Name of Student

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**LATIN AMERICAN BOND MARKETS: AN ANALYSIS OF JOURNAL ARTICLES**

**Journal Article 1: A Regional Reserve Fund for Latin America**

The journal article "*A Regional Reserve Fund for Latin America*" is written by Daniel Titelman, in association with co-writers Esteban Pérez Caldentey, Pablo Carvallo, and Cecilia Vera. The article is taken from CEPAL Review and originally published in April of 2014. Throughout the content, the notion of Fondo Latinoamericano de Reservas (FLAR) and its underlying implications on a broader scale are+ highlighted. Phenomenally, it was 1978 when the utter financial necessity of Venezuela, Ecuador, Colombia, Bolivia, and Peru were addressed through the establishment of The Andean Reserve Fund (FAR). The fundamental reason for such an endeavor was to proffer these five countries with a specific institution to deal with their own financial issues effectively. The proposition proved to be expedient and useful and in turn, FAR attained a substantial foundation and transformed into FLAR. The main reason behind the subject transformation was to expand the FAR to the Latin American regions. Consequently, countries such as Costa Rica, Paraguay, and Uruguay board the ship of FLAR. (FLAR, 2019)

In this context, the subject paper attempts to evaluate the feasibility, prospect challenges and other implications of FLAR. The concurrence of such implications is explicitly or implicitly interconnected with its expansion to countries including Paraguay, Mexico, Argentina, Chile, and Brazil. According to the pivotal posit of paper, it is asserted that a provincial reserve fund such as FLAR is subject to be considered as an extensive system that operates under the supervision of international financial machinery and tackles the issues and intricacies of balance-of-payments. Moreover, it is believed that expansion of FLAR's size as well as the implied association will be a considerable and crucial input, that in turn will strengthen the financial stability and relevant institutional structure, both on an international and regional level. Furthermore, it is claimed throughout the paper that a particular amount of 9-10 billion US dollars will be sufficient enough to fulfill the members' financing requirements. In this context, the mentioned amount is supposed to be sufficed to cover the most probable costs and the possibilities of borrowing additional amount will become lesser. However, in exceptional cases, the subject funding should be flexible enough to broaden its horizon by incorporating the other mechanisms of global financial architecture. It is also discussed that an increase in the number of member countries has the potential to challenge the governance of funds.

The article emphasizes that most likely scenarios can be defined as necessities when only a specific percentage of member countries of certain region encounter complications in their balance-of-payments altogether. On the other hand, other systematic predicaments and vast contagions are not included in this category. Moreover, Mexico and Brazil are two member countries which are known as the regions have the largest economies, and in this regard their contribution is imperative. Nevertheless, the overall outflows of Brazil and Mexico's participation are not comparatively exacerbated, and their total cost considered to be comparatively fair with IMF quotas as well as with the stock of international reserves.

**Questions:**

The article raises several questions to assess the implications and other relevant factors of n+-subject dynamics. In the following two major questions are inscribed.

1. Will the expansion of FLAR to another five countries significantly contribute to financial stability as global public and regional good?
2. Could the institutionalized surveillance mechanism persistent to be an alternative for extended FLAR?

**Journal Article 2: Can Mexico Be Saved? The Peril and Promise of López Obrador**

The selected essay, "*Can Mexico Be Saved? The Peril and Promise of López Obrador*" are written by Denise Dresser, and was originally published in September/October 2018 issue of Foreign Affairs. Throughout the essay, the pell-mell or rather say devastated political and social dilemma of Mexico is elucidated. Phenomenally, the historically shocking election of Mexico held in July 2018 and referred as the election of Andres Manuel Lopez Obrador (AMLO). (Flannery, 2018) The election itself was the reflection of a protest against unfair, corrupted, and criminal governance of Enrique Peña Nieto. During Nieto's ruling tenure, Mexico turned into a cesspool of crime, uneven and unstable economic growth and utmost corruption. According to the retrospect of the essay, it is affirmed that Mexican people were hopeful when in 2012 Enrique Peña Nieto took the charge of the country and promised to infuse the ultimate rationale and liveliness throughout the country. Institutional Revolutionary Party PRI (the political party of Nieto) gained the power after a considerable break of full twelve years.

However, in the past PRI had got the opportunity to rule Mexico, but its reputation and rapport were tarnished because of exacerbated corruption and unfair practices. Nevertheless, in 2012 PRI took the lead with new energy and pretend to eradicate all its corrupt activities in the new decade. The essay recalls that at the time of Nieto's governance commencement, he was considered to be a savior. In due course, even Time Magazine asserted that Nieto is "saving Mexico." Throughout the initial period of this governance, it is observed that Nieto nurtured the energy sector and paved the path for foreign investments. On the other hand, Nieto established the ways to tackle the notion of monopoly and altered the outdated labor laws, he also worked toward the elimination of the capitalist system. But, as the matter of fact, talking is not doing, and the same rule applied to the PRI government. During their governing period, PRI never ceased their unethical practices and sleaze, vote trading, as well as bribery and other similar activities, persist. In the light of such discrepancies, Mexicans started to doubt the system and citizens' believe in political parties was diminished to an extensive extent. The instance of 43 missing students of Ayotzinapa Rural Teacher's college proved to be the last nail and the incident provoked the public drastically. Evidently, the government hindered the efforts of investigation and as a result, all the victims remained disappeared, and no one is aware of their morbid fates till date.

The unfair governance and exceeding corruption of the PRI government smoothed the way for López Obrador to get selected. However, Obrador attained favorable votes but his triumph was not because of his affable persona or politically admiring conduct, rather he became victorious because people voted him to demonstrate their reluctance toward previous government. A myriad of causations make the role of Lopez Obrador a bit polarizing, people from different factions and métier have different views and opinions about him. Critics asserted him as a person who favors the status quo; on the contrary, the followers of Obrador define him as a steadfast supporter of democracy as well as of societal fairness and justice. Further, a few take him as a devil in the disguise of an angel, and the remaining other take him as a redeemer who has the power to reform the old regime to its entirety. The essay concludes that Mexico's prospect prosperity is not interlinked with a single man or any single political party, instead, it needs an extensive democratic alliance.

**Questions:**

The essay raises several questions to describe the political and social conditions of Mexico and its governance system, two of them are given below:

1. Can Mexico Be Saved Through The Notion Of A Single Man Or Party?
2. Is corruption a cultural issue or product of incentives?

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