

SECOND EDITION

# Contemporary U.S.–Latin American Relations

COOPERATION OR CONFLICT IN THE 21ST CENTURY?



EDITED BY

JORGE I. DOMÍNGUEZ AND RAFAEL FERNÁNDEZ DE CASTRO

With contributions from some of Hemisphere's most prominent scholars, this new edition is a fitting encore, covering key contemporary issues such as the emergence of Latin America's "new left," the rise of China's regional influence, the scourge of organized crime, and the growing independence of Latin America from the United States. Every chapter combines a depth of historical context with analysis of the urgent issues of today.

William M. LeoGrande, *Professor, School of Public Affairs,  
American University, USA*

Jorge I. Domínguez, and Rafael Fernández de Castro, together with a team of younger scholars throughout the Americas, have once again produced an up to date and incisive set of essays on the changing dynamics of U.S.–Latin America relations in a transformed global context. This timely volume is exceptionally useful for scholars and students alike.

Abraham F. Lowenthal, *Professor Emeritus, University of Southern  
California and Founding Director, Inter-American Dialogue*

This page intentionally left blank

# Contemporary U.S.–Latin American Relations

Drawing on the research and experience of 16 internationally recognized Latin America scholars, this insightful text presents an overview of inter-American relations during the first two decades of the twenty-first century. This unique collection identifies broad changes in the international system that have had significant effects in the Western Hemisphere, including issues of politics and economics, the securitization of U.S. foreign policy, balancing U.S. primacy, the wider impact of the world beyond the Americas, especially the rise of China, and the complexities of relationships between neighbors.

The second edition of *Contemporary U.S.–Latin American Relations* focuses on U.S. neighbors near and far – Mexico, Cuba, Argentina, Brazil, Chile, Colombia, Peru, and Venezuela. Each chapter addresses a country's relations with the United States, and each considers themes that are unique to that country's bilateral relations as well as those themes that are more general to the relations of Latin America as a whole. The book also features new chapters on transnational criminal violence, the Latino diasporas in the United States, and U.S.–Latin American migration. This cohesive and accessible volume is required reading for Latin American politics students and scholars alike.

**Jorge I. Domínguez** is the Antonio Madero Professor for the Study of Mexico and former Vice Provost for International Affairs at Harvard University. He is a past president of the Latin American Studies Association.

**Rafael Fernández de Castro** has been Chair, Founder, and full-time Professor of the Department of International Studies, Instituto Tecnológico Autónomo de México (ITAM), Mexico City, since 1991.

## **Contemporary Inter-American Relations**

Edited by Jorge I. Domínguez and Rafael Fernández de Castro

### **The United States and Mexico**

Between Partnership and Conflict

*Jorge I. Domínguez and Rafael Fernández de Castro*

### **The United States and Chile**

Coming in from the Cold

*David R. Mares and Francisco Rojas Aravena*

### **The United States and Venezuela**

Rethinking a Relationship

*Janet Kelly and Carlos A. Romero*

### **The United States and Argentina**

Changing Relations in a Changing World

*Deborah Norden and Roberto Russell*

### **The United States and Peru**

Cooperation at a Cost

*Cynthia McClintock and Fabian Vallas*

### **The United States and Brazil**

A Long Road of Unmet Expectations

*Mônica Hirst, with an essay by Andrew Hurrell*

### **The United States and the Caribbean**

The Transformation of Hegemony and Sovereignty in the  
Post Cold War Era

*Anthony P. Maingot and Wilfredo Lozano*

### **The United States and Central America**

Geopolitical Realities and Regional Fragility

*Mark B. Rosenberg and Luis G. Solís*

**The United States and Mexico, Second Edition**  
Between Partnership and Conflict

*Jorge I. Domínguez and Rafael Fernández de Castro*

**Contemporary U.S.–Latin American Relations**  
Cooperation or Conflict in the 21st Century?

*Jorge I. Domínguez and Rafael Fernández de Castro*

**The United States and Cuba**  
Intimate Enemies

*Marifeli Pérez-Stable, with an essay by Ana Covarrubias*

**Debating U.S.–Cuban Relations**  
Shall We Play Ball?

*Jorge I. Domínguez, Rafael Hernández and Lorena Barbería*

**U.S.–Venezuela Relations since the 1990s**  
Coping with Mid-Level Security Threats

*Javier Corrales and Carlos A. Romero*

This page intentionally left blank

# Contemporary U.S.–Latin American Relations

Cooperation or Conflict in the  
21st Century?

Second edition

Edited by

Jorge I. Domínguez and  
Rafael Fernández de Castro



Routledge

Taylor & Francis Group

NEW YORK AND LONDON

Second edition published 2016  
by Routledge  
711 Third Avenue, New York, NY 10017

and by Routledge  
2 Park Square, Milton Park, Abingdon, Oxon OX14 4RN

*Routledge is an imprint of the Taylor & Francis Group, an informa business*

© 2016 Taylor & Francis

The right of the editors to be identified as the authors of the editorial material, and of the authors for their individual chapters, has been asserted in accordance with sections 77 and 78 of the Copyright, Designs and Patents Act 1988.

All rights reserved. No part of this book may be reprinted or reproduced or utilized in any form or by any electronic, mechanical, or other means, now known or hereafter invented, including photocopying and recording, or in any information storage or retrieval system, without permission in writing from the publishers.

*Trademark notice:* Product or corporate names may be trademarks or registered trademarks, and are used only for identification and explanation without intent to infringe.

First edition published by Routledge 2010

*Library of Congress Cataloging in Publication Data*

A catalog record for this book has been requested

ISBN: 978-1-138-78631-8 (hbk)

ISBN: 978-1-138-78632-5 (pbk)

ISBN: 978-1-315-73171-1 (ebk)

Typeset in Garamond  
by Taylor & Francis Books

# Contents

<i>List of illustrations</i>	xi
<i>Acknowledgement</i>	xiii
<i>List of contributors</i>	xv
1 The Changes in the International System since 2000	1
JORGE I. DOMÍNGUEZ	
2 U.S.–Mexican Relations: Coping with Domestic and International Crises	30
JORGE I. DOMÍNGUEZ AND RAFAEL FERNÁNDEZ DE CASTRO	
3 The United States and Cuba: Intimate Neighbors?	62
MARIFELI PÉREZ-STABLE	
4 U.S.–Argentine Relations: The Years of Cristina and Obama	83
ROBERTO GUILLERMO RUSSELL	
5 The Unsettled Nature of U.S.–Brazilian Relations	106
MONICA HIRST AND LIA BAKER VALLS PEREIRA	
6 Chile and the United States: A Cooperative Friendship	128
CLAUDIA FUENTES JULIO AND FRANCISCO ROJAS ARAVENA	
7 Colombia and the United States: The Path to Strategic Partnership	150
CYNTHIA J. ARNSON AND ARLENE B. TICKNER	
8 U.S.–Peruvian Relations: Cooperation within the International System of the Twenty-First Century	183
CYNTHIA McCLINTOCK	
9 U.S.–Venezuelan Relations after Hugo Chávez: Why Normalization Has Been Impossible	214
JAVIER CORRALES AND CARLOS A. ROMERO	

x *Contents*

10	Latino Diasporas, Obama's Executive Action Strategy, and U.S.–Latin American Relations	236
	DAVID R. AYÓN	
11	Breaking the Vicious Cycle: Criminal Violence in U.S.–Latin American Relations	255
	GEMA SANTAMARÍA	
12	U.S. Immigration Policy: Politicization and Impasse	277
	ALLERT BROWN-GORT	
	<i>Index</i>	294

# List of illustrations

## Figures

2.1	Apprehensions, by Program	51
2.2	Annual Irregular Immigration from Mexico to the United States vs. Unemployment Rate	52
2.3	Removals and Immigration Enforcement Budget	53
2.4	Intention to Re-enter the United States after Repatriation	53
5.1	Brazil's Total Exports to the United States and by Regions	118
10.1	Racial Composition of U.S. Population, 1950–2050	240
10.2	U.S. Latinos Eligible to Vote, 1976–2016 (millions)	241
10.3	Florida Latino Voting-Age Citizens, by Origin, 1990–2012 (percentage)	242
10.4	Obama Job Approval Ratings, by Race and Ethnicity (percentage approve)	248
11.1	Prison Population Rate Mexico and Northern Triangle of Central America, 2000–2014	261
11.2	Homicide Rates Mexico and Northern Triangle of Central America, 2000–2012	262
11.3	Total of Deportations to Mexico and the Northern Triangle of Central America, 2004–2014	264
11.4	Criminal Share of Total Deportations Mexico and the Northern Triangle of Central America, 2004–2013	264
12.1	Immigration Flows to the United States, by Origin, 1820–2010	278
12.2	Immigrants in the United States, by Number and Proportion of Population, 1850–2010	279

## Tables

1.1	Exports to China from Selected Latin American Countries, 2000–2014 (millions of U.S. dollars per year)	7
1.2	Imports from China to Selected Latin American Countries, 2000–2014 (millions of U.S. dollars per year)	9

xii *List of illustrations*

1.3	International Reserve Assets, Latin America and the Caribbean, 2001–2014 (billions of dollars)	14
1.4	Years of Recent Agreements between the International Monetary Fund and Latin American and Caribbean Countries, 1989–2014	15
2.1	U.S. Exports to, and Imports from, Mexico, 2005–2014 (billion dollars)	36
2.2	U.S. Top Trade Partners: Exports and Imports, 2000–2014 (billion dollars)	36
2.3	Mexican Exports to, and Imports from, the United States, 1993–2014 (billion dollars and U.S. percentage shares)	37
2.4	U.S. Annual Direct Investment Flows into Mexico, 1999–2014 (billion dollars and U.S. percentage shares)	37
2.5	FY2008–FY2015 Mérida Funding for Mexico (million dollars)	47
4.1	Total Bilateral Trade between Argentina and the United States (million dollars)	96
5.1	Brazil's Bilateral Trade Balance (US\$ billions) by Major Partners	119
6.1	Chile's Main Trade Partners, 1997–2012	131
6.2	Institutional Framework: Chile and the United States	139
8.1	Peru's Exports: Value and Key Partners, 2000–2013	191
8.2	Peru's Imports: Value and Key Partners, 2000–2013	191
8.3	Coca Eradication and Cultivation in Peru, 1995–2011	194
8.4	U.S. Aid to Peru, 1990–2015 (Approximate)	195
8.5	Coca Eradication and Cultivation in Peru, 2011–2015	196
9.1	U.S. Trade with Venezuela, 1999–2014 (US\$ millions)	217
9.2	Venezuela Oil Production and Oil Exports to the United States (thousand barrels per day)	218
9.3	Venezuela in Congress: Hearings of the U.S House of Representatives Subcommittee on the Western Hemisphere	224
9.4	U.S. Security Concerns vis-à-vis Venezuela, Chávez vs. Maduro	231
10.1	Principal Latin American Immigrant-Origin Populations in the United States, 2012	238

# Acknowledgement

This project, begun in 1997, has led to Routledge's publication of 13 books: 10 on U.S. relations with Argentina, Brazil, Chile, Peru, Venezuela, Mexico, and Cuba, two on U.S. relations with Central America and the Caribbean, and the first edition of this collective work. Each book is relatively short and designed to reach a broad audience. The focus has been on the world as it had become since the start of the 1990s – that is, following the collapse of the Soviet Union, the end of the Latin American economic depression of the 1980s, and the emergence of democratic governments everywhere in Latin America outside Cuba. Each book typically has had two authors, one from the United States and one from the partner Latin American country or subregion.

Several related conferences have taken place over the past two decades, the first in 1998 in Mexico City at the ITAM (Instituto Tecnológico Autónomo de México). Two books have also been published in Spanish and one in Portuguese, and two books other than this one have been also published in English as second editions. Many of the same individuals founded the journal *Foreign Affairs en español* in 2000, subsequently renamed *Foreign Affairs Latinoamérica*, housed at the ITAM, as a means to sustain an international conversation on these topics.

This book includes several authors from the original books – namely, Jorge Domínguez, Rafael Fernández de Castro, Monica Hirst, Cynthia McClintock, Marifeli Pérez-Stable, Carlos Romero, Francisco Rojas Aravena, and Roberto Russell. They and the new authors gathered again at the ITAM in February 2015 to comment on each other's draft chapters in preparation for this book.

We are grateful to the Fundación Vidanta, and its academic director Roberto Russell, for their support of the conference at ITAM and this project. The Academic Department of International Studies at ITAM has hosted the project throughout its duration and its various international conferences, including the conference for this book. Harvard University's Provost's Office and the Weatherhead Center for International Affairs have supported aspects of this project. We are particularly grateful to Kimberly Renk for her work on translation and editing, Amanda Pearson for her

editorial work, and Kathleen Hoover at the Weatherhead Center for her general work on this book and previous projects.

We honor the memory of one of the original authors in this project, Dr. Janet Kelly, who died in 2003 but whose many contributions to Venezuela and its people, and their relations with the United States, and to us, her fellow scholars and friends, will live forever.

# List of contributors

**Cynthia J. Arnson** is Director of the Latin American Program at the Woodrow Wilson International Center for Scholars and Ph.D. in International Relations from the Johns Hopkins University School of Advanced International Studies. She is a member of the editorial advisory board of *Foreign Affairs Latinoamérica* and the advisory boards of the Social Science Research Council's Conflict Prevention and Peace Forum and Human Rights Watch/Americas. She co-edited (with Carlos de la Torre) *Latin American Populism of the Twenty-First Century* (The Johns Hopkins University Press, 2013) and edited *In the Wake of War: Democratization and Internal Armed Conflict in Latin America* (Stanford, 2012), among other publications.

**David R. Ayón** is Senior Strategist and Advisor to the research firm Latino Decisions, Senior Fellow at the Center for the Study of Los Angeles of Loyola Marymount University, member of the editorial board of *Foreign Affairs Latinoamérica*, and Director of the U.S.–Mexico Foundation. His current work focuses on Latino political development and its interaction with national U.S. politics and U.S.–Mexico relations. Educated at Princeton, Stanford, and El Colegio de Mexico, Ayón also writes a column for the Univision News website and is a member of the Council on Foreign Relations.

**Allert Brown-Gort** is Senior Research Fellow at the Institute for Work and the Economy, an independent think tank based in Chicago. From 1999 to 2014, he served as the founding Associate Director of the Institute for Latino Studies and as Faculty Fellow in residence of the Kellogg Institute for International Studies at the University of Notre Dame. His major research interests include immigration policy and the role of culture in shaping institutions and political systems. His latest project explores the links between a negative immigration debate and the creation of a robust ethnic political identity.

**Javier Corrales** is Professor of Political Science at Amherst College in Amherst, Massachusetts. He specializes in comparative and international

politics of Latin America. He is the co-author with Michael Penfold of *Dragon in the Tropics: The Legacy of Hugo Chávez*, second edition (Brookings Institution Press, 2015), with Daniel Altschuler of *The Promise of Participation: Experiments in Participatory Governance in Honduras and Guatemala* (Palgrave Macmillan, 2013), and with Carlos Romero of *U.S.–Venezuela Relations since the 1990s: Coping with Midlevel Security Threats* (Routledge, 2013).

**Jorge I. Domínguez** is Antonio Madero Professor for the Study of Mexico and Chair of the Harvard Academy for International and Area Studies at Harvard University. With Rafael Fernández de Castro, he co-edited this book's first edition and the general series of Routledge books called "Contemporary Inter-American Relations." Together, they co-authored both editions of *The United States and Mexico: Between Partnership and Conflict* (Routledge, 2001, 2009). He is also co-editor of the *Routledge Handbook of Latin America in the World* (Routledge, 2015), and *Mexico's Evolving Democracy: A Comparative Study of the 2012 Elections* (The Johns Hopkins University Press, 2015).

**Rafael Fernández de Castro** is Head of the Department of International Studies at the Instituto Tecnológico Autónomo de México (ITAM). He served as the Foreign Affairs Advisor to the President of Mexico from 2008 to 2010. He founded *Foreign Affairs Latinoamérica*, serving as its editor from 2000 to 2008. With Jorge I. Domínguez, he co-edited this book's first edition and the general series of Routledge books called "Contemporary Inter-American Relations." Together, they co-authored both editions of *The United States and Mexico: Between Partnership and Conflict* (Routledge, 2001, 2009).

**Claudia Fuentes Julio** is Assistant Professor at the International Relations Institute at the Pontifical Catholic University of Rio de Janeiro (PUC +Rio). She has taught at University of Denver and the Diplomatic Academy (Ministry of Foreign Affairs) of Chile and Brazil. Her research specializes on foreign policy, human rights, and security (Latin America focus) and her work has been published in edited books, policy reports, and the journal *International Studies Perspectives*. She was an associate researcher at FLACSO-Chile and has worked as a consultant for UNDP and UNESCO. She holds a Ph.D. in International Studies from the University of Denver's Josef Korbel School of International Studies and an MA in International Relations from the University of Kent, England.

**Monica Hirst** is a Brazilian–U.S. expert in international affairs based in Buenos Aires. She is a Professor in the Department of Economics and Administration at Quilmes National University and teaches in the master's program in international relations at Torcuato Di Tella University. She has consulted for the United Nations Development Program (UNDP), the Ford Foundation, the Norwegian Peace Building

Resource Centre (NOREF), the Andean Development Corporation, and the Foreign Ministries of Brazil, Argentina, and Colombia. She has published extensively on Brazilian foreign policy, Latin American–U.S. relations, regional security and integration, emerging powers, and cooperation for development.

**Cynthia McClintock** is Professor of Political Science and International Affairs at George Washington University. She is a past President of the Latin American Studies Association. Her most recent book, co-authored with Fabián Vallas, is *The United States and Peru: Cooperation at a Cost* (Routledge, 2003). Her previous books include *Peasant Cooperatives and Political Change in Peru* (Princeton University Press, 1981) and *Revolutionary Movements in Latin America: El Salvador's FMLN and Peru's Shining Path* (U.S. Institute of Peace, 1998). As a Fulbright Scholar, she taught at the Catholic University in Peru in 1987.

**Lia Baker Valls Pereira** is Senior Research Economist at Fundação Getúlio Vargas in Rio de Janeiro and Professor at the State University of Rio de Janeiro. She has undertaken special research projects commissioned by the United Nations Economic Commission for the Caribbean and Latin America, Brazil's Foreign Minister, Brazil's Industry and Development Minister, and foreign and Brazilian trade policy think tanks. She has also published extensively on Brazilian foreign trade policy, especially on issues related to Brazil's bilateral and multilateral agenda for trade agreements.

**Marifeli Pérez-Stable** is Professor in the Department of Global and Sociocultural Studies at Florida International University. She is the author of *The Cuban Revolution: Origins, Course, and Legacy*, 3rd edition, (Oxford University Press, 2012) and *The United States and Cuba: Intimate Enemies* (Routledge, 2011). She is working on "Cuba's Long Twentieth Century," a book manuscript focused on how Cubans themselves made their own history.

**Francisco Rojas Aravena**, Rector, University for Peace, has a Ph.D. from the University of Utrecht (Netherlands) and an MS from FLACSO, both in political science. He specializes in international relations, human security and international security, and defense. He has served as Secretary-General of FLACSO (2004–2012) and Director of FLACSO-Chile (1996–2004). He has advised and consulted for international agencies and governments in Latin America and the Caribbean. He has authored, co-authored, edited, and co-edited more than 80 books, contributed chapters to another 100, and published 138 articles in magazines and specialized publications in Latin America, Asia, the United States, and Europe.

**Carlos A. Romero** is Professor of Political Science at Universidad Central de Venezuela. He specializes in international politics of Latin America and foreign policy of Venezuela. He is the author of *Jugando con el Globo: La política exterior de Hugo Chávez* (Ediciones B, 2006) and co-author with Javier Corrales of *U.S.–Venezuela Relations since the 1990s: Coping with Midlevel Security Threats* (Routledge, 2013).

**Roberto Guillermo Russell** is Professor and Director of the Master and Ph.D. Programs in International Studies, Torcuato Di Tella University (Argentina), President of the Vidanta Foundation, and winner of the Konex 2006 Humanities Award in Political Science. He is author or co-author of, among others, *El Mercosur y los cambios en el sistema político internacional*; *The United States and Argentina: Changing Relations in a Changing World*; *El lugar de Brasil en la política exterior argentina*; *Imperio, Estados e Instituciones: La política internacional en los comienzos del siglo XXI*; and *Argentina 1910–2010: Balance de un siglo*.

**Gema Santamaría** is Professor at the Department of International Studies at the Instituto Tecnológico Autónomo de México (ITAM). She holds a Ph.D. in Sociology and Historical Studies from the New School for Social Research and a Master in Gender and Social Policy from the London School of Economics. Together with David Carey, she is the editor of the volume *The Politics and Publics of Violence in Latin America* (University of Oklahoma Press, forthcoming). She has been a consultant for the United Nations Development Program and is the author of several specialized reports on violence in Mexico and Central America.

**Arlene B. Tickner** is Professor of International Relations, Political Science Department, at the Universidad de los Andes, Bogotá, Colombia. Her main areas of research include Colombian foreign policy, Latin American security, and the sociology of International Relations knowledge in non-core settings. Some recent publications include “Securitization and the Limits of Democratic Security” in *Routledge Handbook of Latin American Security* (Routledge, 2015); “Autonomy and Latin American International Relations Thinking” in *Routledge Handbook of Latin America in the World* (Routledge, 2014); “Core-Periphery and (Neo) Imperialist International Relations,” *International Journal of International Relations* (2013); *Claiming the International* (Routledge, 2013); and *Thinking International Relations Differently* (Routledge, 2012).

# 1 The Changes in the International System since 2000

*Jorge I. Domínguez*

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.<sup>1</sup>

## 2 *Jorge I. Domínguez*

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*<sup>2</sup> 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.<sup>3</sup> U.S. troops during the Cold War invaded the Dominican Republic, Grenada, and Panama; U.S.-sponsored forces invaded Guatemala, Cuba, and Nicaragua.<sup>4</sup> 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.<sup>5</sup> 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.<sup>6</sup> 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.<sup>7</sup>

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.<sup>8</sup>

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,<sup>9</sup> 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.<sup>10</sup>

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.<sup>11</sup> 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.<sup>12</sup> 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)*

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

	<i>Argentina</i>	<i>Brazil</i>	<i>Chile</i>	<i>Colombia</i>	<i>Mexico</i>	<i>Peru</i>	<i>Venezuela*</i>	<i>Cuba*</i>
2010	5,799 (8.5)	30,752 (15.6)	17,324 (24.4)	1,967 (4.9)	4,196 (1.4)	5,434 (15.4)	5,071 (7.7)	696 (26.5)
2011	6,232 (7.4)	44,315 (17.3)	18,629 (22.9)	1,989 (3.5)	5,965 (1.7)	6,961 (15.3)	11,586 (12.7)	822 (23.4)
2012	5,021 (6.2)	41,228 (17.0)	18,098 (23.2)	3,343 (5.5)	5,721 (1.5)	7,849 (17.1)	13,119 (14.4)	517 (16.3)
2013	5,511 (7.2)	46,026 (19.0)	19,090 (24.9)	5,102 (8.7)	6,470 (1.7)	7,343 (17.5)	11,929 (13.9)	459 (14.6)
2014	4,462 (6.5)	40,616 (18.0)	18,828 (24.6)	5,755 (10.5)	5,979 (1.5)	7,025 (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](http://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 (4.6)	1,222 (2.2)	949 (5.7)	356 (3.0)	2,878 (1.6)	289 (3.9)	185 (1.3)	257 (6.8)
2001	1,066 (5.2)	1,328 (2.4)	1,013 (6.3)	475 (3.7)	4,027 (2.4)	354 (4.8)	336 (2.0)	366 (10.3)
2002	330 (3.7)	1,554 (3.3)	1,101 (7.2)	533 (4.2)	6,274 (3.7)	463 (6.2)	225 (1.9)	341 (11.4)
2003	721 (5.2)	2,148 (4.4)	1,642 (8.5)	689 (5.0)	9,400 (5.5)	640 (7.6)	176 (2.1)	260 (8.8)
2004	1,401 (6.2)	3,710 (5.9)	2,472 (10.0)	1,245 (7.3)	14,373 (7.3)	768 (7.6)	425 (2.9)	364 (7.6)
2005	1,529 (5.3)	5,355 (7.3)	3,227 (9.8)	1,617 (7.6)	17,696 (8.0)	1,058 (8.5)	808 (3.7)	699 (9.9)
2006	3,122 (9.1)	7,989 (8.7)	4,393 (11.3)	2,219 (8.5)	24,438 (9.5)	1,584 (10.3)	1,652 (5.4)	1,388 (15.0)
2007	5,093 (11.4)	12,618 (10.5)	6,066 (12.7)	3,327 (10.1)	29,744 (10.6)	2,463 (12.1)	2,076 (5.0)	1,286 (12.4)
2008	7,104 (12.4)	20,040 (11.6)	8,277 (13.2)	4,549 (11.5)	34,690 (11.2)	4,069 (13.6)	4,528 (9.5)	1,488 (10.7)
2009	4,823 (12.4)	15,911 (12.5)	6,189 (14.5)	3,715 (11.3)	32,529 (13.9)	3,267 (15.0)	4,034 (10.4)	1,069 (12.9)

	<i>Argentina</i>	<i>Brazil</i>	<i>Chile</i>	<i>Colombia</i>	<i>Mexico</i>	<i>Peru</i>	<i>Venezuela</i>	<i>Cuba*</i>
2010	7,649 (13.5)	25,536 (14.2)	9,971 (16.8)	5,477 (13.5)	45,608 (15.1)	5,144 (17.1)	3,593 (11.1)	1,173 (12.0)
2011	10,573 (14.2)	32,788 (14.5)	12,650 (16.9)	8,176 (15.0)	52,248 (14.9)	6,321 (16.7)	6,497 (13.3)	1,148 (9.9)
2012	9,952 (14.5)	34,248 (15.3)	14,432 (18.0)	9,565 (16.5)	56,936 (15.4)	7,807 (18.5)	10,096 (17.1)	1,290 (10.8)
2013	11,312 (15.4)	37,302 (15.6)	15,632 (19.7)	10,363 (17.5)	61,321 (16.1)	8,399 (19.4)	7,645 (17.0)	1,512 (11.9)
2014	10,703 (16.4)	37,341 (16.3)	15,104 (20.9)	11,790 (18.4)	66,256 (16.6)	8,925 (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](http://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.<sup>13</sup> 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.<sup>14</sup>

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.<sup>15</sup>

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."<sup>16</sup>

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.<sup>17</sup>

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)

<i>Country</i>	<i>2001</i>	<i>2005</i>	<i>2008</i>	<i>2011</i>	<i>2014</i>
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.