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INTRA-LATIN AMERICAN
RELATIONSThe Challenge of Promoting Cooperation
While Defending Sovereignty*David R. Mares*

Intra-Latin American relations provide a rich historical, geostrategic, ideological and even domestic political set of puzzles for scholars and policymakers who seek to understand central theoretical questions or regional empirical challenges. Yet, although Latin American nations have interacted with each other since their founding, most international relations analysts focus on their relations with the United States. Intra-Latin American relations should also draw the attention of analysts with a U.S. focus, however, because they affect bilateral and regional relations with the United States and extra-regional states and institutions.

This chapter proceeds from the perspective that relations among Latin American nations themselves, though inevitably influenced by the world around them, are important objects of study in their own right. As an organizing framework for conceptualizing these relations, I suggest that there has been and continues to be a fundamental tension in intra-Latin American relations: the promotion and defense of national sovereignty on the one hand, and the recognition that the region would be better able to promote and defend its interests in an anarchic world by cooperating with each other.

Historically, competition has consistently won out. Yet, Latin American history is filled with bilateral and multilateral efforts to accommodate the defense of sovereignty with the promotion of cooperation within Latin American as a whole, or within varying subsets of Latin American nations. The research questions that those historical experiences and contemporary labors generate can be grouped into (1) why pursue cooperative relations; (2) where (geographically and by issue area) has progress been achieved and where not; (3) what limitations on cooperation were explicitly set, why and with what consequences; (4) when (time period) did cooperation predominate or make progress; (5) what do these past successes and failures suggest are the key variables that can be affected to promote greater and deeper cooperation; and (6) what can we expect to be the balance between defending sovereignty and promoting intra-Latin American cooperation in the future?

These key questions need to be addressed in intra-regional and bilateral comparative perspectives across time through the rigorous combining of theory and evidence. Unfortunately, too often the work in the field is propelled by the desire for cooperation to reign

rather than from an appropriately critical scholarly perspective. The result is the misuse of general theories on cooperation, a reliance on the development of formal agreements, and a selective presentation of data to assert that a new cooperative era is at hand.

These errors are more prevalent when discussing political cooperation and security issues than economic concerns because there are no commonly accepted metrics to evaluate progress on political and security issues. It is common, therefore, for analysts to use the number of diplomatic agreements signed as evidence of increasing cooperation without analyzing their actual impact on behavior over time or when considered with other variables (e.g., impact of geography as a deterrent). In addition, indicators of behavior are often poorly defined (e.g., what constitute confidence building measures), and some variables are used whose alleged impact is theoretically weak (e.g., democracy when governments reject Liberal values and institutional constraints). The problem is less pronounced, though still present, for the study of economic cooperation and integration because empirical economists can identify actual rates of progress using definitions and categories that enjoy widespread, though not universal, agreement. Nevertheless, even here there are debates about whether economic integration is progressing, stagnating or diminishing. Research designs are also often inappropriate for measuring the true impact of causal variables on outcomes (e.g., selecting on the dependent variable, for example when only successful cases of border resolutions are discussed).

The chapter opens with brief discussion of the key concepts of sovereignty and cooperation. A historical overview of intra-Latin American relations illustrates the fact that nations have long desired to cooperate in the promotion of security and development. Just as often, however, those efforts were undermined by competitive pressures. A subsequent section examines contemporary challenges to the promotion of cooperative intra-Latin American relations in the political, military and economic arenas. I end the essay by proposing a research agenda for the study of intra-Latin American relations.

Defining Key Terms

In practice, intra-Latin American relations are characterized by the use of key analytic terms as political rhetoric by governments, NGOs, social groups and others involved in the making of those relations. For example, the creation of a regional organization that denounces militarization of disputes without addressing the sources of tension or the types of arms being purchased is hailed as a great advance in building regional security (the South American Defense Council). As analysts we need to distinguish between the loose use of key concepts for political purpose and their utility as elements in an argument about why and how those interstate relations develop. Our goal should not be simply to describe political battles, but to understand the coordinates of political debate and why that debate is fruitful or not. Clarity in analysis is key to that task.

"Sovereignty" as an analytical concept is most usefully defined as the ability of a government to decide how it will respond to international challenges and opportunities.¹ It is not the ability to decide to do whatever one wants or to be impermeable to transnational flows of goods, ideas and people. No state in the international system can choose to ignore potential costs of their behavior in all arenas at all times, nor can any state that seeks to develop its economy be cut off from all flows except those approved by the government. Every actor on the international stage is constantly making choices in terms of what they want to do and how much they believe they would need to "pay" (not just in monetary terms, but also in terms of reputational and opportunity costs) for the options that they are considering.

The concept of sovereignty, therefore, applies to process (choosing a policy) rather than outcomes. Whether a policy chosen produces the expected outcome depends not only on what that government chooses to do but also on what the other relevant governments choose, i.e., international relations takes place in a context of strategic interaction. There are also variables that could affect the outcome and over which the relevant governments may have little influence: global markets, powerful states from outside the region, etc. For example, the price Bolivia demands of Argentina and Brazil for its natural gas is now going to be significantly affected by the technological breakthroughs in shale gas exploitation and the resulting increase in supply and fall in price of liquefied natural gas (LNG).

Analysts need to be aware of the difference between the way in which the concept sovereignty is used popularly (e.g., "the sovereignty of our borders is violated by illegal activities across them" or "the price we get for our natural resources is not just") and its value as an analytic concept to understand relations among states.

"Cooperation" entails the mutual adjustment of policy, rather than a natural agreement to work together (which is better classified as "harmony" and is exceedingly rare).² It represents a policy choice because "adjustment" implies moving away from one's ideal point on any of the three major components that are affected by cooperation: definition of policy goals, strategies for the implementation of a policy, and the distribution of the costs and benefits of that policy. Cooperation does not require that the parties agree to spread the costs of adjustment equally among themselves; rather that distribution will instead reflect the relative bargaining influence of the parties on those issues on which cooperation is being pursued. Cooperation also does not mean that parties agree on all three components: definitions and strategies could be distinct, but complementary, and the distribution of costs in one area could be part of one government's broader foreign or domestic policy agenda, thus making acceptable a less favorable distribution than otherwise. Analysts need to be aware of these possibilities because they make more comprehensible why cooperation happens in some areas (e.g., regional non-proliferation), but not others (international sources of money and arms for groups rebelling against their national governments) or is not lasting (the defense of democracy as defined in the 1991 OAS Declaration of Santiago).

Consequently, a view of sovereignty that emphasizes not ceding on issues that historically defined the nation (territorial boundaries, types of economic activity) or helped define a nation's view of itself (as a producer of certain products) will be a significant obstacle to cooperation, especially that which seeks to promote actual political or economic integration.

Although a policy choice, cooperation could be market or politically driven and its characteristics will reflect that particular logic. Markets can be useful as a relatively impartial (compared to national governments) arbiter among competing interests, but for them to function politics has to permit it, and we'll often see governments complementing economic logic with policies that protect some important interests from the full brunt of market forces. Similarly, politically driven cooperation or integration is also affected by markets. Markets for some products might permit the subsidization of politically driven cooperation or integration, as in the case of Venezuela's petroleum exports to the world market and the promotion of the Bolivarian Alliance for the Americas (ALBA) trade scheme. Too often scholars of Latin America are led by politicians' rhetoric (e.g., "Free" trade or "Bolivarian" integration) rather than by the need to understand the logics and dynamics of different schemes. The challenge for analysts is to distinguish between the two, show the relative influence of each and the implications for cooperation and integration of different combinations.

Competition and Cooperation Throughout History

Latin American countries have historical roots dating back before the birth of the United States that provide constants that influence important issues today (e.g., physical boundaries between communities, movement of peoples, rivalries for influence). This rich colonial and national history needs to be remembered and understood. Ignorance or myth making means some unforeseen obstacles can derail progress though they might have been avoided, mitigated or even resolved if actors had been aware of them. History can provide lessons from what didn't work in the past or how one made progress before something derailed it. One might learn, for example, that the "nation state" in whose defense of sovereignty prior cooperation has been undermined, is itself a construction of the community whose borders have shifted and whose identity is itself a product of internal domination (hence the move towards an ill-defined but fervently pursued "plurinationalism"). In more concrete terms, will the development of "plurinational" states in Bolivia and Guatemala make resolution of the 100+ year-old border disputes with Chile and Belize more likely?

Creating National States Out of Colonial America

At Independence (1810–1823 for most countries), the map of Latin America looked distinctly different than it does today, reflecting the reality that the process of national consolidation created losers and winners within the community of Latin American states. Haiti was the first Latin American country to achieve Independence (in 1804 from France). It was an early powerhouse, conquering the rest of the island of Hispaniola from the Spanish in 1820 until the Spanish-speaking part broke away in 1844 to form the Dominican Republic. But then internal strife rent the nation, and it fell into the economic and political collapse from which it has yet to recover. Haitians fled the chaos in droves, causing problems with recipient countries, including in 1937 a massacre by Dominican Republic police of thousands of Haitians in the country illegally.

Brazil has always been distinct, and always had significant potential to be the leading nation in South America—or a state that would look outside the region for its identity and standing. Not only is the country Portuguese speaking, but decolonization turned it into an Empire, not a Republic as happened in Spanish America (Mexico was a short lived Empire in 1822–1823). Independent Brazil was slave owning until 1888, though most Spanish American nations freed slaves at Independence (slaves were not freed in Cuba until 1886, but the island was still a Spanish colony). Brazil perceived it carried an unfair cost of the fight against Paraguay in the War of Triple Alliance (1864–1870 when Argentina, Uruguay and Brazil decimated Paraguay) and thereafter tried to stay out of intra-Spanish American rivalries. Under the doctrine of *uti possidetis* and the guidance of Baron Rio Branco, Brazil gained through international negotiations and arbitrations territory the size of France from its Spanish American neighbors. Throughout most of the 20th century, Brazil engaged in a military rivalry with Argentina that included purchasing dreadnought battleships prior to WWI, a military alliance with the United States during WWII which allowed Brazil to beef up security on its border with Argentina and a competitive race to develop nuclear weapons that lasted into the 1990s. (Given its own rivalry with Argentina, Chile did not sign the Treaty of Tlatelolco banning nuclear weapons in Latin America either, but it had no active nuclear weapons program.) In many ways, Brazil's relationship with the United States (often perceived as a special one by Brazilians) was based on the idea that it was a stable outsider itself having to deal with unruly Spanish American neighbors.

In short, the transition from colony to sovereignty was very contentious within Latin America. Some larger political units lost significant territory (e.g., the Mexican Empire 1822–1823 claimed all of Central America; Mexico lost what is now the U.S. southwest and its claim on Guatemala; Guatemala lost territory to British Honduras, now Belize; Venezuela lost territory to Guyana; Bolivia lost its littoral province to Chile; and Peru also lost territory to Chile and Colombia, while Ecuador lost territory to Peru); others ceased to exist (i.e., the United Provinces of Central America, Gran Colombia, the Peru-Bolivia Confederation); and still others gained significant territory at the expense of their Latin American neighbors' claims (e.g., Brazil from Bolivia and Argentina from Chile through diplomacy backed by the threat of military force; Chile from Bolivia and Peru, and Peru from Ecuador through military force sanctioned by diplomacy). What is now Uruguay was initially part of Portuguese Brazil (1816–1822), then of the Brazilian Empire from 1822–1828; it was only created as a separate nation at the end of the Argentine-Brazil War (1825–1828).

The contemporary result of these territorial disagreements and forced political settlements is that many land and sea borders remain unclear and unresolved (see Table 23.1)

Table 23.1 Currently Unresolved Interstate Disputes within* Latin America

Countries	Disputed Issue
Boundary Related Disputes	
Honduras–El Salvador–Nicaragua	Golfo de Fonseca delimitation
Honduras–Nicaragua	Maritime delimitation in Caribbean; migration
Nicaragua–Colombia	Maritime delimitation
Nicaragua–Costa Rica	Impact of river dredging on boundary
Honduras–El Salvador	Territorial Isla de Conejo
Colombia–Venezuela	34 points on border in dispute; migration; guerrillas; contraband, including but not limited to drugs;
Brazil–Uruguay	Arroio Invernada (Arroyo de la Invernada) area of Río Quaraí (Río Cuareim) and islands at confluence of Río Quaraí and Uruguay River
Bolivia–Chile	Territorial dispute: outlet to the Pacific
Ecuador–Peru	Maritime delimitation
Chile–Peru	Maritime delimitation
Other Disputes	
Panama–Colombia	Guerrilla incursions into Panama
Ecuador–Colombia	Guerrilla and drug trafficker incursions and environmental impact of Plan Colombia drug war on Ecuador
Argentina/Uruguay	Environmental impacts on the River Uruguay
Haiti–Dominican Republic	Migration

* Latin American nations are involved in inter-state disputes with non-Latin American states as well (e.g., Argentina–Great Britain, Guatemala–Belize, Venezuela–Guyana, and multiple sea-based claims with the U.S.)

Sources: CIA, *The World Factbook 2009*, Department of Defense, *Maritime Claims Reference Manual 2005*; International Boundary Research Unit <http://www.dur.ac.uk/ibra/resources/> accessed February 17, 2010; ICJ press releases <http://www.icj-cij.org/presscom/index.php?p1=6&p2=1> accessed February 17, 2010

Constructing Identities and Politics

The repudiation of colonialism and military struggle for independence stimulated the need for a new identity. Cultural, ideological and political ties have promoted cooperation among the like-minded, but fueled existing tensions or generated new ones. The region has always been internationalized, with regional ties helping those international influences accommodate themselves to Latin America's context.

The reality of cultural diversity across Indigenous, African and European populations created numerous regional and subregional identities and thereby influenced relations among Latin American nations. The first attempts emphasized the distinct nature of life and politics in the New World and ranged from a search for "the western hemisphere Ideal," oriented towards relations with the world (and which fit well within a Monroe Doctrine perspective), to the internal battle of "Civilization v. Barbarism" a la Domingo F. Sarmiento. By the end of the 19th century, writers and thinkers helped construct a sense of cultural commonality among those with Latin roots, with such beacons as Cuban José Martí, Mexican José Vasconcelos, Nicaraguan Rubén Darío, Chilean Pablo Neruda, Argentine Jorge Luis Borges, and Colombian Gabriel García Márquez, among many others read and identified with across national borders. Mexican *boleros*, Argentine tangos, Brazilian sambas and Cuban *trovas* combine with Mexican, Colombian and Venezuelan *telenovelas* as well as Mexican and Argentine cinema to create a cultural dialogue across the region. Paintings and sculpture by the Ecuadorian Oswaldo Guayasamín, Costa Rican Francisco Zúñiga and Colombian Fernando Botero assumed and encouraged a common regional identity.

Culture can clash with ideology, however. In the latter half of the 19th century and into the early 20th, a Positivist-influenced Liberalism propelled Mexicans to support their counterparts' revolts against Conservative governments in Central America. Anarchists were also active and internationally oriented, particularly across incipient Latin American union movements. Progressive and nationalist movements reached across borders, but were not beyond discriminating among adherents, as when the Nicaraguan Augusto César Sandino expelled the Salvadoran Farabundo Martí from his international army because Martí was a Communist. Marxists followed their class ideology in proselytizing and organizing adherents, and with the establishment of the Cuban Revolution, arming them for revolt across the region. The populist Juan Perón tried to extend his influence across the region by creating a hemispheric labor movement, while the Peruvian non-Communist leader on the left Víctor Raúl Haya de la Torre saw his Alianza Popular Revolucionaria Americana (APRA) reproducing itself around the region to promote anti-imperialism and "Indo-Americanism."

Even in retreat, many Latin American leaders internationalized their specific struggles by seeking exile in sympathetic Latin American countries where they could work on creating a political movement back home to return to office. Political leaders in exile, including those involved in conspiracies during the 1940s–1950s to overthrow dictatorships in Central America, Venezuela and the Caribbean³ remained involved in home country politics. In addition there were large movements of persecuted workers, peasants and middle-class intellectuals from the El Salvador massacre in 1932; in the 1970s refugees from Central & South America's national security focused military dictatorships fled to Mexico, Venezuela, Costa Rica and Cuba to continue their opposition to governments back home.

Security Relations

Efforts to create institutional mechanisms to promote security, peace and cooperation among Latin American nations have been pursued since Independence. In 1826 Simón Bolívar convened the Congress of Panama, attended by Mexico, Central America, Colombia, and Peru, which produced a Treaty of Union, League, and Perpetual Confederation. These leaders believed that the structure of national government fundamentally influenced international behavior, and in a harbinger of the region's contemporary views of the security implications of democracy (see below), called for the suspension from the group of any state that significantly altered its structure as a republic.⁴ The Charter of the Organization of American States (OAS) in 1948 banned aggression against another member as well as intervention in the domestic affairs of member states.

Cooperation efforts have historically encompassed security concerns and developed mechanisms to limit arms. For example, Argentina provoked an arms race by attempting to equal Chilean naval strength in 1898; war scares continued until 1902. British mediation successfully brokered the most famous arms control treaty in South American history. The *Pactos de Mayo* of 1902 resulted in both countries selling warships they had under construction in Europe, as well as the disarmament of some ships already in service. Of longer lasting importance, the pacts resolved the power projection rivalry by assigning each its sphere of influence, Chile in the Pacific, Argentina in the Atlantic.⁵ The Treaty of Tlatelolco (1967 and still in force) proscribing nuclear weapons in Latin America is probably the most well-known regional effort.

Economic Relations

There have long been efforts to stimulate economic relations among Latin American nations. Brazil was interested in accessing Bolivian energy supplies in the 1930s (oil) and again in the 1970s (natural gas). There was much collaboration among governments and intellectuals throughout the early 20th century as they developed nationalist energy legislation to deal with the private international oil companies. But there was also competition in economics, which produced spectacular events like Chile's seizure of Bolivian and Peruvian nitrate-rich territory in the War of the Pacific. Even less stunning efforts carried serious consequences for the loser, as when Argentina ended Bolivia's dreams of exporting oil in the 1920s by refusing to permit building of an oil pipeline linking Bolivia to the Parana River and placing a high tariff on Bolivian crude passing through its territory in order to keep Argentine oil attractive to the private international oil companies.⁶

After WWII Latin American nations, with the West European example and prodded by the UN Economic Commission on Latin America, promoted regional economic integration as a means of fueling economic development. Most Latin American countries, including Argentina and Chile, signed multiple bilateral trade agreements.⁷ In 1953 the democratic governments of General Carlos Ibáñez del Campo (1952–1958) and General Juan Domingo Perón (1948–1955) signed a treaty to create an economic union, with a gradual elimination of tariffs. The Union was to be open to all countries of South America. It was followed by another agreement on trade and financial cooperation.⁸

In 1960 the Latin American Free Trade Association (LAFTA) was created by Argentina, Brazil, Chile, Mexico, Paraguay, Peru and Uruguay to promote the establishment of a common market; Bolivia, Colombia, Ecuador and Venezuela joined in 1970. But little progress was made, and in 1980 it was reorganized as the Latin American Integration Association

(ALADI), with more flexible policies designed to promote greater membership and even bilateral integration agreements. In 1969 Bolivia, Chile, Colombia, Ecuador and Peru created the Andean Pact to promote their economic integration within an import-substitution industrialization paradigm; Venezuela joined in 1973. But Chile withdrew in 1976 as it embarked on an incompatible neo-liberal development strategy and Venezuela left it in 2006, claiming that the Colombian and Peruvian Free Trade Agreements with the United States undermined the organization. In 1987 the organization was significantly modified to emphasize the primacy of market mechanisms, export oriented industrialization and a greater role for foreign investment, to be achieved via tariff reductions, the adoption of a common external tariff and limited policy harmonization across member countries. One of the major objectives of the modifications was to improve the Andean Group's integration with the rest of the world. The Andean Community, as it is now called, developed other integration efforts with a court of justice, parliament and council of foreign ministers in 1979. A development bank created to support the Andean Pact, the Corporación Andino de Fomento (CAF), now has members from outside the Andes as well as fifteen private Latin American banks and funds projects in Brazil, Uruguay, Argentina, Venezuela, the Dominican Republic, and Panama.

The following five Central American countries have the longest current continuous history of integration efforts in the region and these span the economic, political and social realms. A series of bilateral free trade agreements in the 1950s among Guatemala, Honduras, El Salvador, Nicaragua and Costa Rica were the precursors for the General Treaty of Central American Economic Integration ratified in 1961–1962. A number of ancillary organizations were created to promote integration, including a Permanent Secretariat, development bank, monetary clearing house and monetary council (see Table 23.2). Trade among members as a percentage of their total trade expanded rapidly, from 7% in 1960 to 26% in 1970.

But the 1969 war between El Salvador and Honduras began the significant weakening of integration efforts. The two countries had no official commercial or diplomatic relations for a decade afterward. Honduras withdrew from the Common Market in 1970 when the group failed to enact reforms it favored. Although the value of intraregional trade continued to rise in the 1970s, its relative share stagnated, then collapsed when the civil wars and debt crises of the 1980s hit. The integration effort recovered in 1991, when the Central American Integration System agreements were developed. The Dominican Republic became an associate state in 2004, and Mexico, Chile and Brazil joined as regional observers.

The movements of people across Latin American borders looking for work, that is, economic refugees, have generated transnational communities as they have become integrated into a neighboring state's society, e.g., Bolivians into Argentina, Brazilians into Uruguay, Peruvians into Chile, Colombians into Venezuela, and Central Americans into Mexico. That movement has also created tensions and the need for bilateral policies to deal with the social, economic and political externalities generated, particularly by Haitians in the Dominican Republic, Guatemalans in Mexico, and Nicaraguans in Costa Rica. A specter holding continuing threat to neighbors is Brazilians' migration into disputed territory with its neighbors in the early 20th century which resulted in a successful challenge to sovereignty. Currently, on the Paraguayan side of the border with Brazil, there are towns using Brazilian currency, speaking Portuguese in schools and flying the Brazilian flag. In addition, tempers run high at Brazilian soybean farmers' massive land purchase and rentals for mechanized soybean production which throws Paraguayan peasants off the land.

Table 23.2 Central America's Institutional Context, c. 1967

Central American, Official:	
	Permanent Secretariat of the General Treaty
	Executive Council of the General Treaty
Central American Economic Council	
	Central American Bank for Economic Integration
	Central American Institute of Research & Industrial Technology
	Central American School of Public Administration
	Central American Monetary Council
	Central American Clearing House
	Superior Council for Central American Universities
	Institute of Nutrition of Central American & Panama
	Regional Plant & Animal Sanitation Organization
	Council of Labor and Social Welfare
	Central American Tourism Secretariat
Central American, Private Sector	
	Central American Air Navigation Service Corporation
	Central American Institute of Business Management
	Federation of Central American Associations & Chambers of Industries
	Central American Institute of Labor Union Studies
	Central American Federation of Chambers of Commerce
International	
	UN Economic Commission on Latin America
	U.S. Agency for International Development
	Organization of American States
	Inter-American Development Bank

Source: Central American Bank for Economic Integration, Investment Development Department, *Investment Opportunities in the Central American Common Market* Tegucigalpa, Honduras, 1967, pp. 62-63

Contemporary Challenges for Studying Intra-Latin American Relations

As the historical review clearly indicates, in evaluating progress on cooperation in the region, or its broader economic, security and political implications, analysts must not get lost in the proliferation of agreements signed and promises made—many of these never come to fruition, or are undermined when governments are replaced or economic conditions change. In this section I propose some avenues for investigation that will further our theoretical understanding of intra-Latin American relations.

Indigenous Rights and the Redefinition of the Nation State

Ethno-nationalism or the assertion of *indigenismo* is a new issue with no historical parallel since heretofore indigenous peoples were to be conquered or excluded or annihilated, or assimilated into *mestizaje*. (The alleged *indigenismo* of the early 20th century was in reality

premised on the desirability of assimilation into the *mestizo* world.) Until the last few years integration has been thought of in terms of Western-defined nation states, and though many scholars and activists welcome this assertion of *indigenismo*, we have not systematically and rigorously incorporated this new variable into our studies. If those of us who study Latin America's international relations are to do so, we need to rely on our comparative politics colleagues and their interdisciplinary work with sociologists, anthropologists and philosophers to define and measure the analytic coordinates of these new forms of identity in the region. Assuming that we can distinguish these categories, a number of important questions arise for the study of intra-Latin American relations.

If we're now dealing with plurinational states, how does an Indigenous America nation that extends from the Yaqui in northern Mexico to the Mapuche in southern Chile, or a pan-Maya or pan-Quechua nation that extends beyond the Western-recognized boundaries of a nation affect relations among plurinational states? And how will the process of finding the basis for cooperation be affected if indigenous peoples truly reject the Western view of dominating nature and the pursuit of material well-being? How will this different world view impact relations with countries where the vast majority want development, including natural resource exploitation, to bring lower prices for fuel, food and recreation? The African heritage in the Caribbean basin has been a factor in its evolution since Independence, but Brazil, Peru and Colombia have been latecomers to thinking about how Afro-Latin America fits into the national identity. Brazil has developed significant relations with African countries as a result. Will an Afro-nationalism become part of Latin America's plurinationalism? In short, how does ethnonationalism or the assertion of *indigenismo* fit with the efforts to bring Latin American countries and societies closer together?

Cooperation for the Promotion and Defense of Democracy

Although the United States and Latin America gave lip service to the goal of promoting and defending democracy in the Charter of the Organization of American States that called for democracy in the region, it was not until the third wave of democracy had resulted in the 1990s in elected governments in all Latin American countries except Cuba, that Latin American governments took on the defense of democracy as a practical goal to be pursued. While there are moral and human rights arguments for democratic politics, what concerns us here is the use of the "democratic peace" theoretical argument to justify this change.

Within the field of international relations, scholars uncovered an empirical fact: nations with democratic governments have never engaged in war between or among themselves. Explanations were developed that emphasized the determining influence of norms or institutions for explaining that peace. In search of promoting a zone of peace in Latin America, virtually all of the analysts working on security issues in the region concluded that defending democracy was important to peace in the region.

These analysts ignored, however, the conditions under which virtually all of these theories were postulated to hold. The definition of peace meant that no conflict exceeded the technical definition of war: a conflict in which at least one-thousand deaths were battlefield related.⁹ While democratic peace theorists in the international relations field have raised the need to explain why democratic nations do engage in militarized conflicts that can result in up to 999 battlefield related deaths, Latin Americanists have tended to equate democratic peace with no militarized conflict at all: military force to resolve interstate disputes is not just illegitimate, but inconceivable. Ignoring the presence of militarized interstate disputes, explaining the 1982 Malvinas/Falklands War between Argentina and Great Britain as an

anomaly of military government, and often forgetting about the 1969 war between Honduras and El Salvador, security analysts working on Latin America simply proclaim the region the most peaceful in the world, then move on to assert that democracy is fundamental to the continuation of this state of affairs.

Outside the region, democratic peace theorists have been very concerned to discover the logic of how democratic norms or institutions restrain the use of military force in interstate conflict. For the normative analysts, it is the Liberal principle that dissenting views are considered inherently legitimate. For institutional analysts, it is the dispersal of policymaking power that develops via constraints on the Executive. In fact, some democratic peace theorists have argued that the period of democratization is a particularly dangerous time for war because leaders can use nationalist appeals and the democratic process to raise fear of neighboring states and peoples among the citizenry in order to silence critics and consolidate power at home.¹⁰

Yet, applications of the democratic peace argument in Latin America refuse to engage in the requisite discrimination among governments to distinguish among which nations a democratic peace can be constructed and which governments in fact represent a threat to peace in the region. The very notion of a participatory rather than Liberal democracy needs to be analyzed for its normative and institutional logics to determine whether the democratic peace outcome can still be expected to result. But in the name of sovereignty and regional peace itself, governments refuse to engage in this discussion and the academic community ignores the issue in their analyses.

For example, the Rio Group developed a democratic clause and expelled Panama when that country held fraudulent elections in 1988 (but Cuba was incorporated in 2008). Other intra-Latin American institutions (e.g., Mercosur and the Central American Integration System) continue to require democracy, but all insist on respecting the principle of non-intervention. This stipulation means that no external definition of democracy or evaluation of whether a country has slipped out of democratic politics is permitted; *de facto*, what is meant by democracy is that presidents and legislators are selected via some electoral process and that the military not terminate elected officials' tenures early. It is acceptable, however, for a small segment of the civilian electorate to riot in the street and terminate a president's term early. Compare the responses of most Latin American countries to the civil-military coup in Honduras in 2009 with that in Ecuador in 2001, Bolivia in 2003 and Ecuador again in 2005; the Latin American consensus was that the ousted Honduran president had to return to office for subsequent elections to be legitimate, but these conditions were not applied in cases where violent street demonstrations forced presidents out. Although comparative politics analysts do work on the debate about whether democracy exists or not in a number of Latin American countries, regional relations analyses undertaken by Latin Americanists do not incorporate those debates.

The continued agony of a number of Latin American countries with marginally democratic politics is a reality in the region; the events taking place in Haiti, Bolivia, Ecuador, Venezuela and Nicaragua do not suggest a process of democratic consolidation. Consequently, if the new inter-American security institutions seek to promote peace and security via democracies they would need to not only support electoral democracies, but promote the quick movement out of this dangerous transition phase. Unfortunately, that would put the institutions up against the interests of those civilian governments that do not want international evaluation of their quality of democracy. Yet, no Latin American leaders and few scholars point out this discrepancy between justification and policy. If, in fact, illiberal

and unconsolidated democracies do promote peace in the region, Latin Americanists have much to contribute to the literature on peace and war and should do so.

Confidence Building and Security Institutions

After the horrors of the bureaucratic-authoritarian governments, Latin American governments and societies developed new conceptions of what security meant. Newly democratic governments created a new set of institutions, and revitalized some old ones, to address those security concerns. These intra-Latin American security institutions have been very active and fairly efficient. They have not been able to turn the region into a zone of positive peace, but the costs governments have paid for those institutions have been minimal. Treaties promoting confidence and security building measures (CSBM) are signed but not ratified, or if ratified, not abided by. If one looks historically, peaceful resolution of conflicts happens when states want conflicts resolved peacefully, just as in the era before this new wave of CSBMs. No study has yet demonstrated through a time series or historical analysis that these institutions have actually had the assumed impact. Had governments wanted something different, they would have designed their CSBM with the same penalties as they endowed the defense of electoral selection of government (as noted in the prior section, it is not actually democracy that matters): violate the rule and you are not allowed to participate in the institution.

Contemporary inter-American security institutions are designed to produce peace and security by promoting and enhancing cooperation among states. Interstate cooperation, in turn, is to be achieved by (1) promoting confidence building and security measures (CSBMs) and the peaceful resolution of conflict; (2) defending democracy; and (3) promoting economic integration. The western hemisphere is pursuing what has been denominated by Johan Galtung as positive peace and security in which states work together to promote common goals such as development and human security. This contrasts with negative peace, which simply means that states are not warring with each other. The creation of a positive peace is a significantly more ambitious goal than the traditional one of simply maintaining peace among neighboring states.

Intra-Latin American CSBMs function across three levels of interstate relationships: unilateral, bilateral, and subregional.¹¹ Unilateral measures, by the very nature of the security arena, are rare. Chile's decision to produce and make public a Defense White Paper detailing its presumptions about the security environment the country faces, its defense structure, goals and policies, represents an effort to provide confidence-building information to neighbors in a transparent fashion and serves as an example to the rest of Latin America. The subsequent call by the OAS and the Summit process for the development of Defense White Papers as a CSBM illustrates the utility of the Chilean unilateral act. Clearly, analysts who see these documents as important need to develop a common accounting and agreed upon criteria for classification, develop arguments about how different aspects of these documents do or do not function as CSBMs, and then subject these arguments to quantitative or qualitative tests.

Bilateral CSBMs

Bilateral efforts at confidence and security building proliferated in the 1980s in the aftermath of the Malvinas War, the Central American civil wars and the war scares in 1978

among Argentina, Chile, Peru and Bolivia. After its defeat in the Malvinas War, Argentina was involved with its traditional rivals Brazil and Chile in far-reaching bilateral measures covering nuclear policy, border delimitation and military movements. Chile, in turn, embarked on CSBMs with its traditional rivals, Peru and Bolivia, but the territorial dispute with the latter has limited the relationship.

While more activity is occurring with CSBMs at the subregional level, today than ever before, the daily activity of confidence and security building continues to be at the bilateral level. But in the absence of a methodology to distinguish between mere contact and the actual building of confidence, it is difficult to evaluate the impact of activities such as a military ski championship between Chile and Argentina; Peruvian efforts to spur tourism by military personnel with its neighbors; or Brazilian military students taking courses in Mexico. Even the countries that are ostensibly building confidence with the other do not agree on what measures build confidence. Hence Colombia listed five CSBMs of a military nature with Ecuador in 1995, but the latter reported nine such measures between them; Peru did not list Argentina as a country with whom it was engaged in such measures, but the latter listed Peru eleven times in its inventory.¹² OAS efforts to provide guidelines are virtually useless as their experts came up with five single-spaced pages listing measures that could be considered CSBMs.¹³ The efficiency of this level of detail (in terms of the manpower used to track and report it) undoubtedly exceeds its benefits since the lower level of reporting by other countries is deemed to have met the requirements. The same needs for definition, hypothesis generation and testing as we saw regarding White Papers are relevant here.

Subregional CSBMs

A consensus exists in the western hemisphere that many security issues or threat characteristics are peculiar to only parts of the region, that priorities may differ across the hemisphere and that neighboring states may find it easier to cooperate on particular security issues than would states at opposite ends of the hemisphere. Consequently, the hemisphere has had a veritable explosion of subregional CSBMs. Among the most important are Mercosur's democracy requirement for membership and Central America's Framework Treaty on Democratic Security in Central America. The latter has explicit sections detailing conflict prevention and early warning measures, creating or strengthening existing Central American peaceful resolution of conflict mechanisms. The Union of South American States (UNASUR) has weighed in on the Colombia-Ecuador-Venezuela fallout after the U.S. military base agreement in 2009.

Not everyone has been happy with the proliferation of subregional groupings and CSBMs specific to them. Questions that arise include whether they are duplicating efforts at the regional level. Do they have overlapping functions? Are they relatively autonomous? What has remained unspoken is perhaps the most pressing question: can CSBMs at the subregional level actually be de-stabilizing for other subregions or the region as a whole?

Economic Integration

Promoting economic integration among members of the American community entails two aspects: creating the economic integration institutions themselves and stimulating the flow of goods, services and investment capital. The goal is to create economic integration agreements that are deeper and wider, that is, cover more goods and services, as well as ancillary aspects that further promote integration, such as international exchanges among business-

men that encourage joint ventures and business relationships. In addition, these agreements will be more than pieces of paper: the flow of goods and services among the parties will increase at rates beyond those that would have been generated simply by the facts of national economic growth and geographical proximity.

The costs associated with promoting economic integration include challenges to sovereignty, not simply the political and economic costs of adjusting policy. Sovereignty costs develop when comparative advantage suggests that the industrialization that nations have seen as advantageous in the international political economy is precluded by one's participation in the integration scheme. Proponents of economic integration may expect long-run economic costs to be low, but they could be extremely high to the economy as a whole, or to particular actors in the short term. The political costs to a government can be extremely high in the short term if those hurt by economic integration decide to protest through demonstrations or by voting the opposition into office.

With respect to institutional approaches to economic integration, it is clear that Mercosur needs rejuvenation, but there is little consensus about whether it has confronted inherent limitations in a region where sovereignty remains a priority. Domestic interests may be a fundamental factor in the creation of Mercosur and its evolution,¹⁴ but theories of international cooperation do not ignore domestic interests. Rather, they postulate that institutional design can create contexts in which pursuing domestic interests produces international cooperation. Specification of those components and the testing of their hypothesized implications will advance both general IPE theorizing as well as our understanding of the prospects for, and limits to, greater economic integration within Latin America. Systematic analyses that compare the Central American (+Dominican Republic), Andean, and Mercosur processes and accomplishments are required, too. The implications of overlapping memberships in distinct trade agreements which have widely varying philosophies and goals (e.g., Bolivia is an Associate Member of Mercosur, a member of ALBA, and a member of the Andean Community) also merits analysis.

Among the most important discussions occurring in the region today is that of energy integration. Multiple projects have been discussed, initiated and developed linking Bolivia with Brazil and Argentina, Colombia with Venezuela and Ecuador, and Guatemala with Mexico; these successes stand out in scholarship and policy discussions. But little analysis has been undertaken regarding the failures of energy integration—why Bolivia can't get past the territorial issue and sell natural gas to energy poor Chile or why Chávez blocks trade (not limited to natural gas) with Colombia. The implications of the inability of Bolivia to meet its gas export contracts with Argentina are also ignored. Perhaps the most important omission in these analyses is the relatively quick fiasco of the deepest energy integration to date: Chile with Argentina. In 2004, despite a 1995 treaty granting the Chilean market equivalency to the Argentine market (national treatment), the Argentine government adopted policies that created severe shortages of natural gas in Chile. Argentine energy policy continues to discourage gas exploration and production, and so Chile has turned to non-regional markets for gas.

Another important issue for analysis is the largely new phenomenon of intra-Latin American investments, by both public and private enterprises. While this phenomenon may signify successful progress on economic integration, in order to know for sure we must evaluate the setbacks that have occurred. Looking at state capital first, Venezuela's national oil company PDVSA has projects in Ecuador and Bolivia, and discussed joint ventures with Brazil's national oil company Petrobras including oil production in the Venezuelan Orinoco, a joint venture refinery in Brazil, and the Gasoducto del Sur pipeline that is supposed

to connect Venezuela to Argentina through the Amazon. Petrobras has invested in Argentina and is the most important foreign company in Bolivia's gas fields; Brazil's national development bank, BNDES, invests in infrastructure projects throughout Latin America. With regard to the private sector, Mexican companies are investing in South America; Brazil's giant Odebrecht firm has engineering and construction as well as chemical and petrochemical projects in Latin America and beyond. Smaller scale Chilean capitalists are active in Bolivia and Peru.

These experiences, however, have not yet had much impact on our understanding of economic nationalism in Latin America. Yet, they challenge our understanding about Latin American nationalizations, which emphasized the exploitation of Latin American resources by private U.S. and European companies. We now see nationalization affecting major investment by other Latin American countries. For example, the Mexican Cemex company was nationalized by Venezuela, Ecuador sent troops to take control of a giant hydroelectric and irrigation project built and operated by Odebrecht, and Bolivia dispatched troops to Petrobras facilities when it nationalized them. We should now be thinking about how state capital invested in other Latin American countries affects integration, development, and social welfare. Do these capital flows discriminate against ideological rivals (e.g., is Brazilian investment less than expected in Colombia and Peru, and more than expected in Venezuela and Ecuador)? Where are the studies that parallel those done on U.S. and European foreign direct investment (FDI)? Is intra-Latin American investment more likely to promote broad-based development, be environmentally friendly, and actually promote Latin American integration beyond the specific investments (e.g., if Chileans invest in Peru in order to export to China should we consider this investment promoting Latin American integration)?

Conclusion

The study of intra-Latin American relations has largely been ignored and when studied generally lacks theoretical rigor. For theoretical and empirical reasons, it is an exciting time to study intra-Latin American relations. This chapter has demonstrated the importance of historical context and comparative analysis. I have not been able to address all of the interesting puzzles for scholars interested in intra-Latin American relations, but I have tried to provide provocative examples of areas demanding our attention. What should be clear is that the tension between cooperation and competition is historic and that competition has consistently won out.

Unlike the European case, there is no sense that Latin American states will relinquish a degree of sovereignty to cross-national institutions in order to pursue a greater economic or security good. This is so despite the rhetorical and conceptual nod to the idea that Latin America is inspired to build a Latin American version of either the EU or NATO. The use of military force to coerce behavior or remind rivals that an issue remains unsolved has not been eliminated, contrary to those who call it a zone of peace. If one looks systematically for evidence, one can easily find it. Not only did Colombian forces attack a guerrilla camp in Ecuador in 2008, with Venezuela mobilizing its military as well, in 2009 Paraguay complained at the OAS that Brazilian military maneuvers on the border were meant to coerce it over negotiations on a revised treaty concerning the Itaipú hydroelectric project and Brazilian soybean farmers in Paraguay. Nicaragua's government told Costa Rica in 2010 that its military would defend national sovereignty if the latter's police continued to cross the border without authorization and the Nicaraguans have repeatedly used military rhetoric

to warn Colombia about licensing oil and gas exploration in the seas disputed around the San Andres Islands.

The historical variation between cooperation and competition provides rich material for theory building and testing. To return to the opening questions of this chapter, we can conclude that historically Latin Americans have wanted to cooperate with each other to provide peace, security and development. Cooperative endeavors have periodically won out over competition in different subregions and on different issues over time. But progress towards a cooperative region has been neither uniform nor consistent. Contemporary efforts are similar enough to what has been tried in the past that we can think of the Latin American experience as one large data set that can be used to advance political science as a discipline and help Latin America overcome the obstacles to more fruitful collaboration.

Notes

- 1 Kenneth N. Waltz, *Theory of International Relations* (Reading, MA: Addison-Wesley 1979).
- 2 Robert O. Keohane, *After Hegemony*, (Princeton: Princeton University Press, 1984); Art Stein, *Why Nations Cooperate* (Ithaca, NY: Cornell University Press 1990).
- 3 Charles Ametinger, *The Caribbean Legion*, (University Park: Pennsylvania State Press, 1995).
- 4 Sandra W. Meditz and Dennis M. Hanratty, editors, *Panama: A Country Study*, (Washington, D.C.: U.S. Government Printing Office for the Library of Congress, 1987).
- 5 The classic history of this period is Robert N. Burr, *By Reason or Force: Chile and the Balance of Power in South America* (Berkeley: University of California Press, 1974).
- 6 George Phillip, *Oil and Politics in Latin America* (Cambridge: Cambridge University Press, 1982), 194–195.
- 7 Donald W. Bactresen, Martin Carnoy, and Joseph Gruenwald, *Latin American Trade Patterns* (Washington, D.C.: Brookings, 1965), 39–55.
- 8 Oscar Pinochet de la Barra, "Chile y sus vecinos: problemas y oportunidades" [Chile and its neighbors: Challenges and Opportunities] in Heraldo Muñoz, ed., *Chile: Política Exterior para la Democracia* (Santiago: Pehuén, 1989), 166–167.
- 9 Definition generated by the Correlates of War project, founded in 1963 by J. David Singer, a political scientist at the University of Michigan.
- 10 Edward Mansfield and Jack Snyder, "Democratization and War" *Foreign Affairs* May/June (1995), pp. 79–97.
- 11 For efforts at the level of the western hemisphere, see David R. Mares, "Confidence and Security-Building Measures as Inter-American Security Institutions: Relevance and Efficiency" in Gordon Mace, Jean-Philippe Thérien and Paul Haslam, eds., *Governing the Americas: Regional Institutions at the Crossroads* (Boulder, CO: Lynne Rienner, 2006).
- 12 Inter-American Defense Board, 1995. "Report of the Inter-American Defense Board on the Draft Inventory of Confidence-building Measures of a Military Nature That are Being Implemented in the Hemisphere" <http://www.oas.org/esh/english/esbmreports/cosegie10.asp>.
- 13 Committee on Hemispheric Security, Miami Group of Experts, 2003. "Illustrative List of Confidence – And Security-Building Measures for Countries to Consider Adopting on the Bilateral, Sub-Regional and Regional Level" February 3–4, 2003 <http://www.oas.org/esh/english/documents/cp10733c04.doc>.
- 14 Cf., Karl Kaltenthaler and Frank O. Mora, "Explaining Latin American Economic Integration: The Case of Mercosur" *Review of International Political Economy*, Vol. 9, No. 1 (March, 2002), pp. 72–97.