

Is the U.S. Losing Latin America?

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The assertion that the United States is "losing" Latin America is a persistent and bipartisan obsession. In an era of intense domestic polarisation, analysts - especially in the United States but elsewhere as well - of all different political stripes seem to find agreement. This line of reasoning gathered steam in the past decade in large part because of Venezuelan President Hugo Chavez's rise to power. It is a straightforward and tempting thesis, but it is also inaccurate and fosters problematic directions for US foreign policy.

The basic argument goes like this: Presidents George W Bush and Barack Obama alike have focused on other parts of the world, primarily the Middle East. They have therefore responded to events in this hemisphere in a reactive and insufficient manner which allows adversaries - Venezuelans, Cubans, Chinese, Russians, Iranians, Hamas, among others - to throw their political weight around.

The "losing" thus refers to a perceived loss of influence on a major scale. Some consider the trend positive because, they say, Latin American countries are enjoying more sovereignty. Others believe it to be negative because it entails a threat to US security.

The argument is so pervasive that it has reached the level of conventional wisdom. The problem, though, is that evidence is hard to come by. The thousands of articles on the topic make reference to a variety of signs, but very rarely specify how they correlate to a substantive loss of US influence

So, for example, it should not be about Venezuela. A common argument is that President Hugo Chavez, and then to a lesser extent his successor Nicolas Maduro, would spread their "21st century socialist" ideology to other countries. This most recently came from Nobel Prize winner Mario Vargas Llosa. In fact, around Latin America few leaders have shown more than superficial interest in copying either Chavez's political or economic models, while Venezuelan foreign policy influence remains limited to the relatively few countries to which it gives highly subsidised oil. The "loss" seems to refer primarily to the fact that Venezuela has any influence at all.

It should not be about the creation of new regional institutions that exclude the United States. In practice, they have been quite weak, which greatly limits their influence. Summits and statements do not *ipso facto* translate to independence or power. They could well be more relevant in the future, but for now organisations like the Community of Latin American and Caribbean States (CELAC) and the Bolivarian Alliance for the Peoples of Our America (ALBA) are tied largely to Venezuelan oil largesse. Meanwhile, the Union of South American Nations (UNASUR) has more clout but its efforts at conflict resolution (such as in Bolivia, Colombia, and Ecuador) don't mark a sudden change. Costa Rican President Oscar Arias famously won a Nobel Prize for doing the same with Central America in the 1980s while leaving out a hostile US administration.

Plus, in the most serious cases, such as the 2009 Honduran coup, Latin American leaders still tend to look to the US to help find collective solutions.

It should not be about trade, which is booming and increasing annually. Plus, in recent years the US has a trade surplus with Latin America. Thirteen of seventeen Latin American countries import more goods from the US than from anywhere else. In 2014 the Department of Commerce unveiled a new plan to continue that trend by identifying trade opportunities in South America. Even Latin American governments that are publicly critical of the US very quietly continue to look northward for trade and investment. Therefore it's hard to see where any loss of influence would result.

It should not be about China. A popular argument is that China is trading more with Latin America, thus decreasing the share of US trade, at times with dire forecasts about the trend continuing indefinitely. The conclusion is that the United States will not feel so at home in its "backyard". Yet the US remains the largest single source of foreign direct investment into Latin America. The economic presence of the US is still huge even with trade diversification. Most of the anxiety centres not on the present, but on a hypothetical future where China pressures Latin America to block US initiatives, such as in the United Nations. There's no evidence of that now, and it requires believing that Latin American independence is automatically robbed by other large countries. There is also a significant language barrier that does not exist with the US.

It should not be about high-profile visits. Who the White House sends to an inauguration has no bearing on long-term relations, nor does the number of times a US president travels to the region. What matters far more are lower profile but critical engagements that occur on a daily basis but don't receive much media attention. Even more important slights, such as the wiretapping of Brazilian President Dilma Rousseff, caused a brief row followed by a statement that she did not blame President Obama and wished to resume normal relations.

In short, the US isn't "losing" Latin America. Governments in the region do engage with more international actors than in the past, but US influence is still considerable. The alarmism (or celebration, depending on your ideological perspective) is misplaced. Reality is far less interesting, namely that the US-Latin American relationship has changed less than commonly believed, though it is slowly evolving in a way that involves greater (though by no means universal) acceptance of new regional institutions.

This has important implications because the desire to reaffirm US influence contributes to unwise policy prescriptions based on the notion that the US government must once again assert itself. These include imposing sanctions on Venezuela, viewing China as an automatic threat, focusing excessively on claims of Middle Eastern terrorists in the region, and resisting engagement with Cuba. These responses actually worsen US relations in the region.