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"A New U.S. Policy Toward Latin America?"

by

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Introduction

To appreciate fully the impact of the November 2010 elections in the United States on hemispheric affairs, it is necessary to begin with a quick review of the Latin American policy of the Obama administration before the elections. Some might ask, "What policy?" Indeed, there are grounds for sarcasm, even cynicism. Such a negative posture, however, would be unfounded or, at least, a gross exaggeration.

The Obama administration started off in a modest, but promising, manner. The new team to lead hemispheric affairs was kept from taking office by partisan holds in the Senate, which threw the confirmation process into limbo. At the outset, this did not appear to be a crippling blow. No one at the time imagined that Senator Jim DeMint had an agenda that went beyond his wish to make life a little difficult for the new government. Unfazed, the administration prepared for the coming Summit of the Americas in Trinidad and Tobago in April 2009. Obama wanted to use the summit to advance three of his goals in Latin America: lower the volume of the dialogue with Venezuela's President Hugo Chávez; ease U.S. restrictions on travel to Cuba; and test his proposal for a more collegial approach to hemispheric issues, insisting that his administration would never resort to the sort of unilateralism that had made the nations of the region so uncomfortable with the George W. Bush administration.

Obama thought that he could finesse the problem of not having an assistant secretary of state for Western Hemisphere affairs (currently Arturo Valenzuela) by making Ambassador Jeffrey Davidow, a former assistant secretary of state for inter-American affairs, his special advisor for the summit. In fact, the summit was a success for Obama. He had an amicable photo-op

with Chávez; he talked about an opening to Cuba that would include a transition to democracy; and he had a chance to emphasize his support of the Organization of American States (OAS) and its secretary-general, José Miguel Insulza, as the key instruments in building a hemispheric community of equals.

There were two additional initiatives that the Obama government wanted to explore, although the summit was not considered an appropriate venue. Both the State and Defense Departments wanted to discuss the possibilities of a strategic partnership with Brazil, although there was no consensus in the administration as to what that might mean. Both Secretary of State Hillary Clinton and the president made public statements on the subject, and Obama met with Brazilian president Inacio "Lula" da Silva to try to forge a relationship with him. At the same time, the Pentagon went to work to establish closer links with the Brazilian armed forces. The other element of policy toward Latin America was the decision to deepen collaboration with Mexico in an effort to bring the drug violence under control and to make the U.S.-Mexican border a safer place. Obama was prepared to accept U.S. responsibility for the insatiable demand for illegal drugs that sustained the drug trade, which would be a major departure in U.S. policy. He was also prepared to insist on U.S. responsibility for the traffic in arms into Mexico, as well as the U.S. role in the search for cheap labor that made the migration issue so difficult to resolve. The Obama Latin American team pushed for these changes in part because the government of Mexican president Felipe Calderón had put together its own team of U.S. specialists, which opened the possibility of real dialogue between the two nations.

Shortly after the summit, a military coup occurred in Honduras and the administration lost whatever ground it had gained in its Latin American policy. In retrospect, it is hard to realize how crucial this episode was for U.S. policy toward Latin America, because there was no public voice for the administration's new approach. First, the absence of a confirmed leader for the Latin American team now proved crucial. Second, the very villain of the delay in Arturo Valenzuela's confirmation as assistant secretary, Senator DeMint, turned up in Tegucigalpa to encourage the coup leaders to hold their ground in the face of whatever pressure the OAS or the U.S. government might apply. Third, the OAS collapsed completely as a legitimate instrument for hemispheric collegiality because Secretary-General Insulza failed to resolve the crisis. It became the target for Chávez and others in the hemisphere who insisted on restoring President Manuel Zelaya to power in Honduras. Ultimately, the United States decided to show its hand in an effort to put an end to the crisis. The State Department also supported the effort by former president of Costa Rica, Oscar Arias, to use a mini-community of Central American states to find a solution. Arias almost succeeded in negotiating a compromise.

What was really significant about the Honduras episode is that it pushed the Obama administration further away from engagement with Latin America. The administration was, after all, completely swamped by two wars, the greatest economic disaster since the Great Depression and a variety of other concerns. In addition, the secretary of state was showing herself to be extremely averse to risk taking. Even with the confirmation of Arturo Valenzuela as assistant secretary in November 2009, himself a cautious policymaker who would not push his boss to take risks in this complex situation, there appeared to be no reason to put Latin

America any higher on the administration's agenda. Mexico, although different, was treated as if it were a domestic political problem, not a foreign policy issue, and was handled outside the State Department. Because of the economic crisis, trade policy was put on the back burner. The discussion of the strategic partnership with Brazil did not go very far because the drive by Brazil for a larger role in international affairs left observers in official Washington nonplused. Specifically, President Lula's joining with Turkey to offer a compromise deal with Iran over nuclear issues, precisely as the United States was pushing in the United Nations for further sanctions against Iran, so disturbed the administration that Obama spoke during his visit to India of supporting India's pretentions to a seat on the United Nations Security Council, the very jewel of the crown Brazil hoped to wear.

Under the radar, the Department of Defense made some advances in bilateral cooperation. The navy succeeded in improving relations with counterparts in Nicaragua, while failing completely to bring the Central Americans together in any form of meaningful cooperation on regional security matters. Similarly, the navy got its Brazilian counterparts to sign a cooperation agreement, while failing to get the Union of South American Nations (UNASUR), a South American defense organization, to work together with the United States in anything like a community of nations with consensus on security matters. It may also be taken as a modest success for the administration that the internal discussion of the possible threat to U.S. security from Venezuela and Ecuador took on a more reasonable tone and Venezuela faded from view as the hemispheric trouble maker.

The Effect of the 2010 Elections

Given the context in which Latin American policy is formulated, we cannot expect changes of significance in the remaining two years of the Obama administration. Obviously, the change in leadership in the House of Representatives will have a major impact, in the short term, on U.S. policy toward Cuba. Congresswoman Ileana Ros-Lehtinen, Congressman Connie Mack and Senator Marco Rubio, will be an effective block to any new initiatives that the Obama administration might try to relax tension in the relationship with Cuba. This is not the case with executive initiatives, as witnessed by President Obama's decision to loosen the restrictions to travel by Americans to Cuba. The rising irritation over the trial and continuing detention of an AID subcontractor suggests that the administration has lost the stomach for efforts to engage the Cuban government. Still, in terms of noise, the House committees might be used to draw attention to the links between Venezuela and Iran, and to the fantasy canal across Nicaragua. This group of geopoliticians and other analysts has allies in the Pentagon. On the other hand, given their small number, it is possible that the administration might consider a public display of defiance against the new House leadership, in order to defend the prerogatives of the executive in foreign policy. That would be a low-risk stratagem, consistent with the modus operandi of the Clinton State Department. Meanwhile, Assistant Secretary Valenzuela will use his well-earned bonafides in the hemisphere in the ongoing effort to build a sense of community among the most democratic states in South America, such as Chile, Uruguay and Peru.

The administration also has begun pushing hard for congressional approval of the Korea FTA, with consideration of the Colombia and Panama FTAs to follow. More recently, House Republicans have begun to insist that the three FTAs be acted upon together. In our relations with Mexico, there is likely to be an increase in activity at the border in combination with efforts to get the new drug policy off the ground by allowing the administration's drug czar to go public in declaring drug abuse a public health emergency.

External Factors Influencing U.S. Policy.

Given the relative lack of attention paid to Latin America by the Obama administration and the continuing preoccupation with two wars, the uprisings in the Middle East and the economic recession, a situation has been created in which actors elsewhere in the hemisphere, such as Brazil and Venezuela, and outsiders like the European Union (EU) and China, can influence hemispheric affairs. Whether this represents a loss of U.S. leadership, or the neglect of Latin America, as some claim, seems to be beside the point. What is worth some consideration is how new forces or new actors can play a role in hemispheric affairs. In such reflections, it is necessary to suggest, as well, the tipping point at which the United States might be expected to react, or to act, in a decisive manner. There are four possible actors that will be considered, with a view to evaluating their potential impact on U.S. policy and on hemispheric security: Venezuela, China, Cuba and Brazil.

Venezuela: Venezuela has played the role of spoiler in hemispheric affairs since Chávez took power. The dialogue between Venezuela and the United States during the Bush administration was characterized by exalted rhetoric and mutual recriminations. In policy terms, in the United States, there was a great deal of energy expended evaluating the "threat" that Venezuela represented. This threat scenario continued into the new Obama administration, but the public posture of the United States from the very beginning was far more conciliatory. The emphasis on the Venezuelan threat was reduced and even pushed into the background. The reality of the situation is that Chávez's capacity for mischief has been reduced because of his inability to control Venezuela's domestic economy and the uncertainty of windfall profits from oil exports to win – and keep – friends in the hemisphere. As a result, he will not be able to shift global strategic considerations. He can be irritating over the next few years, and almost certainly will try to be as irritating as possible, whether in the crisis of governance in Ecuador or the rumors of a canal in Nicaragua. He is not a security threat in any useful meaning of that term, nor are his ties to Iran a threat in the near term because he cannot use Iran to further his own goals within the hemisphere.

China: There was a comedy film in the 1970s, "The Russians Are Coming, The Russians Are Coming," which told the story of a Russian submarine that ran aground off Cape Cod. Today, that movie might be remade as "The Chinese are Coming, The Chinese are Coming" The Chinese, in fact, are making significant investments in raw materials in several countries in South America. Is this a threat to U.S. security? Hardly. The peculiar enclave characteristics of typical Chinese investments are not constructed to maximize Chinese influence because their central purpose, to insulate the investments from local politics, reduces their influence on local governments and stirs nationalist sentiments on the Left and on the Right against closer

ties to China. And, as these enclaves expand, they will probably provoke nationalist responses that further limit Chinese influence. It is also reasonable to assume that China does not want the bother of hegemonic influence in the region. The example of the United States is quite powerful in dissuading China from assuming the responsibilities of hegemony.

Cuba: Will the end of the Castro regime provoke a crisis in the region? Given the new Republican control of the House committees and subcommittees that deal with Latin America, dramatic changes in Cuba are certain to produce a loud public outcry in Congress and in South Florida. Only if there is a surge of violence on the island would this produce a need for action by the U.S. government. The same might be said of a political crisis in Haiti that threatened to unleash another massive wave of boat people to the United States, or an implosion in Honduras. The collapse of any state in the Caribbean Basin would pose a dilemma for the United States. The response to the natural disaster in Haiti probably will be the model for any response by the Obama administration, no matter what the noise from the Republicans in Congress.

Brazil: The most potentially significant non-U.S. actor in hemispheric affairs in the near future is Brazil. Former president Fernando Henrique Cardoso announced his strategic vision for Brazil. His successor, former president Inacio "Lula" da Silva, made it his own. The biggest difference between Fernando Henrique's original vision and Lula's version is that Fernando Henrique envisioned a close alliance with the United States, while Lula was profoundly ambivalent toward the United States. Moisés Naim, in a mid-November 2010 column in *El Pais*, reminds us that he urged President George W. Bush to welcome Lula to Washington and begin a strategic partnership with Brazil. In this article, he urges Obama to meet with Dilma Rousseff, Brazil's new president, and really begin the strategic partnership with Brazil. This is an excellent idea that will happen when President Obama travels to Brazil, as well as Chile and El Salvador, in March. There are, however, two obstacles to achieving an alliance with Brazil. First, the United States is ill prepared to deal with a partner in the hemisphere and, quite literally, does not know how to deal with any sign of independence or autonomy on the part of its partners. That may have been obvious under the Bush unilateral approach; it is a bit embarrassing for the current administration, which claims to want a collegial approach to problem solving. The other obstacle is that Brazil is not sure how snuggly it wants to be with the United States. The group of advisers Lula gathered included some people who wanted Brazil to be frankly opposed to the United States. It is not clear yet what Dilma will do. But the point is that both nations will have to learn how to deal with Brazil's new role in world affairs. By extension, Brazil's influence will affect what UNASUR can do and will have a major impact on Venezuela's efforts to exert its influence in the hemisphere, where Brazil has much more influence, by the way, than the Obama administration.

Given the focus of the new Republican majority in the House on rolling back health-care reform and reducing the deficit, and given the continuing problems confronting the Obama administration in Iraq, Afghanistan, Pakistan and the volatility of the Middle East countries, it is hard to conjure a scenario in which Latin America will be given much more attention in the next two years than it has received in the past two years. At the same time, with a new administration in Brazil concerned with consolidating its power at home, with Chávez's

potential influence much reduced, and with the government of Mexico preoccupied with its war on drugs, there is a marked absence of Latin American leadership in hemispheric affairs. It is possible, though unlikely, that OAS Secretary-General Insulza can reaffirm the relevance of the OAS. And, it is possible, though also unlikely, that UNASUR can be made effective in the near term. Fortunately, the absence of Latin American leadership today does not threaten U.S. interests in the hemisphere.

As for President Obama's trip, the expectations are so low that it is hard to imagine he will not come away from the experience with some success. The visit to Brazil will help the United States get a sense of what the future holds in its strategic relationship with the most important country in the region. Brazil can be of enormous value to the United States in the region and in the larger world community. In Chile, President Sebastian Piñera can become a crucial ally. There are some important trade-related issues to be resolved; but nothing that should create embarrassments for either party. The trip to El Salvador is the boldest stop on the itinerary. The peace process in Central America has ground to a halt (in Guatemala, El Salvador and Nicaragua). President Mauricio Funes, who was a member of the opposition during the civil war, is making a good faith effort to work with the conservative oligarchs and the military in El Salvador. Obama's visit can provide the sort of boost to democracy and civility that might make a difference in the entire region. The more progress Funes makes, the more difficult it will become for President Daniel Ortega to subvert the democratic evolution of Nicaragua. It will also increase the pressure on the Guatemalan conservatives to carry out their part of the bargain in the peace settlement.

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