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Provinces – Argentina

Provinces Strategy Flash: Misiones, Jujuy, & La Rioja elections

Our take from Misiones, Jujuy, and La Rioja elections

With no surprises, the incumbent parties retained the governorship across the three provinces.

With no surprises, the incumbent parties retained the governorship across the three provinces. In the case of La Rioja, the current governor Ricardo Quintela (FdT) went for re-election, and the total votes for him amount to close 50.6% and almost 19pp above the second candidate. It was followed by Felipe Álvarez (JxC), who managed to get around 31.9% of the votes. Finally, the third place was for the libertarian candidate, Martín Menem (LLA), who got 15.6% of the votes. Regarding Misiones, Hugo Passalacqua, from the provincial officialism (PCS) got around 64.3% of the total votes, followed by Martín Arjol (JxC) with 26.5%, and Isaac Lenguaza (FdT) with 4.7%. It is worth noting that Passalacqua was governor of the province between 2015-2019. Finally, in Jujuy it was Carlos Sadir the newly elected governor (JxC), with 49.5% of the total votes, followed by Rubén Rivarola (FdT) with 22.3%, and Alejandro Vilca (FIT) with 12.8%.

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YTD, Neuquén was the only change in political color. With already 5 provincial elections (Neuquén, Rio Negro, La Rioja, Jujuy, and Misiones), only in one of them the officialism could not retain power. In that sense, there has not been as much color swin' as expected. But this makes sense when considering that these elections took place in provinces where the officialism is mostly a party with regional dominance (still with close ties to the Peronism). However, we expect this quietness to start fading in the coming Sunday with the elections in Tucuman, Salta, Tierra del Fuego, San Juan, and La Pampa. And the recent failed attempt from the INDEC to postpone April's CPI print to be released this Friday, to the succeeding Monday (just one day after some provincial elections with close ties to the current administration) supports our view. We expect the coming elections to be much more competitive, with less clear signs that the officialism could retain power. Especially when considering that the Peronism is suffering a drip in its support.

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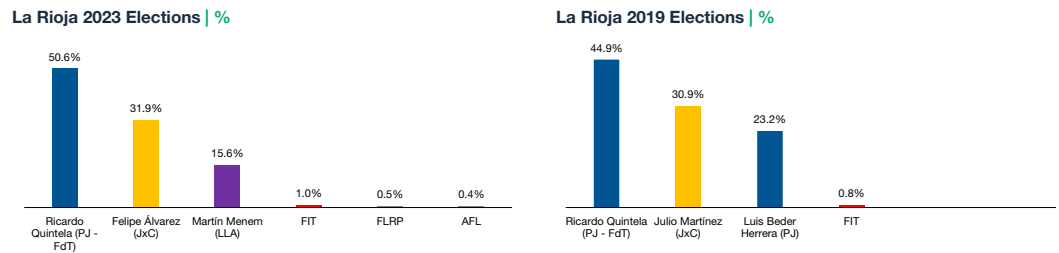
Even though it is too soon to tell as the elections so far are not so representative, Peronism is tracking about 13pp below its 2019 performance. When looking at La Rioja, at first sight, it is a clear win for Quintela leading by 19pp over the second candidate and increasing the number of votes from 44.9% in 2019 to 50.6% now. Still, when looking at the broader picture, back in 2019 the Peronism had two candidates who collectively got 68.1% of the votes (the other candidate was Luis Beder Herrera, and got 23.2%). But now, it was only Quintela running for the Peronism. That represents a drop of almost 18pp, which has been almost entirely absorbed by the libertarian party (posting 15.5%), as JxC performed almost flat. In the case of Jujuy, it is similar. When combining all of the Peronists (including FdT) runners, the amount was around 49.3% in 2019, and now it was around 32.21%. Most of those votes went to the FIT and a lesser extent to JxC and libertarians. Finally, in the case of Misiones, although it is different as it is a regional party, it contains some part of the Peronism. In that sense, when looking at the performance of the PCS and FdT, both lose traction when compared to 2019, in favor of a better performance in the case of JxC. All in all, the average drop for the Peronism stands around 13% when comparing the performance of these three provinces in 2019 and 2023.

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This second round of provincial elections reinforces our belief that the libertarian party underperforms when not having Javier Milei on the ticket. Excluding La Rioja, in the rest of the provinces, the performance of the libertarians came well below expectations and what polls have been suggesting. Still, when including a renowned candidate as in the case of La Rioja, then the party starts gaining some traction. We could expect something similar in Tucuman’s election, but there are no other strong candidates for the rest of the elections. This results in two main key takeaways. On the one hand, we expect the performance of the libertarians to continue to underperform in the coming provincial elections. On the other hand, it continues to be very hard to predict how will Javier Milei perform in the general elections, as he is the only channeler of the people’s political disappointment. We believe that the hypothesis that people end up picking moderate candidates (as one could argue following the recent provincial results) could be misleading from this point of view.

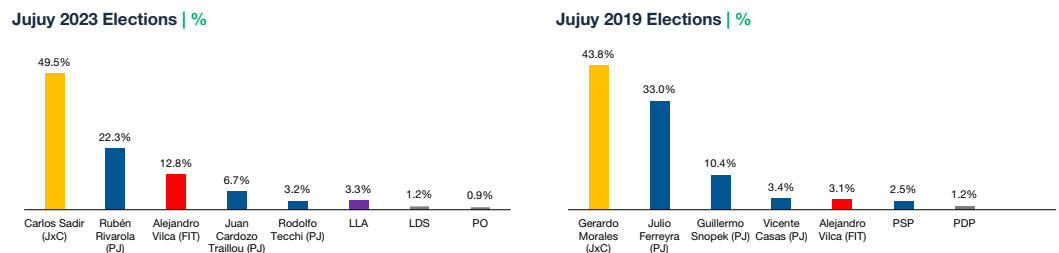
La Rioja

Figure 1: La Rioja 2023 and 2019 elections



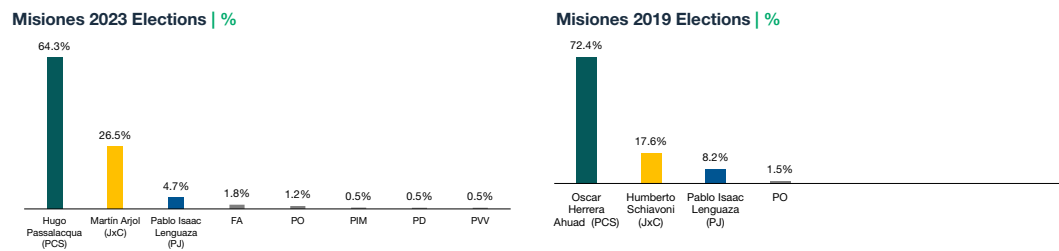
Jujuy

Figure 2: Jujuy 2023 and 2019 elections



Misiones

Figure 3: Misiones 2023 and 2019 elections



Source: TPCG Research

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