

# Political Risk Update: September 8, 2021

- Guinea: Military coup increases risk of regional instability
- El Salvador: Supreme Court clears way for President Bukele to seek a second term
- Senegal: Despite new alliance, opposition divisions will hurt electoral chances
- Venezuela: Government and opposition talks progress but many obstacles remain
- South Africa: Decision on candidate registration boosts ANC local election chances

## Guinea: Military coup increases risk of regional instability

### Event

On September 5, special forces commander Lt. Colonel Mamady Doumbouya announced the overthrow of President Alpha Conde.

### Outlook

The possibility that loyal army units may attempt a counter-coup will worry Doumbouya in the coming days. Otherwise, there is little domestic constituency for restoring Conde to power. The US, France, and the African Union, as well as the UN, have all called for Conde to be released, but their condemnations carry little weight, especially in the wake of the recent coups in Chad and Mali. Doumbouya's success will increase the risk of further coups throughout the region.

### Analysis

Doumbouya proclaimed the dissolution of the government and constitution, and announced the creation of a committee to oversee the writing of a new constitution and the restoration of democracy. Video shared by soldiers involved in the coup showed Conde apparently unharmed in the presidential palace before being moved to an undisclosed location. Doumbouya had reportedly been threatened with arrest for coup plotting. He had also been in conflict with the defence ministry over his efforts to free his unit from ministerial oversight. Conde, for his part, won a highly controversial third term in October 2020. Opposition figures have been arrested or forced into exile and human rights groups had denounced Conde's increasing authoritarianism.

## El Salvador: Supreme Court clears way President Bukele to seek a second term

### Event

The Supreme Court ruled on September 3 that presidents may serve a second consecutive term in office, paving the way for a 2024 re-election bid by President Nayib Bukele.

## Outlook

The development, which appears to contravene the country's constitution, is the latest of several moves that the government's critics condemn as anti-democratic. However, Bukele's popularity will dampen domestic criticism of his government's actions and his government will frame international criticism of the Supreme Court's action as foreign meddling, which is likely to galvanise his supporters.

## Analysis

The Legislative Assembly last week approved reforms that would forcibly to retire one-third of the country's judges. Previously, in May, it voted to replace the Attorney General and all five judges from the Constitutional Chamber of the Supreme Court, a move which US State Department spokesman Ned Price has said led directly to the reconstituted Court's pro-Bukele ruling last week. Further moves are reportedly underway to extend presidential terms from five years to six. Bukele, who took office in 2019, is popular among Salvadorans; his New Ideas party and its allies took 64 of 84 Assembly seats in February's legislative elections.

## Senegal: Despite new alliance, opposition divisions will hurt electoral chances

### Event

A collection of Senegalese opposition parties announced on September 2 that they are establishing a unity coalition in preparation for next January's local elections.

### Outlook

The unveiling of the new alliance was immediately marred by an announcement from the former ruling Senegalese Democratic Party (PDS) that it had not been consulted and would not be joining. While growing opposition to President Macky Sall in urban areas and among young people poses a stiff challenge to his chances of another term in office, divisions in the opposition will make it difficult to unseat him.

### Analysis

The new opposition grouping helps consolidate an alliance between the two most prominent opposition figures, Ousmane Sonko and former Dakar Mayor Khalifa Sall. Sall had been convicted for embezzlement in 2017 and is banned from running for political office. Sonko was similarly arrested on sexual assault charges in March 2021, leading to several days of violent protests. However, he has not yet stood trial and, whatever the validity of the charges, they are widely viewed (as with Khalifa Sall's) as a politically motivated effort by President Sall (no relation) to remove an influential opponent as he pursues a third presidential term in 2024.

## Venezuela: Government and opposition talks progress but many obstacles remain

### Event

Following four days of talks, the government and opposition delegations meeting in Mexico announced initial agreements on September 6 that include measures to alleviate the impact of the pandemic and expand access to vaccines.

### Outlook

The talks appear likely to make progress on humanitarian issues such as aid and efforts to boost the struggling vaccination campaign. However, agreement on regional elections this year is not likely to lead to rapid progress on holding fresh national elections or on the broader issue of sanctions relief.

### Analysis

The opposition has promised that the next round of talks will focus on respect for the judicial system and 're-institutionalisation' of civil and political rights, as well as on access to funds from multilateral organisations, at the request of the government. Although the dialogue in Mexico has been relatively cordial, President Nicolas Maduro took a more aggressive line in a weekend interview, saying that the talks underscore the legitimacy of his government and calling for opposition leader Juan Guaido to face "severe justice". Meanwhile, a member of Guaido's 'interim government' was replaced in the opposition delegation by Freddy Guevara, recently released from prison. Both sides have agreed to defend Venezuela's interests in the Essequibo region, the subject of a long-standing dispute with Guyana.

## South Africa: Decision on candidate registration boosts ANC local election chances

### Event

On September 6, the Electoral Commission of South Africa (IEC) agreed to reopen the candidate registration process for the municipal elections due at the end of October.

### Outlook

The registration reopening will allow the embattled African National Congress (ANC) to regain lost ground, particularly in the highly contested KwaZulu-Natal province. However, discontent at the government's handling of July's insurrection and the extent of internal splits within the ANC will still lead to electoral losses. Meanwhile, earlier rulings suggest that it is highly unlikely that the Constitutional Court will decide in favour of the lawsuit brought by the Democratic Alliance (DA) party in hopes of preventing the deadline extension.

### Analysis

The IEC's decision came in response to a September 3 ruling by the Constitutional Court that the elections could not be postponed until February, as the IEC had initially requested on the

grounds that the pandemic meant the elections could not be held safely in October. This news comes as great relief to the ruling African National Congress (ANC), which had missed candidate registration deadlines in 93 municipalities due to infighting and failure to pay party administrative staff. Opposition parties have protested the IEC's decision as giving the ANC an unfair advantage.

### About Willis Towers Watson

Willis Towers Watson (NASDAQ: WLTW) is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has 45,000 employees serving more than 140 countries and markets. We design and deliver solutions that manage risk, optimise benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. Our unique perspective allows us to see the critical intersections between talent, assets and ideas — the dynamic formula that drives business performance. Together, we unlock potential. Learn more at [willistowerswatson.com](https://willistowerswatson.com).