces, calling it "a broad alliance", in an effort to oust the ruling party and at the same time halt AMLO, a very unorthodox and outspoken candidate. The two parties make strange bedfellows because they have completely different ideologies but they share one common objective: remove President Peña

Nieto for certain and "give Mexico a coalition government, an honest government delivering results for the benefit of the people".

This will be AMLO's third attempt at becoming president. Third time lucky?

BRAZILIAN LUCK

Speaking of luck, a bumper soy crop, coupled with China's needs, has (for now) at the time of writing lifted Brazil out of recession.

Ironically, it was the end of the commodity boom that hit Brazil and other South American countries very hard economically, but now China has changed from filling orders

for foreign consumers to filling the mouths of its citizens as it turns to the domestic market where demand for livestock feed is high due to soaring meat consumption.

Boom or otherwise, agricultural commodities are a different matter and last year Brazil supplied more than half of China's soya bean imports. Rather than Friedrich Schiller's poem *Ode to Joy*, Brazilians, reflecting that same emotion, should consider writing an Ode to Soy.

Still, joy is not a word on the tongue of many Brazilians at the moment whose country may have left intensive care but whose convalescence will be long and painful. Investment fell by 10.2% in 2016 – not helped by the country's crippling high interest rates (although the central bank is close to bringing them down to single digits). If the economy is perhaps now on the mend, one must hope that the same applies to politics which is now suffering from a continuing, corrosive spate of corruption scandals.

PERUVIAN SCANDAL

Scandal originating in Brazil has now touched Peru where floods earlier in the year had already dealt the economy a blow. More than 1,000 miles of roads and over 175 bridges have been destroyed.

Perhaps President Pedro Pablo Kuczynski's reputation will also be destroyed following entanglement in a huge bribery scandal involving Odebrecht, the dominant Brazilian construction company whose tentacles, via contracts, have embroiled politicians right across the region.

A poll by Datum International, a research firm, revealed that two-thirds of Peruvian's polled believe that the president himself was involved to some degree in the Odebrecht scandal. His approval rating back in March dropped to 32% – just eight months after taking office, and he is already hobbled by a hostile parliament filled with supporters of the opposi-

tion candidate who lost the presidency by a whisker.

ECUADOR'S LENIN

Former Ecuadorian president, Rafael Correa, has no need to worry about approval ratings anymore. Last year before his presidency had ended and President Trump assumed his, he said that he welcomed a Trump triumph. "It's good for Latin America because it's bad for the US". But what might be bad for Latin America is Rafael Correa's successor, Lenin Moreno, who became Ecuador's president in May.

Unkindly, he has been referred to by opponents as the previous president's stooge, having been his vice-president from 2007 to 2013. But unlike either his predecessor, who displayed Trumpian traits, or Vladimir Lenin, whose surname is the president's first name (if you remove the acute accent), he is more conciliatory and even-tempered.

Although President Moreno has received a fillip at the beginning of his term due to Rafael Correa's achievements after more than a decade in power, his win (which has been contested by his main rival) was hardly remarkable 51% to 49%.

But the heady days of high oil prices which, metaphorically, fuelled Correa's successful social plans and brought the 40% poverty rate in 2006 down to 23% last year, are over. He went too far with his largesse and failed to save his petro-windfall. The economy has been contracting for 2 years and trying to raise funds by issuing international bonds has meant that investors are demanding an interest rate of around 10%.

This year is the centenary of the Russian Revolution and contemporaries of Lenin would joke that he thought about revolution 24 hours a day, which is most certainly not what President Moreno has on his mind. Although the president does not criticise his predecessor's brand of socialism, he has said that it belongs to the past: "Now a new time

is coming", as opposed to Venezuela's President Maduro who talks about "the new era".

It's far too soon to firmly associate Ecuador politically with Venezuela but nor is it a comfortable fit, at present, with other countries in the region. Perhaps with yet another touch of irony, one must not forget that Rafael Correa, who is moving to Europe to live, was, despite everything else, able to bring stability to a country which had seen eight presidents, three coups and a currency collapse in the previous 11 years.

We must hope that Venezuela's virulent political virus will not spread and that in Ecuador the only thing acute will remain the accent in President Moreno's first name.

... AND AMERICA?

Mexico is not the only country wary of America's future intentions while President Trump waves his "America First" banner. Mexico, as I said, is looking for new trade partners and it seems to me that Panama, along with other countries in the region, is recognising just how important the China connection is, amply illustrated in June when Panama chose diplomatic ties with China over those with Taiwan.

Germany's Angela Merkel feels that those European countries which, since 1945, have always shared an ideological marriage of the minds with the US, are facing divorce from Washington where President Trump alludes to disengagement from Europe. Is a divorce from Europe on the cards? A European Lonely Hearts Club of countries might emerge, one that during and after the Cold War has always found warmth and comfort under an American blanket. The world needs to take note.

It is 50 years ago this year that The Beatles forever broke the modern music mould by releasing *Sergeant Pepper's Lonely Hearts Club Band* and the opening song on the album proclaims that Sergeant Pepper taught the band to play. America's commander-in-chief, however, unlike the lowly-ranked sergeant, is only interested in teaching the world to play one tune: his own. ■

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