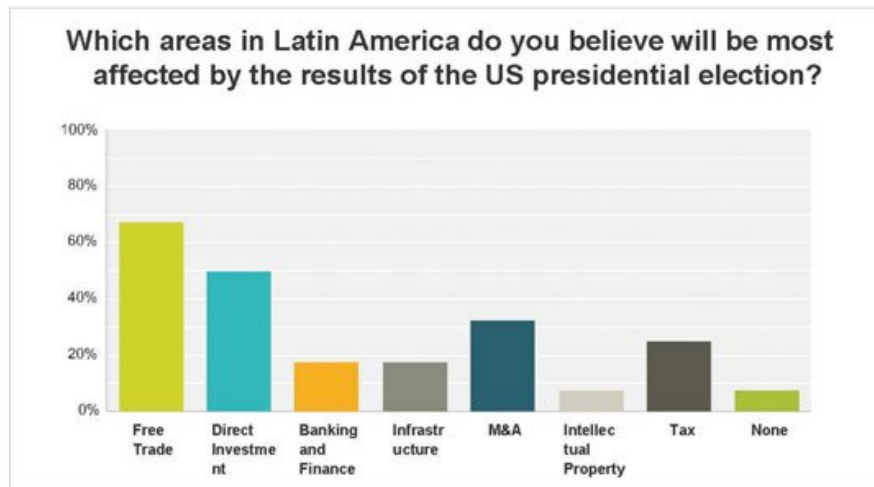


CLINTON PRESIDENCY WOULD 'BOOST LATIN AMERICA'S ECONOMIC OUTLOOK'

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Survey shows that lawyers at firms in Latin America overwhelmingly favour the Democratic candidate in the US election, with most saying a Trump win would worsen US relations with the region

A win for Democratic candidate Hilary Clinton in the US presidential election in November is likely to improve the economic prospects of Latin America, according to a new study by The Latin American Lawyer. A total of 90 per cent of respondents to a survey of lawyers at law firms across Latin America said they were hopeful that Clinton would be the next occupant of the White House. Two-thirds (68 per cent) of respondents agreed that a win for Republican nominee Donald Trump will result in worse relations between the US and Latin America. Meanwhile, 66 per cent believe Trump could negatively affect the economic prospects of Latin America.

However, a number of lawyers are confident that the indicators suggest a triumph for Clinton. Daniel del Rio, senior partner at Basham in Mexico, says the Clinton campaign "seems better organised and is working hard to win over the electorate". Meanwhile, José Morán at Baker & McKenzie in Chicago, says Clinton has more chances of winning, based on electoral college figures – many states in the 2008 general elections were decided by ten or fewer votes per precinct. Moran says there is a "perception that Trump is too disruptive, and people and markets do not react positively to sudden or unanticipated changes".

Some partners are critical of US policy towards Latin America in recent years. One lawyer remarked: "The US' main interests are in Asia and Europe so the future of the Latin American countries should be in the hands of Latin American leaders, not in the hands of a US president."

Trump 'against free trade'

More than 69 per cent of the survey participants agreed that the results of the election will have an impact on free trade initiatives involving the US and Latin America. The consensus is that Republican governments are generally opposed to free trade agreements. Francisco Rosales, partner at Corral Rosales Carmigniani Pérez in Ecuador, says: "Trump is clearly against free trade agreements – Clinton is at least neutral."

However, there is a view that renegotiating current trade agreements may not necessarily be a bad thing. Laércio Pellegrino Filho, partner at Simões Pellegrino Coelho e Castro Advogados in Brazil, said a Trump presidency might seek "fair trade" as opposed to "free trade" agreements, which might be tougher on China and its trade practices and thus create a window of opportunity for Latin American countries to increase their exports.

Only 26 per cent of survey respondents agreed that a Clinton presidency would enhance US relations with the Pacific Alliance countries in addition to signing the Trans-Pacific Partnership (TPP) agreement. Meanwhile, 17 per cent of respondents said they did not foresee any change to free trade agreements between the US and Latin American countries regardless of the result of the US presidential election. Twelve countries are currently party to the TPP: the US, Japan, Malaysia, Vietnam, Singapore, Brunei, Australia, New Zealand, Canada, Mexico, Chile and Peru. However, it has yet to be ratified in the US – the TPP has been a feature of the debate between the presidential candidates with Trump voicing strong opposition to it and Clinton admitting the agreement needs to be revised.

Though Colombia is not part of the TPP, it has formed a trade bloc with Chile, Mexico and Peru called the Pacific Alliance. The alliance has not been a key feature of the Presidential campaign – Hernando Padilla, partner at Philippi Prietocarrizosa Ferrero DU & Uría in Bogota, says the Pacific Alliance is mainly an initiative for the member countries themselves, so the US election result is expected to have little impact. However, the majority of survey respondents believe that Clinton is more likely than Trump to support regional trade initiatives such as the Pacific Alliance.

Trump hampering Latin Americans

The issue of immigration has been a major feature of the election debate and some survey respondents believe that Trump's current anti-immigration stance will have a negative impact on any future US-Latin America relations under his presidency. A senior in-house counsel at a major US company with interests in Latin America says: "Trump might make it more difficult for Latin Americans to do business in the US."

However, Carlos Alfaro, partner at Argentinean law firm Alfaro-Abogados, argues: "Both candidates will favour the expansion of US business abroad and will want to protect US businesses from foreign competition – the candidates will adopt a practical approach to relations with Latin America."