Contemporary U.S.–Latin American Relations

Cooperation or Conflict in the 21st Century?

Second edition

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1 The Changes in the International System since 2000

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In what way does the structure of the international system create opportunities and constraints that affect the foreign policies of states? What are the key elements of the international system and what are the consequences of fundamental changes in these elements for the international behavior of states? How has the international system changed in the current century and how do these changes mimic, or differ from, similar major shifts in international system structure in the past?

In this chapter, I first characterize the major elements of three moments of change in the structure of the international system over the past two centuries in order to focus more sharply on the important features of the most recent systemic changes. Then I examine five key features of the changes in the international system in the twenty-first century. These are the opportunities created for Latin American states by the rise of China in world markets; the enhanced capacities of Latin American states vis-à-vis major powers and international financial institutions as a consequence of the international commodity boom of the century's first decade; the disruption of the international system caused by U.S. foreign policy at the start of the twenty-first century and the consequent endeavor to balance against U.S. power; the breakdown in the inter-American ideological consensus that had emerged in the 1990s, generating thereby wider normative heterogeneity in state behavior; and the intensified securitization of bilateral relations with the United States, especially for states in Latin America's northern half.

Three International Systems Break Down

> The Tsar of Russia never recovered ... the dominant position which was his at the moment of Napoleon's abdication ... He believed that he alone among monarchs was the interpreter and champion of the principles of Christian liberalism ... [and] he imagined that the rocks of national interest could in some way be melted ... by the unguents of his volatile benignity.[1]

So wrote Sir Harold Nicolson, diplomat and historian, in 1946 in order to draw lessons for his times from the preceding most similar moment in the history of restructurings of the international system, namely Europe in 1814. Upon Napoleon's defeat:

- An anchor state of the international system had been thoroughly defeated.
- A powerful empire had fragmented.
- The structure of the international system turned sharply asymmetrical, to the benefit of the winning coalition.
- International history had been the history of national interest. Now, that history had ended. The newly hegemonic coalition affirmed the universal validity of its ideology as a basis for legitimacy, as the standard to seek the compliance of others, and as a rationale to intervene in the domestic affairs of other countries. This exercise of power would be portrayed as benign and good even for the country targeted for intervention.
- The behavior of the leading victorious power undermined its triumph soon after victory. The volatility of the new leading power's behavior contributed to its loss of primacy.

At the end of World War I, the first three observations listed above were also in evidence but, in the aftermath of the Bolshevik revolution, there was no ideological consensus to follow that war to provide a new ordering principle for the international system or justify consensual intervention in the domestic affairs of other countries. The behavior of several of the winning states did, however, contribute to their loss of influence soon enough. The post-World War II world also differed from post-Napoleonic Europe in that there was no one ideological consensus to reorder the international system; instead, there would be two competing ideologies, each to be deployed to justify cross-border interventions. Nicolson wrote before the crystallization of the Cold War; thus, the split of the post-World War II victorious coalition had yet to occur, but it soon would. Nicolson's 1946 resembled 1814, and 1991 resembled both.

In 1991, the Soviet Union had been thoroughly defeated, even though no world war had preceded its defeat. The Soviet Union fragmented into its hitherto constituent republics. The structure of the international system turned sharply asymmetrical, to the benefit of a coalition led by the United States. One difference from 1814 and from 1945, however, is that in 1991 the United States held undisputed primacy even within and above its own coalition. In that sense, the salience of the United States at the start of the 1990s was unparalleled in the history of the modern international system.

As in 1814, the winning side affirmed the universal validity of its hegemonic ideology as a basis for legitimacy, as the standard to seek the compliance of others, and as a rationale to intervene in the domestic affairs of other countries. Francis Fukuyama's *The End of History and the Last Man*[2] argued that liberal democracy had triumphed and that there was no longer a useful, laudable, or universally accepted alternative basis for domestic political legitimacy. Concepts such as the "promotion of democracy," "humanitarian intervention," or the "responsibility to protect" the victims of violence or abuse sought to justify the deployment of force in the internal affairs of other countries for the sake of a superior universally applicable common good.

The changes in the international system generated a second ideological shift as well. The collapse of communist regimes in East Central Europe was important because it not only restructured the international system in power terms but also propelled the triumph of liberal-democratic and market-oriented ideologies onto the world stage with a force and persuasiveness that they had not attained. These European countries had shaken off the grip of the Soviet Union and had also embraced new ways of thinking, justifying, and arranging their domestic economic and political affairs. It was not just the triumphant hegemonic powers that supplied the new liberal-democratic and market-oriented ideologies. It was also that most states once subordinate to the Soviet Union demanded the application and defense of those ideologies. In practical terms, all former Warsaw Pact Soviet allies, other than the Soviet Union itself, plus the three Baltic states once part of the U.S.S.R. became members of the European Union.

The history of the quarter-century following the collapse of the Soviet Union is the history of the unraveling of this international structure and the U.S. claims to lead a consensual ideological hegemony. In this chapter, I show, first, how these changes in the international system reshaped international relations in the Americas in the 1990s. I then explore the rebalancing of the international system and its consequent effect on international relations in the Americas that has occurred in the twenty-first century. In particular, I examine the rise of China, one of whose effects was to make it possible for the larger Latin American states to develop new capacities for domestic and international activity. Next, I assess the U.S. government's undoing of its own international primacy. I then examine two topics with more limited scope, namely the associated breakdown in the ideological consensus regarding liberal-democratic constitutionalism and pro-market economic policies within the Americas as well as the securitization aspects of U.S.–Latin American relations.

The Reordering of the International System in the Americas in the 1990s

The implications for the Americas of the collapse of the Soviet Union and the end of the Cold War in Europe were immediate. The international and internal wars that had bedeviled Central America for nearly a generation came to an end. Many factors converged to produce such outcomes, but one was the stoppage of Soviet military, political, and economic support for Cuba; Cuba's economy collapsed in the early 1990s. The consequent inability of Cuba or other Soviet allies to support their allies in Central America created stronger incentives for peacemaking in Nicaragua, El Salvador, and Guatemala. More generally, Cuba repatriated all its troops from Angola, Ethiopia, and about a dozen other countries and lost the military significance it had during the late years of the Cold War. Communist parties in several Latin American countries dissolved or merged into new parties born out of coalitions on the political left; these new parties focused their attention on domestic matters.

The principal threat of intervention in the domestic affairs of Western Hemisphere countries during the Cold War had come from the United States, not the Soviet Union.[3] U.S. troops during the Cold War invaded the Dominican Republic, Grenada, and Panama; U.S.-sponsored forces invaded Guatemala, Cuba, and Nicaragua.[4] The United States successfully supported domestic actors that overthrew several Latin American governments; Cuba tried several times to back insurgents to overthrow governments but Cuba succeeded in being on the winning side only in Nicaragua.

Freed from the demons of the Cold War – the fear of Soviet and Cuban activities and of communists everywhere – the United States after 1991 became markedly less unilaterally interventionist everywhere in the Americas outside Haiti. Therefore, the restructuring of the international system restructured as well the system of international relations in the Western Hemisphere. The U.S. triumph worldwide permitted U.S. restraint with regard to its unilateral actions in the Americas.

Latin America's transition to democratic political regimes began in 1978 in the Dominican Republic with the "soft" intervention of the U.S. government to compel the incumbent president, Joaquín Balaguer, to eschew election fraud and accept opposition victory. However, the democratic transitions that followed across South America in the 1980s occurred independent of the U.S. Reagan administration, which had been rather sympathetic to authoritarian regimes during its first term.[5] The United States came to play a pro-democracy role again with regard to Chile and Paraguay, and it promoted liberal-democratic formulas as part of the settlements in Central America. Yet the United States signed the North American Free Trade Agreement (NAFTA) without including a "democratic clause" – that is, at the founding the NAFTA members were not required to have a consolidated liberal-democratic regime, and Mexico did not. Overall, U.S. government intervention contributed to the triumph of liberal-democratic politics in Latin America only in the smaller countries, and in Chile where it was a late secondary, albeit positive factor.[6] Notwithstanding the various sources and paths, the liberal-democratic consensus in Latin America at the start of the 1990s was widespread, deep, and impressive outside Cuba and Mexico, with the latter already in the throes of political change.

The restructuring of the international system contributed, with the important assist of domestic factors in many countries, to the construction of liberal-democratic hegemony in the early 1990s. The application of this hegemonic ideology to regulate international relations in the Americas, however, resulted from explicit governmental agreement. No longer would the United States intervene unilaterally, except in 1994 and 2004 in Haiti. There would be collective intervention instead. In 1991 in Santiago, the members of the Organization of American States (OAS) agreed to Resolution 1080, committing OAS member states to counter attempts to overthrow democratic governments in the Americas. In December 1992, OAS member states amended the OAS Charter through the Washington Protocol to authorize, upon a vote of two-thirds of the OAS members in the General Assembly, the suspension from the OAS of any government that had seized power by force. In the language of the victorious hegemonic states following the Congress of Vienna two centuries ago, this would be a Holy Alliance to protect and promote democratic institutions and practices. In 1992, only Mexico voted against amending the OAS Charter on the grounds that it was wrong to authorize "supranational powers and instruments for intervening in the internal affairs of our states," although other states also expressed reservations regarding the scope of this new potential for intervention.[7]

OAS member states thus pierced the shield of nonintervention that their predecessors had sought to construct during the preceding century. Collective action to stop or reverse military coup attempts led to significant intervention in the domestic affairs of several Latin American countries during the 1990s, most notably the landing of U.S. troops in Haiti in 1994 to be replaced by a multilateral force, the successful countercoups in Guatemala and Paraguay (the latter coup reversal thanks to the actions of the Southern Common Market, MERCOSUR, plus the United States), and the mitigation and intermittent monitoring of Peruvian domestic politics.

Collective action in the Americas took other forms convergent with this restructured and ideologically liberal international system. Many Latin American states became more active suppliers of United Nations peacekeepers in different parts of the world. Especially noteworthy was the establishment of the uninterrupted United Nations presence in Haiti. Begun with 6,700 military personnel and 1,622 police officers in April 2004, ten years later there were still 5,165 military personnel and 2,466 police officers in Haiti. Throughout these years, U.N. forces had been under Brazilian command; nine South American and three Central American states had supplied forces for this operation in Haiti.[8]

There was also a renewed effort to establish minilateral regional integration agreements, with a more marked market-oriented economic content than such agreements had had in the 1960s. MERCOSUR,[9] the

Central American Common Market, the Andean Community, and NAFTA are the main examples. Parallel to the development of MERCOSUR, southern South American states undertook to complete the delimitation of land and maritime boundaries and reached political agreements that significantly lowered the risk of militarized interstate disputes. Mediation by Argentina, Brazil, Chile, and the United States brought about in 1998 a boundary settlement between Ecuador and Peru, which has endured. NAFTA has been the most successful among these in meeting its explicit objectives; at the end of the twenty-first century's first decade, NAFTA's level of intraregional trade was triple MERCOSUR's, for example.[10]

One decade after the collapse of the Soviet Union, the primacy of the United States had been barely challenged, the liberal-democratic and market-oriented policies and ideological consensus remained regnant, and collective action within the Americas remained the norm, effectively applied.

The Rise of China in World Markets

In the early twenty-first century, the first major shock to the international system, including its structure in the Americas, was the rise of China. China's transformation since the end of the 1970s greatly improved the well-being of many of its people. China would also go on to transform world markets. Since the start of the twenty-first century, the increase in China's international trade affected all the Latin American countries examined in this study, albeit in varying ways. China's rise in world markets (and its impact on Latin American trade) has been the most enduring and most general of the international systemic changes thus far in this century. China's economic rise helps to explain the wider room for maneuver in the international system and, more specifically, the Latin American economic boom of the century's first decade and the consequent empowerment of Latin American states to carry out their preferred domestic and foreign policies.

Between 1990 and 2000, on the eve of its accession to the World Trade Organization (WTO) in 2001, China's exports to the world increased from $62.7 billion to $249.2 billion. In 2000, China exported $4.2 billion to, and imported $5.1 billion from, Latin America.[11] Massive Chinese imports increased the global demand and raised thereby the worldwide price of many commodities that Latin American countries exported. From 2000 to 2010, China's share of world imports increased from 10 to 38 percent in copper, 14 to 65 percent in iron ore, and 26 to 56 percent in soy.[12] China thereby created a powerful benign exogenous shock to propel the growth of Latin American commodity exporters.

The data on Sino-Latin American trade between 2000 and 2014 appear in Tables 1.1 and 1.2. From 2000 to 2007 – the eve of the world's deep economic recession – the absolute value of trade between China and these Latin American countries increased nearly every year for every country.

Table 1.1 Exports to China from Selected Latin American Countries, 2000–2014 (millions of U.S. dollars per year)

	Argentina	*Brazil*	*Chile*	*Colombia*	*Mexico*	*Peru*	*Venezuela**	*Cuba**
2000	797	1,085	902	29	310	443	23	78
	(3.0)	(2.0)	(5.0)	(0.2)	(0.2)	(6.4)	(0.1)	(5.0)
2001	1,123	1,902	1,065	20	385	426	42	104
	(4.2)	(3.3)	(5.7)	(0.2)	(0.2)	(6.2)	(0.2)	(6.6)
2002	1,092	2,521	1,225	28	654	598	91	105
	(4.2)	(4.2)	(7.0)	(0.2)	(0.4)	(7.8)	(0.3)	(7.0)
2003	2,478	4,533	1,909	82	974	677	165	110
	(8.3)	(6.2)	(8.8)	(0.6)	(0.6)	(7.5)	(0.6)	(6.9)
2004	2,630	5,442	3,442	138	474	1,245	277	177
	(7.6)	(5.6)	(10.4)	(0.8)	(0.3)	(9.8)	(0.7)	(8.4)
2005	3,154	6,835	4,895	237	1,136	1,861	293	216
	(7.9)	(5.8)	(11.7)	(1.1)	(0.5)	(10.9)	(0.5)	(10.7)
2006	3,476	8,402	5,255	452	1,688	2,269	206	480
	(7.5)	(6.1)	(8.8)	(1.9)	(0.7)	(9.5)	(0.3)	(19.9)
2007	5,167	10,749	10,505	785	1,895	3,040	2,006	1,005
	(9.3)	(6.7)	(15.3)	(2.6)	(0.7)	(10.8)	(2.9)	(29.4)
2008	6,355	16,403	8,519	443	2,045	3,735	3,481	821
	(9.1)	(8.3)	(13.2)	(1.2)	(0.7)	(11.9)	(3.7)	(26.6)
2009	3,666	20,191	13,028	950	2,208	4,078	3,320	522
	(6.6)	(13.2)	(23.5)	(2.9)	(1.0)	(15.3)	(5.8)	(23.5)

	Argentina	*Brazil*	*Chile*	*Colombia*	*Mexico*	*Peru*	*Venezuela**	*Cuba**
2010	5,799	30,752	17,324	1,967	4,196	5,434	5,071	696
	(8.5)	(15.6)	(24.4)	(4.9)	(1.4)	(15.4)	(7.7)	(26.5)
2011	6,232	44,315	18,629	1,989	5,965	6,961	11,586	822
	(7.4)	(17.3)	(22.9)	(3.5)	(1.7)	(15.3)	(12.7)	(23.4)
2012	5,021	41,228	18,098	3,343	5,721	7,849	13,119	517
	(6.2)	(17.0)	(23.2)	(5.5)	(1.5)	(17.1)	(14.4)	(16.3)
2013	5,511	46,026	19,090	5,102	6,470	7,343	11,929	459
	(7.2)	(19.0)	(24.9)	(8.7)	(1.7)	(17.5)	(13.9)	(14.6)
2014	4,462	40,616	18,828	5,755	5,979	7,025	–	–
	(6.5)	(18.0)	(24.6)	(10.5)	(1.5)	(18.3)	–	–

Source: United Nations, Department of Economic and Social Affairs, Statistics Division, UN Comtrade Database, accessed July 27, 2015, http://comtrade.un.org/data.

Notes: Values in parenthesis are exports to China as a percentage of total exports.
*Cuba and Venezuela columns from the International Monetary Fund, Direction of Trade Statistics (DOTS), accessed July 27, 2015, www.imf.org/data. Cuba exports to China come just from Chinese trade records, http://elibrary-data.imf.org/finddatareports.aspx?d=33061&e=170921.

Table 1.2 Imports from China to Selected Latin American Countries, 2000–2014 (millions of U.S. dollars per year)

	Argentina	*Brazil*	*Chile*	*Colombia*	*Mexico*	*Peru*	*Venezuela*	*Cuba**
2000	1,157	1,222	949	356	2,878	289	185	257
	(4.6)	(2.2)	(5.7)	(3.0)	(1.6)	(3.9)	(1.3)	(6.8)
2001	1,066	1,328	1,013	475	4,027	354	336	366
	(5.2)	(2.4)	(6.3)	(3.7)	(2.4)	(4.8)	(2.0)	(10.3)
2002	330	1,554	1,101	533	6,274	463	225	341
	(3.7)	(3.3)	(7.2)	(4.2)	(3.7)	(6.2)	(1.9)	(11.4)
2003	721	2,148	1,642	689	9,400	640	176	260
	(5.2)	(4.4)	(8.5)	(5.0)	(5.5)	(7.6)	(2.1)	(8.8)
2004	1,401	3,710	2,472	1,245	14,373	768	425	364
	(6.2)	(5.9)	(10.0)	(7.3)	(7.3)	(7.6)	(2.9)	(7.6)
2005	1,529	5,355	3,227	1,617	17,696	1,058	808	699
	(5.3)	(7.3)	(9.8)	(7.6)	(8.0)	(8.5)	(3.7)	(9.9)
2006	3,122	7,989	4,393	2,219	24,438	1,584	1,652	1,388
	(9.1)	(8.7)	(11.3)	(8.5)	(9.5)	(10.3)	(5.4)	(15.0)
2007	5,093	12,618	6,066	3,327	29,744	2,463	2,076	1,286
	(11.4)	(10.5)	(12.7)	(10.1)	(10.6)	(12.1)	(5.0)	(12.4)
2008	7,104	20,040	8,277	4,549	34,690	4,069	4,528	1,488
	(12.4)	(11.6)	(13.2)	(11.5)	(11.2)	(13.6)	(9.5)	(10.7)
2009	4,823	15,911	6,189	3,715	32,529	3,267	4,034	1,069
	(12.4)	(12.5)	(14.5)	(11.3)	(13.9)	(15.0)	(10.4)	(12.9)

	Argentina	Brazil	Chile	Colombia	Mexico	Peru	Venezuela	Cuba*
2010	7,649	25,536	9,971	5,477	45,608	5,144	3,593	1,173
	(13.5)	(14.2)	(16.8)	(13.5)	(15.1)	(17.1)	(11.1)	(12.0)
2011	10,573	32,788	12,650	8,176	52,248	6,321	6,497	1,148
	(14.2)	(14.5)	(16.9)	(15.0)	(14.9)	(16.7)	(13.3)	(9.9)
2012	9,952	34,248	14,432	9,565	56,936	7,807	10,096	1,290
	(14.5)	(15.3)	(18.0)	(16.5)	(15.4)	(18.5)	(17.1)	(10.8)
2013	11,312	37,302	15,632	10,363	61,321	8,399	7,645	1,512
	(15.4)	(15.6)	(19.7)	(17.5)	(16.1)	(19.4)	(17.0)	(11.9)
2014	10,703	37,341	15,104	11,790	66,256	8,925	–	–
	(16.4)	(16.3)	(20.9)	(18.4)	(16.6)	(21.2)	–	–

Source: United Nations, Department of Economic and Social Affairs Statistics Division, UN Comtrade Database, accessed August 1, 2015, http://comtrade.un.org/data.

Notes: Values in parenthesis are imports from China as a percentage of total imports.
*Cuba column only. Source: International Monetary Fund, Direction of Trade Statistics (DOTS), accessed August 1, 2015, www.imf.org/data. Cuban imports from China from Chinese trade records.

China's share of the exports and imports of these countries shows slightly more variation but a clearly increasing overall trend as well. These increases were dramatic across the board, most so for Brazil (iron ore and soy) and Chile (copper) whose exports to China increased tenfold between 2000 and 2007, exceeding $10 billion in 2007. The impact of the 2008–2009 recession was sharp but short-lived. Imports from China fell for each of these countries during the recession but, by 2010, imports from China already exceeded the 2007 level for all these countries except Cuba. Exports to China from Brazil, Mexico, and Peru continued to rise even through the 2008–2009 recession years, but exports to China from the other countries fell during the recession. By 2010, exports to China also exceeded the 2007 level for all these countries except Cuba.

From the perspective of 2014, matters had changed. From 2013 to 2014, exports to China dropped for every country except Colombia; export growth had already slowed down between 2011 and 2013 for Brazil, Chile, Mexico, Peru, and Venezuela, and exports from Argentina and Cuba to China had dropped during those years. In 2014, exports to China still accounted for over 10 percent of total exports for all countries except Argentina; in 2014, exports to China were nearly a quarter of Chile's total exports and 18 percent of Brazil's. In 2014, China accounted for over 12 percent of the imports of all of these countries, with a high of 21 percent for Peru and nearly so for Chile. Imports from China to Venezuela dropped between 2012 and 2013, the last available year. Between 2013 and 2014, imports from China dropped for Argentina and Chile, held steady for Brazil, rose slightly for Colombia and Peru, and grew significantly only for Mexico. In 2013, the eight Latin American countries in Table 1.1 exported nearly $102 billion to, and imported $159 billion from, China; Brazil alone exported to China 45 percent of the total of these eight countries.

In this generally happy story, the main discordant note was in the relations between China and Mexico. In 2014, Mexico's bilateral deficit with China was extremely large and still growing, explained mainly as part of the strategy of Chinese companies to access the NAFTA market. Mexico had been the last of the 141 members of the WTO to sign an agreement to clear China's admission to the WTO. Chinese competition turned out to be real. By 2003, China replaced Mexico as the second most important supplier of U.S. imports. By 2003, 85 percent of shoe manufacturers in Mexico had shifted their operations to China. Sony, NEC, VTech, and Kodak closed their Mexican operations and moved them to China, and 12 of Mexico's 20 most important economic sectors that export to the United States already faced some or substantial competition from Chinese exporters.[13] A decade later, for Mexico the most encouraging trend was the sustained increase in labor costs in China (while labor costs remained roughly constant in Mexico) such that by 2011 labor costs were approximately the same in both countries.[14]

China's relations with Venezuela and Cuba provide some evidence that political-ideological objectives may play some role in Chinese trade policy. Sino-Cuban trade shows a Cuban bilateral trade deficit with China every year. This trade deficit was narrow only in 2007; the deficit has widened since 2011. In 2013, Cuba recorded the highest value of imports from China in this century; its imports from China were three times the value of its exports to China. China enables Cuba to defer payments for Chinese exports. China's tolerance for Cuban deficits is best explained as solidarity with the only communist regime outside East Asia.[15]

Venezuela's President Hugo Chávez spent a lot of time seeking to strengthen Venezuela's ties with China. In 2005, Chávez sharply pushed up Venezuela's imports from China and, in 2007, China finally began to purchase more Venezuelan exports. A new leap in bilateral trade is evident in 2011, which subsequently stabilized at this high level. In 2013, Venezuela had become Latin America's third largest exporter to China, although on the side of imports (see Table 1.2) it exceeded only Cuba. In effect, bilateral trade took time to catch up to political preferences but, unlike in Sino-Cuban relations, there is no Chinese subsidy for Venezuela.

President Xi Jinping's second Latin America tour in 2014 took him to a summit meeting in Brazil with Russia, India, and South Africa, and gave him an opportunity to formulate a comprehensive message regarding China's relations with Latin America. President Xi emphasized the significant trade relations between China and various countries of the region, said surprisingly little about Chinese investments there, emphasized cooperative bilateral and multilateral relations within the existing international order, made no mention of the United States, yet quietly celebrated the fact and virtues of "global multipolarity."[16]

China thus widened political opportunities for Latin American and other countries on the world and regional stages, but it did so mainly through trade-created prosperity, not by countering the United States in Latin America – it would allow U.S. influence to implode on its own. China's trade importance for Latin America in this century has been extraordinary. Despite evidence of a Latin American export growth slowdown to China since 2011, the export and import levels have generally held high and at near record levels.

Latin America's Enhanced International Capacities in the 2000s

Latin America's good economic performance between 2000 and 2007 owed much to the rise of its trade with China. In this section, I illustrate one way in which the new financial prosperity of the larger Latin American states gave them a wider margin for independent international behavior, thereby bringing home to the Americas the consequences of China's worldwide rise.

From the end of the recession in 2003 to the start of the next recession in 2008, Latin America's aggregate gross domestic product (GDP) grew between 4.6 and 6.1 percent every year. Argentina, Peru, and Venezuela grew substantially above the Latin American median during those years, and Colombia was also above the median. Cuba probably grew above the median, but its GDP data is more difficult to interpret. Brazil, Chile, and the aggregate of the Caribbean and Central America hugged the Latin American median; Mexico lagged behind the median but still grew respectably. The GDP of most Latin American countries fell in 2009 but, among the eight countries included in this study, it continued to grow in Argentina, Colombia, and Peru. Since 2010, with a couple of exceptions, the economies of all Latin American countries have grown, though at a decelerating median rate, falling from 5.9 percent to 2.6 percent between 2010 and 2013. The deceleration has been most marked for Brazil, Mexico, and Venezuela.[17]

Because the economic growth of the century's first decade resulted to a large extent from an export boom, between 2001 and 2008 the international financial position of most Latin American and Caribbean countries improved substantially; for those years, the international reserves increased for all the countries included in Table 1.3. Brazil's international reserves more than quintupled, Peru's nearly quadrupled, those of Argentina and Venezuela tripled, and those of Colombia and Mexico doubled. Following the 2008–2009 financial crisis, the international reserves of Brazil, Colombia, Mexico, and Peru grew significantly, and Chile's stabilized at a high level. Argentine reserves fell slightly by 2011 and were cut significantly by 2014. Venezuela lost 80 percent of its international reserves between 2008 and 2014.

Thanks to these trends, Latin American governments became financially independent from support from the International Monetary Fund (IMF). As Table 1.4 shows, Chile and Venezuela have not had to borrow from the IMF in this century; Cuba never has. Brazil and Argentina have not required an IMF agreement since 2002 and 2003 respectively, and each paid off their debt to the IMF earlier than the formal expiration year reported in Table 1.4. Prior to the outbreak of the 2008–2009 financial crisis, Mexico and Colombia had also excellent international financial results. Among the countries in this study, only Peru continued to depend on IMF financing, but Peru sailed well through the troubles of 2008–2009. For the first time in a generation, during the century's first decade the governments of the largest Latin American countries set their economic policies as they deemed best. The IMF had been relegated to the sidelines and, as a result, the U.S. government could not influence Latin American economic policies through this indirect route. (The 2008–2009 financial crisis sent Colombia and Mexico back to the IMF for financial support, but the governments of these countries already coordinated their foreign economic policies closely with the United States.)

By greatly increasing the international revenues of most Latin American countries, China contributed, albeit indirectly, to strengthening Latin

Table 1.3 International Reserve Assets, Latin America and the Caribbean, 2001–2014 (billions of dollars)

Country	*2001*	*2005*	*2008*	*2011*	*2014*
Argentina	14.6	27.3	44.9	43.3	29.1
Brazil	35.6	53.3	192.9	350.4	361.1
Chile	14.4	16.9	23.1	41.9	40.4
Colombia	10.2	14.8	23.5	31.4	46.4
Costa Rica	1.3	2.3	3.8	4.8	7.2
Dominican Republic	1.1	1.9	2.7	4.1	4.8
El Salvador	1.6	1.7	2.5	2.2	2.4
Guatemala	2.3	3.7	4.5	5.8	7.1
Honduras	1.4	2.3	2.5	2.8	3.4
Jamaica	1.9	2.2	1.8	2.3	2.5
Mexico	44.8	74.1	95.1	144.2	191.1
Nicaragua	0.4	0.7	1.1	1.9	2.3
Peru	8.7	13.7	30.3	47.3	61.2
Trinidad and Tobago	1.9	5.0	9.4	10.4	11.9
Venezuela	9.7	24.5	33.7	10.6	7.0*

Source: International Monetary Fund, International Financial Statistics (IFS), accessed August 1, 2015, http://data.imf.org/?sk=5af07c1c-d823-404d-8fb1-d6a10f01b95f.

Note: *Data from September 2014.

American economies and thus the international capacity of Latin American states. In the second half of the 2000s, Brazil came to play a new leading role in South America thanks in part to its newly found international financial independence. Similarly, Argentina became independent of the IMF because, thanks to commodity exports to China, its economy grew above 8 percent each and every year between 2003 and 2007 and again in 2010 and 2011. The late Hugo Chávez successfully projected his international influence because Venezuela had a spectacular growth rate in the middle years of the 2000s thanks to an oil price boom, which enabled him to fund his supporters across Latin America and the Caribbean. During the course of the century's first decade, therefore, the foreign policies of Latin American governments had become as independent as ever. China deserves their thanks.

In the century's second decade, however, Chávez's influence waned, in part because of the illness that would lead to his death, but also because Venezuela's international reserves plummeted. Similarly, in 2014 Argentina became vulnerable to international private creditors for the first time in a dozen years, at a time when its international reserves position had become more precarious. The drop in their exports to China, alas, did not help.

Table 1.4 Years of Recent Agreements between the International Monetary Fund and Latin American and Caribbean Countries, 1989–2014

Country	*Year of last agreement*	*Expiration*	*Type*
Argentina	2003	2003	Standby Arrangement
Argentina	2003	2006	Standby Arrangement
Brazil	2001	2002	Standby Arrangement
Brazil	2002	2005	Standby Arrangement
Chile	1989	1990	Extended Fund Facility
Colombia	2003	2005	Standby Arrangement
Colombia	2005	2006	Standby Arrangement
Colombia	2015	2016	Flexible Credit Line (initiated 2009)
Costa Rica	1995	1997	Standby Arrangement
Costa Rica	2009	2010	Standby Arrangement
Dominican Republic	2005	2008	Standby Arrangement
Dominican Republic	2009	2012	Standby Arrangement
El Salvador	2009	2010	Standby Arrangement
El Salvador	2010	2013	Standby Arrangement
Guatemala	2003	2004	Standby Arrangement
Guatemala	2009	2010	Standby Arrangement
Honduras	2010	2012	Standby Arrangement/ Credit Facility
Honduras	2014	2017	Standby Arrangement/ Credit Facility
Jamaica	2010	2012	Standby Arrangement
Jamaica	2013	2017	Extended Fund Facility
Mexico	1999	2000	Standby Arrangement
Mexico	2014	2015	Flexible Credit Line (initiated 2009)
Nicaragua	2007	2011	Extended Credit Facility
Nicaragua	1991	1993	Standby Arrangement
Peru	2004	2008	Standby Arrangement
Peru	2007	2009	Standby Arrangement
Trinidad and Tobago	1989	1990	Standby Arrangement
Trinidad and Tobago	1990	1991	Standby Arrangement
Venezuela	1989	1993	Extended Fund Facility
Venezuela	1996	1997	Standby Arrangement

Country	*Year of last agreement*	*Expiration*	*Type*
Bolivia	1998	2002	Extended Credit Facility
Bolivia	2003	2006	Standby Arrangement
Ecuador	2000	2001	Standby Arrangement
Ecuador	2003	2004	Standby Arrangement
Panama	1997	2000	Extended Fund Facility
Panama	2000	2002	Standby Arrangement
Paraguay	2003	2005	Standby Arrangement
Paraguay	2006	2008	Standby Arrangement
Uruguay	2002	2005	Standby Arrangement
Uruguay	2005	2006	Standby Arrangement

Source: International Monetary Fund, IMF Financial Data by Topic, IMF Lending Arrangements, accessed August 1, 2015, www.imf.org/external/np/fin/tad/extarr1.aspx.

Note: For each country, the two most recent agreements since 1989 are given. Chile has had only one agreement since 1989.

Balancing against U.S. Influence: The International System and Latin America in the 2000s

The second change in the international system in the early twenty-first century was the change in the general response to the U.S. government's attempt to claim worldwide primacy. In the early 1990s, following the collapse of the Soviet Union and communist Europe, Kenneth Waltz argued that "the response of other countries to one among them seeking or gaining preponderant power is to try to balance against it."[18] Waltz's general systemic forecast did not apply for the most part in the 1990s but it was prescient for the 2000s.

The sharpest alternative to Waltz's forecast dates from late 1990 when essayist Charles Krauthammer described the post-Cold War international system as "unipolar" – that is, "The center of world power is an unchallenged superpower, the United States, attended by its Western allies." On the eve of the U.S. war against Iraq, Krauthammer revised his argument. He averred, "The unipolar moment has become the unipolar era." The "challenge to such unipolarity is not from the outside," contrary to Waltz's analysis, but "from the inside," by which he meant whether the United States would be governed by those willing to engage in the "aggressive and confident application of unipolar power." He closed his article by paraphrasing Benjamin Franklin: "History has given you an empire, if you will keep it."[19]

In March 2003, the United States went to war in Iraq. The Bush administration claimed that the government of Iraq's president, Saddam Hussein, harbored nuclear weapons and other weapons of mass destruction, conspired to support the terrorists who attacked New York and Washington on September 11, 2001, committed brutal crimes against its own people, threatened its smaller neighbors, and ruled Iraq in authoritarian fashion. The U.S. Senate supported the Bush administration's decision to go to war; all but one Senate Republicans voted for war as did a majority of Democrats, including would-be presidential candidates John Kerry and Hillary Clinton and would-be vice presidential candidates John Edwards and Joseph Biden.

In due course, this U.S. decision would redeem Waltz's forecast about the international system. The United States did not obtain United Nations Security Council authorization for the war in Iraq despite strong efforts to do so. Nevertheless, the United States went to war with the backing of the United Kingdom, Italy, Spain, and Japan but over the opposition of Germany, France, Russia, and Canada. By mid-2003, it had become clear that Iraq did not have weapons of mass destruction, nor had Iraq conspired to support the terrorists who had attacked New York and Washington. Support for the Bush administration's war policy in Iraq weakened among its allies and within the United States. In 2008, the Republican Party lost control of the presidency and both chambers in Congress. The "unipolar era" had ended.

Latin American countries were divided in their response to the U.S. decision to go to war in Iraq. Mexico, Cuba, and most South American countries opposed the U.S. decision; among the larger countries, the exception was Colombia, which supported the United States. Several smaller countries supported the United States with troops. In August 2003, Honduras and the Dominican Republic each deployed to Iraq 368 and 302 troops respectively. Nicaragua followed suit in September, with 230 troops. Nicaraguan forces served in Iraq until February 2004; Honduran and Dominican forces did so until May 2004. El Salvador proved the most steadfast U.S. ally in Latin America – the only Latin American country to deploy and keep troops in Iraq between 2003 and January 2009. During those years, El Salvador rotated over 3,000 troops in Iraq; its original deployment was 380 troops, down to 200 on the eve of repatriation.

In March 2003, two Latin American countries – Chile and Mexico – were members of the United Nations Security Council. Neither supported authorization for the U.S.-led coalition to go to war in Iraq (in the end, there was no formal U.N. Security Council vote because the United States and its allies withdrew the resolution). Their position echoed the general view of the majority of Latin American governments.

In time, the Iraq war would widen and deepen worldwide public opposition to the general policies of the Bush administration. U.S. troops remained in Iraq until December 2011 – that is, nearly through the entire first term of Barack Obama's presidency. But the United States had also gone to war in Afghanistan late in 2001, following the terrorist attacks on

New York and Washington; U.S. troops would remain in Afghanistan until the end of Obama's presidency. Moreover, the 2008–2009 financial crisis hit the U.S. economy hard and deprived the U.S. Federal Government of resources for many purposes, including the conduct of foreign policy. Tied down in wars in Iraq and Afghanistan, stymied by a deeply cleaved U.S. Congress, and bereft of budget funds for many initiatives, the United States became much easier to ignore or to oppose across the world. In the early twenty-first century, as immediately after Napoleon's defeat, the leading power in the international system behaved in ways that undermined its primacy.

The history of the international system during the second term of the George W. Bush presidency and during the Obama presidency is a history of successful balancing against U.S. influence. In the mid-2010s, U.S. interests were at stake in extensive warfare in Afghanistan, renewed warfare in Iraq, and the civil war in Syria, with resurgent terrorist forces in these countries as well. The United States lacked the capacity, and perhaps the will, to engage fully and thoroughly in these wars. Nor had any post-Cold War U.S. presidents reduced significantly the threats to regional and world peace from the Islamic Republic of Iran or the Democratic People's Republic of Korea (North Korea). In the century's second decade, China also became far more assertive in pressing its claims to maritime areas and island archipelagos to its east and south, enraging its neighbors. The United States could do little but express distress.

Just as the commodity boom of the century's early years had strengthened the capacities of several South American countries, so too it strengthened the capabilities of the government of the Russian Federation, directly or indirectly led by Vladimir Putin. Following the collapse of the Soviet Union, in the 1990s Russia's role in much of the world, especially so in Latin America, had become negligible. With the rise in the price of petroleum and natural gas, the government of the Russian Federation rebuilt its capacities, in particular its armed forces. In 2013, Russia seized the Crimean peninsula from Ukraine. The United States and its allies in the North Atlantic Treaty Organization stood by helplessly, notwithstanding the imposition of a set of economic and other sanctions on Russia. In Latin America, Russia developed an active relationship with Venezuela during Chávez's last full term, which included weapons sales and Russian navy visits to Venezuela's ports. Russia also improved its relations with Cuba, welcoming President Raúl Castro to Moscow for his first visit in two decades. In July 2014, President Putin traveled to Havana to cancel 90 percent of Cuba's old debt to the Soviet Union, and to Buenos Aires and Brasilia to sign nuclear energy agreements. Also in July 2014, Putin joined China's President Xi Jinping at the World Cup in Brazil for a summit meeting with the presidents of Brazil, India, and South Africa, and to launch Russia's role as the host of the next World Cup.

The willingness of other countries to ignore or oppose the United States grew as well. In this century, the United States has failed to rally support for its views regarding a new international trade agreement under the World Trade Organization, opposition to the International Criminal Court, international energy issues, or endeavors to isolate the governments of Cuba, Russia, Venezuela, or Zimbabwe. Long denied a visa by the U.S. government for abetting genocide, in 2014 Narendra Modi was elected Prime Minister of India.

The worldwide weakening of U.S. influence gave Latin American states good company as they defied the United States even on issues that were salient for the U.S. government. Thus, Chile and Mexico did not stand alone in the U.N. Security Council in opposition to the U.S. war in Iraq; they joined other U.S. allies. Mexico also differed with the United States over migration issues. Brazil blazed new foreign policy initiatives, just as France, South Africa, and India did in areas of respective interest to them. The U.S. government deferred to Brazilian government views on how to respond to Bolivia's expropriation of natural gas concessions in 2006 and to the (minor) security threat posed by transnational criminal activity in the tri-border area where Brazil, Argentina, and Paraguay come together. Venezuela's President Chávez defied the United States the most.

Latin American states redesigned the regional architecture of international organizations in the Western Hemisphere, creating three new multilateral institutions and excluding the United States from them. UNASUR (the Union of South American Nations), officially launched in 2008, had begun in 2004 as the South American Community of Nations. UNASUR was the multilateral expression of Brazil's President Lula da Silva's interest in creating an institutional framework to enable Brazil to become a leader of South America. Also in 2004, Venezuela and Cuba launched ALBA (the Bolivarian Alliance for the Peoples of Our America), funded by Venezuela and staffed by Cuban "solidarity" personnel who provide health care and other services in various countries; most of its members are small Latin American (Bolivia, Ecuador, Nicaragua) or Anglophone Caribbean countries and Suriname. CELAC (the Community of Latin American and Caribbean States) was launched in December 2011; its first three presiding countries were Venezuela, Chile, and Cuba. These thinly institutionalized, under-funded, and under-staffed organizations provide useful venues to address common concerns. UNASUR in 2008 helped to ease a serious political crisis in Bolivia and in 2010 helped to mediate between Colombia, on the one hand, and Venezuela and Ecuador, on the other, following a military clash.[20] The relative U.S. disinterest in regional multilateralism and the U.S. under-funding of its own financial obligation to the OAS[21] facilitated its own marginalization in the Americas.

The independence in foreign policy demonstrated by most Latin American countries was unlike any time since the 1970s, if then. They found it safe to engage in a "soft balancing" of the United States, thereby widening their margin of international autonomy. U.S. behavior made this soft balancing possible.

The Breakdown of the Inter-American Ideological Consensus in the 2000s

A liberal-democratic pro-market consensus, reliant on international institutions for the conduct of foreign policy, had developed in Latin America in the 1990s, notwithstanding demurrers from some key actors. That consensus broke down during the twenty-first century's first decade. There was no replacement of one ideological consensus with another but, rather, a wider ideological polarization. The U.S. government also contributed to the breakdown of this consensus.

Venezuela's President Hugo Chávez led the charge against the liberal ideological consensus. He reaffirmed strongly the role of the state in Venezuela's economy and emphasized that the key principle of legitimation was majoritarian democracy, not the liberal constitutionalism that would check the president's power to protect the rights of political minorities. Thus, the nation's parliament, supreme court, and other hitherto independent state organs, as well as the mass media, had their autonomy curtailed. Chávez repeatedly won re-election upon re-election, changed and further amended the constitution, and spent resources lavishly to implant the rule of his majority. Presidents Evo Morales in Bolivia, Rafael Correa in Ecuador, and Daniel Ortega in Nicaragua followed suit to varying degrees, united upon the insistence that democratically chosen presidents had a legitimacy that trumped that of unelected court justices, or parliamentarians who represented subnational units. President Álvaro Uribe in Colombia, too, believed in his own unique democratic legitimacy, but he in the end bowed to Colombia's Constitutional Court in its prohibition of a third consecutive presidential re-election.

Greater heterogeneity appeared as well in economic policy preferences.[22] Several of the region's key governments – Chile, Colombia, Mexico, Peru – retained pro-market policies. Brazil did as well, although the Lula and Dilma Rousseff administrations emphasized the role of the state in the economy more than did their predecessor, Fernando Henrique Cardoso. In 2012, the Argentine government renationalized the petroleum industry, seizing it from Spain's Repsol.[23] This was a culmination of policies that included default on the nation's international debt while rescheduling parts of it and expanded the role of the state in various sectors of the economy. Bolivia underwent a social revolution at the century's start, leading on May Day 2006 to the sovereign seizure of the natural gas reserves and the coerced renegotiation of payments from the operating companies to the Bolivian state. Venezuela had never much liberalized its economy, but President Chávez sharply increased state regulation over the economy and renationalized some large firms that had been privatized late in the previous century. Chávez became the most public spokesman for the resentment of those who had felt abandoned, oppressed, or disdained by former rulers and the U.S. government.

The 1990s liberal consensus, admittedly, had been flawed in important respects. Mexico had been an exemplar of the push toward "liberal" pro-market economic policies, but politically it remained an authoritarian regime whose elections were not credible until nearly the end of the century. Also liberal in their economic policies in the 1990s were Presidents Carlos Menem in Argentina and Alberto Fujimori in Peru. Fujimori led a coup in 1992 against the Peruvian Congress and Supreme Court and governed in authoritarian fashion, albeit winning re-election in 1995. Menem dealt imperiously with the Supreme Court and the Congress, although he also replenished his power thanks to a democratic re-election.

The breakdown in the 2000s of the domestic ideological consensus had international implications, most clearly in reducing the effectiveness of the Organization of American States in its work in defense of liberal constitutional democracy; the OAS operated by consensus of its members and the consensus had shattered. The OAS sought to mediate between domestic rivals in Venezuela, succeeding only in earning President Chávez's wrath. Venezuela stopped inviting the OAS to monitor its elections. There was noteworthy authoritarian backsliding in Venezuela following Chávez's victory in the presidential recall plebiscite held in 2004, as there would also be in Ecuador from 2007 and in Nicaragua after 2008; there was little international attempt to reverse those trends against liberal constitutionalism. The OAS sought to revert the military coup in Honduras in 2009, to no avail.[24]

The new multilateral institutions created by Latin American governments in the new century (previous section) have no commitment to the defense of democratic regimes; in this respect they differ clearly from the OAS. Not only does CELAC include Cuba, but Raúl Castro has served as CELAC president. ALBA is a joint construction between Venezuela and Cuba. UNASUR has no democracy clause. A similar weakening of the commitment to liberal constitutionalist democracy was evident in the invitation to Venezuela to join MERCOSUR, which had had a clause demanding democratic fealty and had acted successfully and repeatedly in Paraguay to prevent authoritarian backsliding. MERCOSUR welcomed Chávez's government notwithstanding this government's trajectory toward authoritarianism.[25]

The U.S. government contributed to the breakdown of the ideological consensus. The George W. Bush administration seems to have supported – or was remarkably inept at signaling that it did not support – the efforts to topple democratically elected President Chávez in Venezuela in 2002. The Bush administration also interfered in presidential elections in Bolivia (2003, 2005), El Salvador (2004), and Nicaragua (2006) to affect their outcomes. It thereby tarnished the democratic credentials of the U.S. government and seriously impaired its inter-American credibility. The Obama administration failed to add sufficient muscle to revert the 2009 coup in Honduras, even though it had publicly opposed the coup.

The U.S. government during the Bush and Obama administrations also continued long-standing practices of subsidies to U.S. agricultural producers. The United States and the European Union failed to agree to create a stronger World Trade Organization. The United States turned away from worldwide or even hemisphere-wide free trade agreements to emphasize, instead, bilateral (Peru, Panama, Colombia) or minilateral (e.g., CAFTA – Central America Free Trade Agreement) agreements where the United States exerted maximum leverage on weaker trading partners especially, safeguarding U.S. agriculture from exposure to free trade.[26] At the fall 2003 meeting in Miami of the international trade ministers of the Americas, the United States and Brazil presented a proposal that, in effect, killed the project for a Free Trade Area of the Americas (FTAA), which had first surfaced in the George H. W. Bush and Clinton administrations. Following the Mar del Plata inter-American summit in 2005, the heads of state deepened this breakdown of the inter-American free-trade consensus, ending the prospects for a continental free-trade agreement.

Unlike the topics discussed in preceding sections, the breakdown of the inter-American ideological consensus did not represent a change in the international system as a whole, but it was decisive in the system of international relations in the Western Hemisphere. It made international coordination more difficult. It removed the appeal to shared values as a basis for common action and conflict resolution. It fostered the emergence of many bilateral disputes between South American states.[27] This breakdown in the ideological consensus was also one casualty of Bush administration policies, which contributed to the growing propensity in Latin America for governments to act in ways counter to U.S. preferences.

Trust and Security in U.S.–Latin American Relations

In late November 2010, the nongovernmental organization WikiLeaks began to publish the content of hitherto classified U.S. diplomatic cables. Among these published documents was the frank professional assessment that the U.S. Ambassador to Mexico, Carlos Pascual, had written regarding the infighting and jealousies among Mexican security forces, all of which contrasted with the U.S. government's public praise for Mexico's policies to counter drug trafficking. The commentary angered Mexican President Felipe Calderón who made it clear that he could no longer work with the ambassador. Pascual made a principled decision; he had only been doing his job in informing his government but did not want to jeopardize U.S.–Mexican relations. He resigned. He was the only U.S. ambassadorial casualty from the WikiLeaks leak.[28]

In June 2013, Edward Snowden, who had been a contractor for the U.S. National Security Agency (NSA), began to release thousands of classified U.S. documents. Among them was evidence that the NSA had begun to spy on Mexican President Enrique Peña Nieto when he was a presidential candidate and had also spied on Brazilian President Dilma Rousseff's communications with her top advisers and aides. In protest, President Rousseff delivered a blistering speech at the U.N. General Assembly in September and canceled what would have been her first state visit to the White House.

The effect of these unauthorized releases of U.S. classified documents was worldwide. The impact within the Americas was noteworthy. Many U.S. ambassadors might have resigned; only the U.S. ambassador to Mexico did. The NSA spying was much more extensive in China and Russia than in Brazil, but the governments of China and Russia said rather little. Authoritarian governments complained little about U.S. practices because they engage in more intrusive search for information. German Chancellor Angela Merkel was upset that her private communications, too, had been a target of the NSA, but Brazil's level of anger stood out. Mexico's Calderón and Brazil's Rousseff were democratic presidents who had come to trust the U.S. government and in particular the president of the United States. These leaks impaired inter-presidential and intergovernmental relations.

These revelations had their distant origin in the heightened U.S. government search for intelligence information early in the twenty-first century, which was greatly facilitated by technological innovation. Following the terrorist attacks on New York and Washington on September 11, 2001, the United States went to war against terrorists everywhere, and specifically in Afghanistan and in Iraq. In support of these multiple endeavors, the U.S. government enhanced its intelligence-gathering operations and capacities and refocused many policies on security issues, incurring costs such as the loss of trust from the presidents of Mexico and Brazil.

This refocused attention on terrorism and war also turned Presidents Bush and Obama away from Latin America. Under neither administration did a terrorist based in Latin America cross into the United States. When security concerns were not salient in a specific bilateral relationship (e.g., the United States and Argentina), the U.S. government gradually downgraded its attention. When security relations constituted one element, albeit minor, in the bilateral relationship, as in U.S. concern over the use of Paraguay for smuggling and money laundering, that topic became the sole focus of U.S. policy in that bilateral relationship. And, for the near-neighbors in the Caribbean, Central America, Colombia, and Mexico, the U.S. security obsession with terrorists and criminals became a dominant element of the relations between them and the United States.[29] The United States "saw" those bilateral relations through a security lens.[30]

U.S. military and police aid to Latin American governments doubled during the George W. Bush administration. Colombia received about half of the value of such assistance; Bolivia, Peru, and Mexico were also significant recipients. The most common motivation was to fight drug trafficking, but in Colombia it would also be used to counter insurgencies. Until this century, the U.S. government had funded Colombian government operations against drug traffickers but not against Colombian insurgencies. In this century, the U.S. government widened the scope of its assistance to include the fight against both traffickers and insurgents.[31]

In December 2006, Mexican President Felipe Calderón, soon after his installation as president, announced that the Mexican army would be deployed against drug cartels. Meeting at Mérida in March 2007, Presidents Calderón and Bush agreed on the Mérida Initiative whereby the United States would transfer significant military and economic resources to Mexico and Central American countries (where levels of criminal violence would spike) to implement this policy. By the end of 2007, the two governments had agreed on a $1.4 billion three-year package. Through fiscal year 2012, the U.S. Congress had appropriated $1.9 billion for the Mérida Initiative.[32] Disbursements would be slow, however, and progress even slower.

Since 2000, the only two significant projects of the U.S. government in Latin America were Plan Colombia and the Mérida Initiative. U.S. relations with Latin America were securitized, therefore, because they involved security topics and significant violence, and not much else. Other issues that typically characterize bilateral relations such as tourism, trade, investment, and other private transactions were much less salient. Securitizing U.S. security relations impaired U.S. relations with Latin America.

Latin American Responses

Latin American countries have varied in their responses to the United States and their own location in the international system, but three views characterize the range. The first can be described most simply. It is Fidel Castro's historic slogan, *patria o muerte*. In the defense of his conception of Cuba's undiminished sovereignty, President Castro was prepared to sacrifice all other plausible foreign policy objectives. Cuba's objective weakness meant that it would invest and then over-invest all the necessary resources to make defiant deterrence a workable policy versus the United States.

A second view appears in the opening sentence of Mario Ojeda's classic work, *Alcances y límites de la política exterior de México*. Ojeda explains Mexican foreign policy not as a peculiar expression of the nation's history but, instead, as a foreign policy similar to "that of any weak country." Ojeda would, of course, display his impressive learning about the impact of the nation's history on its foreign policy, but the power of his writing, four decades after he penned it, comes from his disciplined focus as an

international realist. "Mexico," Ojeda reminds us, "did not escape from the phenomenon of the construction of U.S. hegemony as a result" of the end of World War II. Instead, "as a weak country, Mexico must juggle pragmatically its national interests with the reality of international politics and its propinquity to the United States." Ojeda then formulated an operational rule to guide U.S.–Mexican relations:

> The United States recognizes and accepts Mexico's need to dissent from U.S. policy in everything that is fundamental for Mexico, even if it is important but not fundamental for the United States. In exchange, Mexico cooperates in everything that is fundamental or merely important for the United States, though not for Mexico.[33]

A third view arises in the work of Luciano Tomassini. He differed from the perspective that Latin American countries were living in a "hierarchical and restrictive international environment" as the "backyard" of the United States. Instead, he argued, the international system had changed by the 1970s, becoming "more complex, fluid, and dynamic, more fragmented but also more interdependent and, above all, more turbulent and uncertain." Coupled with the political, economic, and international finance openings in Latin American countries, their level of engagement in the international system changed. International agendas, actors, and resources diversified. He thus welcomed "postmodernist" approaches to the analysis of international relations in order to question received wisdom and practices and compel a rethinking of historical experience. Tomassini emphasized a possibilist approach to the design of the foreign policies of Latin American countries.[34] He seemed correct in the 1980s in his characterization of greater turbulence and uncertainty as Latin American economies collapsed during the decade, but that outcome rendered their international environment even more "restrictive" at the bottom of the world's international financial hierarchy. Similarly, the 1990s were marked by change but also by enhanced U.S. supremacy upon the collapse of the Soviet Union. Yet Tomassini's views seem pertinent today when his framework of analysis, given a changed international economic and political system, reopens age-old questions about the impact of the wider international system upon Latin America.

More recently, Roberto Russell and Juan Gabriel Tokatlian summarized the two logics of the strategic behavior of Latin American governments. One is the logic of autonomy. It seeks to constrain the impact of external forces, in particular that of the U.S. government. It looks to diversify international relationships, values regionalism, and relies on multilateral institutions. The second is the logic of acquiescence. It accepts the primacy of the United States and seeks to harness it to achieve economic prosperity. It bandwagons with the United States, privileges bilateral or minilateral agreements, and sees its world as a set of opportunities and constraints that derive from its relationship with the United States.[35] Russell and Tokatlian have characterized well the set of contemporary approaches, although they also indicate there is variation within each logic.

Considering Tomassini as a guide to multiple creativities in the logics well sketched by Russell and Tokatlian, Mario Ojeda's perspective remains pertinent. Ojeda was never a U.S. bandwagoner. His realism was rooted in the importance of constraining U.S. power over Mexico. Yet neither did Ojeda think that Mexico, or "any weak country," could delude itself about the role of the United States in the international system. Ojeda published his book in 1976. Recall those times. In 1974, the president of the United States resigned from office under the threat of Congressional impeachment. In 1975, Saigon fell; the defeat of the United States in the Vietnam War was complete. And in the mid-1970s, the U.S. economy was mired in stagflation in the wake of the first energy crisis. Ojeda knew that the United States was powerful even when badly governed and its economy badly battered. His insight applies as well today.

Conclusions

In the last two centuries, three times the structure of the international system changed dramatically and, in association with that change, there emerged an ideological consensus to justify international intervention by the stronger powers in the domestic affairs of the weaker powers. In each instance, the leading power undermined its own temporary primacy and helped to shatter the ideological consensus. The two decades that followed the collapse of the Soviet Union exhibit all of these features, first observed upon the fall of Napoleon and replicated somewhat less perfectly following World War II. It is noteworthy that U.S. primacy was stronger in 1990 than in 1945 or than the Tsar's was in 1814, and that the ideological consensus seemed sturdier in 1990 than ever before. Yet U.S. dominant influence unraveled, notwithstanding the obvious persistence of massive U.S. capacities.

This unraveling was built on several pillars. The rise of China in world markets created opportunities for the growth of Latin American economies, making most of their governments more self-assured and independent in their international behavior. The United States and China had correct political relations in the twenty-first century; thus, improved Sino-Latin American relations did not come at the expense of U.S. relations. However, China's new international trade role led to the view that the United States had become less important in the world economy and, for this and other reasons, it was due less deference.

U.S. government behavior during the George W. Bush administration, its conduct of the war in Iraq, and its disdain for international institutions and diplomatic consultation created an international milieu conducive to endeavors to "balance" U.S. power. Some governments did so softly, others

more forcefully (Russia, Iran, and Venezuela among them). By the end of the Bush presidency, the U.S. claim to primacy and deference was no longer credible in the Americas. Barack Obama's understandable international distractions and inability to work with Congress did little to restore that credibility. The era of U.S.–Latin American coordination flourished in the 1990s and died with that decade. The enhanced capacities thanks to economic growth in Latin America, the self-imposed isolation of the Bush administration, and the volatility of the Obama administration generated Latin American foreign policies more markedly independent of the United States. Unipolarity *R.I.P.*

Equally noteworthy was the breakdown of the "liberal" consensus in favor of constitutional democracy and markets. This change was pronounced in the Americas. It also featured a reduced effectiveness of international institutions for policy coordination. Another change, the impact of securitization in U.S. policies toward Latin America, caused a loss of trust in some, attentiveness for others, and modest success everywhere.

To be sure, others factors regarding specific context, policies, opportunities, and personalities shape as well the course of bilateral relations between the United States and any one Latin American country. Yet these broader systemic or quasi-systemic changes mattered significantly, changing the international relations of the Western Hemisphere in the first quarter-century following the collapse of the Soviet Union.

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