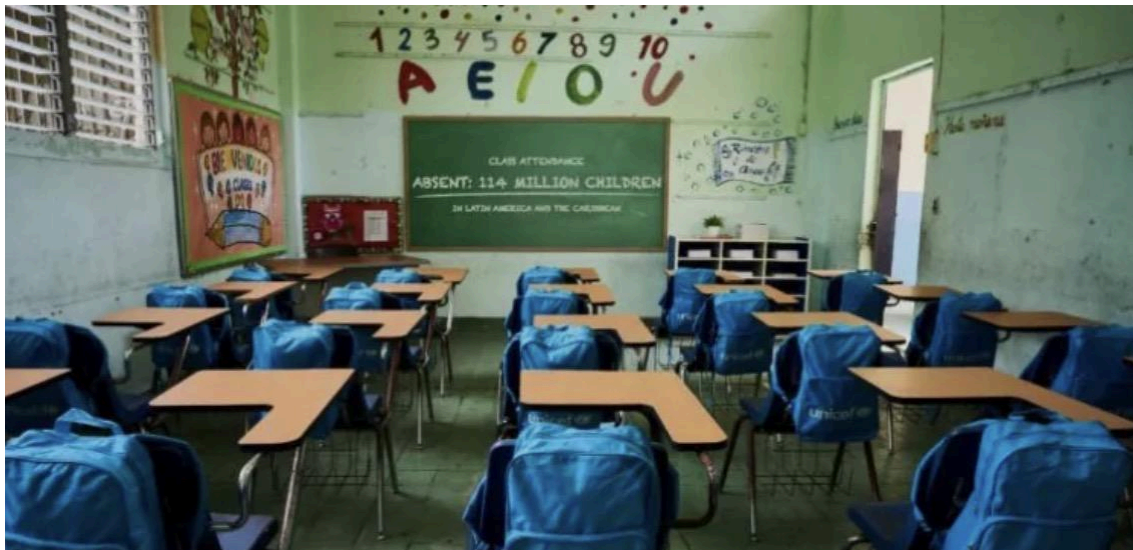




*¡Bienvenidas y bienvenidos to El CC, CCLATAM's newsletter!. Every other week you'll find the main events shaking up Latin America, from Ushuaia in the south to Los Algodones in the north. Sign up [here](#) to stay updated on the region. Get in touch with us, we may feature an excerpt of your response in the next newsletter.*

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## The Baby Bust Issue



Schools in Latin America's main cities spent decades scrambling for classroom space. Now are closing, projecting enrollment drops of 27 percent or more by 2030. Maternity wards are closing for lack of demand. Between 2015 and 2023, the region recorded 1.2 million fewer births — **and by 2030, there will be 11.5 million fewer school-age children than in 2020.** The infrastructure built for a young, growing society is becoming quietly oversized. **A generation expected to fill it simply has not arrived.** In [Buenos Aires, there are already more dogs](#) than children. The same is true in Quito.

Latin America is in the middle of a baby bust of historic proportions, arriving faster than almost anywhere else on earth. The region now averages 1.8 children per woman — below the replacement level of 2.1 needed to keep a population stable. [Three-quarters of its countries and territories have already fallen below that threshold, according to the UN's Economic Commission for Latin America and the Caribbean \(ECLAC\).](#) Chile,

with a fertility rate of just 1.1, now ranks among the lowest in the world. Costa Rica, Uruguay, and Argentina are not far behind.

**The conventional story about falling birth rates holds that they accompany prosperity and progress: as women gain education and economic independence, they choose to have fewer children, and rightly so. There is truth in this.** The steep decline in teenage pregnancies across the region – down nearly 50 percent in Chile over the past decade – reflects genuine gains in reproductive autonomy and access to contraception that should be celebrated, not mourned.

But that story no longer fully explains what is happening. **Latin America’s fertility is collapsing not only among the educated and the empowered. It is collapsing across income levels, across countries with wildly different economic conditions, and at a speed that education and female employment gains – gradual trends – cannot account for alone.** And crucially, surveys consistently show that most young Latin Americans still want children. The problem is that fewer and fewer are managing to have them.

This is what researchers call the “fertility gap” – the widening distance between reproductive desires and reproductive outcomes. [A 2025 UNFPA report surveying 14 countries found that one in five people do not expect to have the number of children they want, pointing to economic insecurity, housing costs, and – notably – the lack of a suitable partner. Fewer couples.](#) Fewer families. More people living alone, or with pets, or online.

Which brings us to the most uncomfortable part of this story: the abuse of digital technology. .

Researchers are increasingly pointing to **digital technology as a key accelerant of the decline.** [A study out of the University of Cincinnati found that in the US and UK, births fell first and fastest in areas that received high-speed mobile internet earliest.](#) Global data suggests the same pattern: Latin American birth rates, which were broadly stable in the early 2000s, began falling markedly around 2012 – precisely when smartphone adoption took off across the region. Brazil, Mexico, and Colombia all followed the curve. The younger the age group tracked, the steeper the drop.

The mechanism is not mysterious. In South Korea, in-person socialising among young adults has halved in two decades. Something similar is happening across Latin America, as young people increasingly live their social lives through screens. “To meet a person you are going to marry requires filtering through a lot of people,” demographer Lyman Stone has observed. “If you socialise much less, it takes you much longer to find a match – if you find one at all.” Social media compounds this by warping expectations: standards calibrated to Instagram are not standards calibrated to the real world.

[Stanford’s Alice Evans](#) has identified a particular dynamic relevant to Latin America: in more traditional societies – where gender roles are more entrenched – the impact of

smartphones on birth rates is greater. Instagram and TikTok, she argues, enable young women to bypass traditional authorities and raise their expectations for a relationship in ways their male counterparts are often unprepared to meet. **The result is a growing ideological gap between young men and women that is making coupling harder, not easier.** The data bears this out: Latin America and the Middle East show among the steepest birth-rate falls of the past decade.

The region is running out of time to absorb this shift. Latin America's great competitive boast for decades has been its demographic dividend – a large, young working-age population that has underpinned economic growth and kept social systems afloat. That dividend is expiring. [Demographer Luis Rosero-Bixby](#) estimates that at current fertility levels, Costa Rica's ratio of workers to retirees will fall from seven-to-one today to one-to-one by 2075. The pay-as-you-go pension systems across the region – already fragile – may not survive this arithmetic.

Unlike Europe, which grew rich before it grew old and built welfare states robust enough to cushion the shock, Latin America faces this transition with weak pension coverage, large informal economies, and governments with limited fiscal capacity. The region is getting old before it gets rich. That is a different, and harder, problem.

What should be done? The honest answer is that no one is quite sure, and the political instinct to reach for “baby bonuses” misses the point. Financial incentives, the evidence shows, rarely move the needle unless extraordinarily generous – and they do nothing for the growing number of people who lack not money, but partners. **The 2025 UNFPA report is right to insist that promoting birth rates must never come at the cost of reproductive autonomy.** Public policy should focus on creating the conditions for those who want children to actually have them: affordable housing, quality childcare, genuine labour market protections for mothers.

But policymakers must also reckon with the deeper cultural shift – the loneliness, the atomisation, the displacement of in-person life by digital life – that no subsidy can easily address. **Governments that regulate social media for children, invest in public spaces and community institutions, and take seriously the epidemic of youth isolation are doing demography as much as social policy.**

In the meantime, Latin America will need to think more creatively about immigration, about retirement ages, about redirecting its shrinking school budgets toward quality rather than quantity.

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La Charla



*This week **Piero Bonadeo** hosts **JP Spinetto**, **Bloomberg Opinion** columnist covering Latin American business, economic affairs and politics, previously Bloomberg News' managing editor for economics and government in the region. **Few journalists have tracked Latin America's energy story as closely** – from the Petrobras scandal era to today's shale renaissance and the geopolitics of a new oil boom. He shares insights on latam energy markets and favorite restaurants in Buenos Aires, Rio de Janeiro and México city.*

About 44% of global crude supply growth between 2025 and 2030 is expected to come from Brazil, Guyana, Argentina and Venezuela. Yet these same countries have signed ambitious climate pledges. Is Latin America managing a realistic energy transition, or is this a contradiction it hasn't fully reckoned with?

***Indeed, Latin America is undergoing a very uneven energy transition: it's a region that already boasts a significant share of renewables and great potential in solar, wind, hydropower and biofuels, yet still depends heavily on imported natural gas and oil while making only mediocre progress toward clean-energy goals. This is less a contradiction than a sign that the region's green potential remains largely untapped, awaiting the investments, policies and long-term strategies needed to unlock it.***

Conflict in the Middle East is creating a rare opening for Latin America to position itself as a reliable energy supplier. How durable is that opportunity – and could the region squander it, as it has done with commodity booms before?

***It's a structural opportunity: today's geopolitics favor Latin America because of its geographical position, abundant natural resources, history of inter-state peace and capacity to benefit from the nearshoring of critical supply chains. Yes, things can go wrong again, but it's far better to be in this position than any other.***

Mexico has shifted from investor-friendly reforms toward a more nationalist approach, even as President Sheinbaum signals renewed openness to private capital. Can Mexico credibly re-engage investors – and what's at stake if it can't?

***For energy investors, it will take time. There are opportunities in the electricity and natural gas sectors, but the oil industry remains dominated by Pemex and by the government's strong nationalistic approach. Ironically, Mexico's failure to build a modern energy industry in which private and state-owned companies coexist and compete has only deepened the country's dependence on imports of Texan natural gas.***

You've called Vaca Muerta a "once-in-a-generation opportunity," but also noted the boom should have happened much sooner, held back by capital controls, price caps and restricted exports. What needs to stick from Milei's reforms for Argentina to actually deliver on its LNG ambitions?

***Argentina still needs to strengthen its macroeconomic framework and prove that stability does not hinge on a single government. Credibility is built day by day, month by month, year by year. Yes, Vaca Muerta should have been developed earlier, but there is now a growing political consensus nowaround the value of exploiting these reserves, creating jobs and generating the much-needed surplus in the country's energy balance.***

Latin America is attracting major data center investment, partly on the promise of abundant renewable energy. But the region already has fragile grids. Is the digital

infrastructure rush creating energy security problem policymakers aren't taking seriously?

*I don't see an immediate energy security problem but policymakers across the region -- as elsewhere in the world -- will face difficult decisions when it comes to attracting data center investments, including over national security concerns. With its abundant renewable energy resources, Latin America once again has a strong opportunity, but social buy-in will be essential. It would be deeply ironic for one of the world's most biodiverse regions, with such a long history of political conflict tied to the exploitation of natural resources, to repeat those same mistakes with the technological revolution of our time.*

You've flagged that political swings in Colombia and Brazil's upcoming electoral cycles could reshape energy policy. How should international energy companies be thinking about political risk in Latin America right now?

*While the region has shifted decisively to the right, potentially paving the way for more business-friendly policies, companies should not forget that political volatility is deeply embedded in Latin America's history. Things can change abruptly, so getting too comfortable would be a mistake. The good news, perhaps, is that this is no longer a uniquely Latin American feature.*

You've covered Latin American commodities for over 15 years – through the Petrobras scandal, the commodity supercycle and now the shale renaissance. What's genuinely different about this cycle? Are the institutions strong enough to translate energy wealth into lasting development?

*It may not be immediately apparent but Latin America is now in a far stronger macroeconomic position, with lower inflation, more prudent monetary policies and stronger exchange-rate regimes. It is telling that most Latin American currencies have appreciated against the US dollar this year despite the uncertainty dominating the global economy. That, in turn, is improving access to international capital markets and helping fund investment opportunities with lower macroeconomic risk. Looking ahead, the real challenge for resource-rich countries will be to build savings*

*institutions capable of managing that wealth in a way that benefits future generations.*

You've written that Latin America's oil and gas expansion is "another opportunity the region can ill afford to miss." How do you square that with the climate commitments these governments have signed? Is there a credible version of this story where hydrocarbon revenues fund a real energy transition?

*Brazil is a good example that this apparent contradiction can be reconciled: Nearly 90% of its electricity already comes from renewable sources, mainly hydropower, but increasingly wind and solar as well. At the same time, the country is the largest oil producer in the region and aims to rank among the world's top five within a few years. One area where Latin America, the world's most urbanized region, can do far more is transportation. Significantly increasing EV penetration would not only help meet climate commitments but also reduce the region's exposure to swings in refined fuel prices.*

You are from Buenos Aires, lived in Rio de Janeiro and now in Mexico City. Should you pick up one restaurant in each city, what would those be?

*In Buenos Aires, I'd go for a classic bodegón like [AlbamonteRistorante](#), with its traditional dishes blending European-influenced recipes and local specialties. In Mexico City, home to one of the most exciting food scenes in the world, I'd choose [Mi Compa Chava](#), where the seafood is so fresh and tasteful your mouth feels transported straight to the Pacific coast. And in Rio de Janeiro, nothing beats an açaí batido com granola from [Polis Sucos](#) in Ipanema, a place where you can soak in the local beach scene without regrets.*

More ideas here:

<https://www.bloomberg.com/opinion/articles/2024-12-05/latin-america-s-real-superpowers-are-chimi-ceviche-and-guac>


Setting energy aside for a moment — after years covering Latin America's politics, crises and occasional breakthroughs, what's your broader read on the region right


now? Is this a moment of real opportunity, or does the structural dysfunction that has held it back still run too deep?


*I am an optimist; I have no doubt this is Latin America's moment, with enormous opportunities and a far stronger position than in the past. But there is still a large and unavoidable asterisk: the region must improve its institutional stability and rule of law, education and security. If countries can deliver on those three fronts, there is no reason Latin America cannot finally achieve the future it has dreamed of for so long.*


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## Elsewhere in Latam


 Hundreds of thousands marched in Buenos Aires on May 12 against Milei's austerity, as his approval sank to -35%. A small win offset the anger: April inflation hit 2.6% — the first sub-3% reading in eleven months.

 Peru: Runoff on June 7. A tense Fujimori vs. Sánchez runoff looms against a backdrop of fraud claims, institutional fragility, and China's heavy economic footprint in the world's second-largest copper producer.

 Chile's independent fiscal watchdog flagged "fiscal risks" in President Kast's mega-reform package, while a key opposition party pulled its support — putting the flagship legislation in serious doubt.

 Whoever wins October's elections, inherits a serious fiscal mess. General government debt is expected to rise to 95% of GDP in 2026 — an unusually heavy burden for an emerging market, and roughly double the debt ratios of Chile and Peru. Goldman Sachs warns that a fourth Lula term cannot repeat the fiscal management of his third, requiring a primary surplus above 2.5% of GDP versus the government's 0.25% target — a tenfold gap.

 Lula and Trump held a three-hour White House meeting, declaring an end to one of the worst bilateral crises in two centuries, agreeing to new channels on trade, security, and regional cooperation.

 The iconic Azteca stadium has had three names in 12 months. It became Estadio Banorte in March 2025 after a sponsorship deal with Grupo Financiero Banorte, whose funding helped finance the renovations. Now, FIFA has formally taken control and renamed it "**Estadio Ciudad de México**" for the duration of the tournament — as it prohibits corporate-sponsored names. It's already in court: a federal judge granted an injunction to private box owners who argued FIFA rules cannot override their contractual rights as Mexicans.

🇧🇷 Banco Master – which collapsed in November over a \$2.3bn fraud leaving a \$10bn hole – has taken an explosive political turn. Intercept Brasil reported this week that Senator Flávio Bolsonaro, Lula’s leading challenger ahead of October’s election, sought financing from the bank’s owner Daniel Vercaro for a film about his jailed father Jair Bolsonaro. The disclosure is the latest in a drip-feed of leaks alleging Vercaro cultivated contacts across Brazil’s political establishment – turning a financial scandal into a direct threat to the opposition’s electoral campaign.

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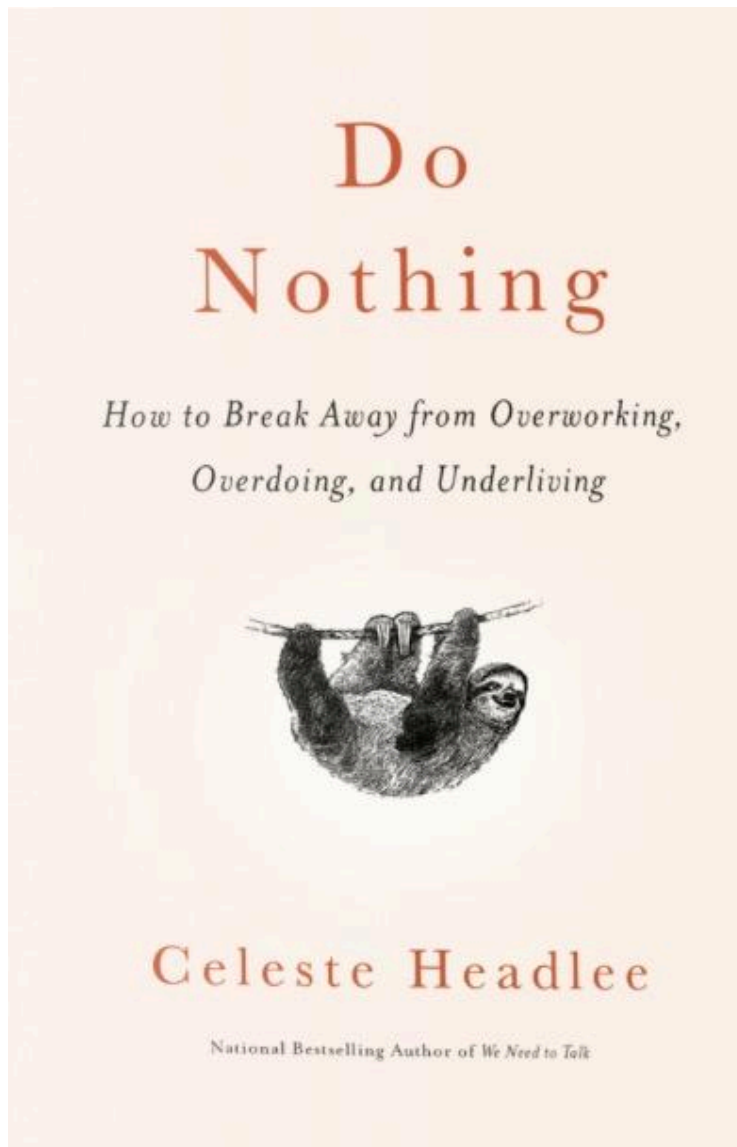
### *La Cita*

“We expect more from technology and less from each other.”

[Sherry Turkle](#) Professor and founding director of the MIT Initiative on Technology and Self.

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### **La Lectura**



[Do Nothing by Celeste Headlee](#). She argues that by trying to do too much, people are actually working less efficiently – **because the human brain isn't designed to multitask or work without rest**. It's a succinct, well-articulated case against productivity for productivity's sake, and in favor of restructuring our lives to prize connection, leisure, and kindness above hustle and grind.

The core provocation is a good one: why do we measure our time in terms of efficiency instead of meaning? Headlee's solution is to embrace true leisure – doing things just for the fun of it.

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*Thank you for reading, nos vemos en la próxima.*