

Latin America: Next Top Model?

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In his 1983 book *The Price of Power: Kissinger in the Nixon White House*, Seymour Hersh described a meeting between the Chilean foreign minister, Juan Gabriel Valdés, and Henry Kissinger, Richard Nixon's national security adviser. The meeting occurred a few years before the US government helped overthrow the socialist Chilean government of Salvador Allende. Valdés, after giving a talk on power disparities between Chile and the United States, met with Kissinger in Washington.

The national security adviser reportedly began the conversation by dismissing Valdés's speech:

"Mr. Minister, you made a strange speech. You come here speaking of Latin America, but this is not important. Nothing important can come from the South. History has never been produced in the South. The axis of history starts in Moscow, goes to Bonn, crosses over to Washington, and then goes to Tokyo. What happens in the South is of no importance. You're wasting your time."

'I said,' Valdés recalls, "Mr. Kissinger, you know nothing of the South."

"No," Kissinger answered, "and I don't care."

This is Valdés's recollection of the conversation, of course, not Kissinger's. Still, the American statesman presumably did say something to the effect that the axis of history was centered in the North. Observers today would certainly extend Kissinger's axis through Beijing as well.

But does it now also dip far into the South, linking the North with the countries of Latin America? That is the argument that Oscar Guardiola-Rivera makes in his recent book, *What if Latin America Ruled the World?* Guardiola-Rivera would undoubtedly agree (though he does not mention the episode involving the Chilean for-

eign minister) that Kissinger, like so many other foreign policy observers who consider themselves realists, remains caught in a Eurocentric mindset that forever associates the developing world with underdevelopment.

When countries like China or Brazil do something of world-historical importance—such as becoming, respectively, the second- and eighth-largest economies in the world—the realists see no cause to rethink or redefine the perceptual categories according to which they view the world.

Indeed, to analysts of a certain world-historical bent, it seems mysterious, or simply unimportant, that a nation such as Brazil might no longer be systemically hobbled by all the negative characteristics that have long defined the South and the developing world.

Guardiola-Rivera, a professor of law and globalization at the University of London, desperately wants us to use a new optic when we view Latin America and the Caribbean. But saying we need a new perspective is not the same as providing one analytically. In the end, the book communicates great enthusiasm and energy but leaves the reader saying "Yes. So?"

NO BANANAS

Latin America, Guardiola-Rivera contends, "seems to have moved away from a stereotype as a collection of 'banana republics' and turned a critical corner in its political and economic history." The most important aspect of this turn is the region's emergence from the shadow of the United States, so that Latin America and the Caribbean can play "more prominent roles on the global stage."

As evidence Guardiola-Rivera points to Venezuela's decision in recent years not to defy OPEC production quotas, keeping oil prices higher as a result. He cites Ecuador's call in 2007 before the United Nations for a "financial scheme that

would allow oil-producing developing nations to leave their energy resources in the ground, thereby helping decisively to tackle the global problem of climate change.”

He also notes that Brazil's economic emergence has led it to announce that it will lend money to the International Monetary Fund. This represents a marked advance for a nation that, despite its history of heavy borrowing and potential defaults, is on track to become the world's fifth-largest economy within a few years.

Guardiola-Rivera adds to these signs of independence the creation last February of the Community of Latin American and Caribbean States (CELAC), an organization that encompasses all the countries of North and South America except Canada and the United States. (Honduras is suspended because of its 2009 coup, something Guardiola-Rivera does not mention.)

CELAC stands in contrast to the US-initiated Organization of American States (OAS), which CELAC's supporters see as ineffective and, moreover, a device through which the United States can intervene in the affairs of Latin American and Caribbean nations.

CELAC appears to be Latin America's answer to the European Union, an attempt to build deeper political and economic integration in the region. To that end there is even talk of creating a common currency, the Single Unit of Regional Compensation (SUCRE). “A common currency,” Guardiola-Rivera suggests, “would facilitate trade within the region and spur a progressive de-dollarization of inter-regional trade and financial relations.” Indeed, it could “pave the way for a regional monetary and financial system with its own financial code.”

It is here that most readers' goodwill toward the author will begin to erode, if it hasn't already. Guardiola-Rivera makes no mention of the stresses that the euro is experiencing as the European Union tries to support a currency the value of which, in the end, depends on the financial efforts of a few core states. Would Brazil and Chile play similar roles when confronted with financial crises in countries like Nicaragua or Guatemala?

This unwillingness to grapple with basic questions, or even to raise them, hollows out and

exposes the limits of the thesis that Guardiola-Rivera establishes for his book. Is it really plausible to argue that Latin America will set the model for the future, a model that the developed nations of the North will follow, when basic concerns such as economic integration and a common currency are left unexamined, and when current events call such goals into question?

Is it plausible to suggest, as the author does with no further elaboration, that the common currency could be backed by oil reserves in Ecuador's Yasuni National Park, and that these reserves “would play a similar role to that played by silver and gold in the past”?

It may seem unfair to hammer at this point, or others that lack full development, since much of Guardiola-Rivera's argument in *What if Latin America Ruled the World?* hinges on the region's innovations in social justice, public sector investment in health and education, and indigenous people's integration into the political process. Those all are very real and important develop-

ments, and the author is correct to point to them as advances that have helped catalyze the region's new dynamism.

But highlighting and promoting these innovations will not persuade most readers that Latin America

currently offers a model for the global future, especially as Mexico experiences economic malaise and drug-related turmoil; as internal security deteriorates in Central America; and as political corruption and stark inequality persist across much of the region, despite impressive democratic and economic achievements.

A PLACE ON STAGE

It is surely the case, as Guardiola-Rivera argues in his epilogue, that the “truest form of rule comes not from producing the most cars, selling and consuming the most goods, or harboring the deadliest military weapons. And . . . it cannot be measured in terms of debt-to-GDP ratios.” Yet material concerns such as these have been at the forefront of Brazil's economic thinking, even as that country has also invested in education and health and made social justice a focus. Guardiola-Rivera's book would be both more comprehensive and more compelling if it brought together for exploration all of these elements.

Brazil and other nations in the region have lessons to teach those who are prepared to pay attention.

In 1982, US President Ronald Reagan traveled to Latin America. On his return, he famously said: “I didn’t go down there with any plan for the Americas, or anything. I went down there to find out from them and their views. You’d be surprised. They’re all individual countries.” Nearly 30 years later, many North Americans would still be as surprised by the region’s diversity as Reagan was, seeing the region as they do through an antique lens.

Guardiola-Rivera falls short of his goal to establish Latin America not only as a point on the axis of history but as a driver of world history. He does, however, remind that the region is changing in remarkable ways, as individual nations and as a collective, and that the region’s past is not its present, or a model for its future.

Latin America may not be prepared to rule the world. But the author is certainly right that Brazil and other nations in the region have a place now on the global stage, and they have lessons to teach those who are prepared to pay attention.

IN SHORT . . .

The Big Ditch: How America Took, Built, Ran, and Ultimately Gave Away the Panama Canal.

By Noel Maurer and Carlos Yu.

Princeton University Press, 2010.

Maurer, a professor of business at Harvard, and Yu, an economic historian based in New York City, revisit the saga of the Panama Canal. Heralded as one of the greatest achievements of American engineering ingenuity in the early twentieth century, the canal became, later in that century, one of the most politically charged issues in US politics. The authors provide an economic history of the canal, showing how Washington’s military might allowed it to build the canal and extract economic gains from it that, during the time the canal was in US hands, never brought institutional or economic development to Panama itself. On the other hand, now that Panama has enjoyed full control of the canal since 1999, it has turned it into a profit-

able enterprise—something the United States was unable to do.

Even Silence Has an End: My Six Years of Captivity in the Colombian Jungle.

By Ingrid Betancourt. Penguin Press, 2010.

In February 2002, Ingrid Betancourt, while campaigning for the presidency of Colombia, was captured by guerrillas belonging to the Revolutionary Armed Forces of Colombia (FARC). She remained in captivity until 2008. *Even Silence Has an End* is her intensely personal memoir of those six years. The book does not explain the political dynamics that led to her confinement—nor, apparently, did the author set out to cast light on the FARC (though she does so, indirectly). Her memoir does, however, capture with eloquence and honesty the thoughts and emotions the author harbored during her long ordeal as a political hostage.

Amexica: War Along the Borderline.

By Ed Vulliamy. Farrar, Straus, and Giroux, 2010.

“Amexica” is the term that journalist Ed Vulliamy has coined for the borderland that binds together the United States and Mexico. It is along this border that thousands of people and millions of dollars’ worth of goods legally and illegally move every day. It is also along this border that a stunningly vicious and bloody war has broken out as narco-traffickers battle Mexican authorities and each other while supplying US consumers each year with illicit drugs worth nearly \$50 billion. Vulliamy traveled along the entire border over the course of a year and has gathered his reporting into a chilling series of vignettes. If any in the United States still dismiss stories of the borderland violence as political propaganda driven by anti-immigration hysteria, they should read what Vulliamy has carefully documented. The crisis along the border is real, and the responses so far fail to address the root causes: Mexico’s underperforming economy and America’s appetite for drugs. ■