

Latin America and European ‘soft power’ geopolitics

Fredo Arias-King



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Abstract This article argues for the refocusing of EU engagement in Latin America away from appeasement of the emerging illiberal regimes and towards active support for liberal forces, consistent with the EU’s founding philosophy, economic goals and geopolitical future.

Keywords Latin America · Geopolitics · Kubitschek · Transition · Reform · Democracy · *Chavismo* · *Castrismo* · Illiberalism

Introduction

In the European Union’s list of political priorities, Latin America probably ranks number six, coming after the EU itself, the United States, Russia, the Middle East and booming Asia. Furthermore, the EU and some of its larger Member States have not played an entirely positive role in the region, instead seemingly continuing to view it as the prize in a low-intensity geopolitical game with the United States. Underlying this outlook is a belief that Latin America is genuinely a victim of its powerful northern neighbour, a belief that is probably a reflection of guilt and paternalism from Europe’s own colonial history.

In addition to the low priority and confused approach, Brussels and the 27 Member States seem content to subcontract their relations with Latin America to Madrid and maybe Lisbon, who have mishandled this opportunity.

This is a pity, since a focused and realistic EU could play a crucial role in the Western hemisphere. This is the one area of the world that could still be susceptible to a positive influence from the EU—and the European business elites seem to understand this better than the politicians do. By avoiding paternalistic and ‘great power’ complexes and instead drawing on its recent history of successful transitions and a relatively high standing with our elites here, an EU-influenced transformation in Latin America would prove fortuitous for the long-term success of the EU itself.

F. Arias-King (✉)
Mexico City, Mexico
e-mail: ev@epp.eu

Ideally, Prague is better equipped than Madrid for this task—given the right political will—and Cuba could be the main vehicle to achieve this transformation. As with the campaign to grant the EU Parliament's Sakharov Prize to Cuba's main dissident, this effort could be led by the European People's Party together with the Conservatives and Liberals of the EU.

Latin America's gathering storm

Unlike Eastern Europe and now Russia, the Far East, South Asia and even isolated spots in the Middle East, which all evidence a strong upward trajectory economically and even socially, Latin America seems stuck in neutral. There are some bright moments of decisiveness and reform, but overall the region is stagnant economically, socially and politically. To make matters worse, it has once again become a geopolitical battleground, featuring home-grown strongmen spreading their illiberal model to the rest of the hemisphere, again in alliance and potential alliance with foreign powers seeking to undermine Western values—and not only those represented by the United States.

Latin America seems to lack the will or the tools to reform itself. While the illiberal forces have their pan-regional leaders in Havana and Caracas, the democratic forces lack a leading figure and a model. They even lack friends.

Several regional presidents had pinned their hopes to counter *chavismo* and *castrismo* on Vicente Fox, the charismatic rancher executive who resembled the Mexican movie hero Jorge Negrete, loved throughout Latin America. But they were disappointed. Fox's first visit as president-elect in mid-2000 was to the Cuban embassy to make amends, followed by a trip to Nicaragua, where he embraced former dictator Daniel Ortega (who used that encounter in his campaign commercials) and then to Chile, to praise the overthrown leftist president Salvador Allende at his memorial. Fox surrounded himself almost entirely with elements of the previous regime, including some alleged criminals. Later, it also surfaced that his first foreign minister may have worked for Cuban intelligence in the past.

Regrettably, Fox is not the exception. An ongoing study conducted with colleagues in the rest of the Western hemisphere reveals that only a minority of Latin America's presidents in the last 100 years could indeed be considered good leaders—the type the EU countries take for granted—who combine just three basic qualities: honesty, legitimacy and competence. In our straw poll, only 20% passed the test, with the rest displaying either incompetence, illegitimacy or corruption, but oftentimes a combination of all three. In Mexico, for example, only two presidents in the last 100 years combined these three qualities according to our (admittedly subjective) preliminary study.

Probably the greatest leader ever in Latin America was Juscelino Kubitschek, president of Brazil in the late 1950s. Though hardly known outside his country, this modest visionary is fondly recalled as the father of modern Brazil and serves as a unifying figure even today. Though not exactly a strict fiscal conservative (he increased debt) nor an environmentalist (his moving the capital to the interior destroyed swathes of the Amazon), the democrat Kubitschek indeed put the country on the map of industrialised powers, inviting foreign investors (especially the automotive industry), forging a special relationship with Dwight Eisenhower's United States, and later dying as a democracy activist attempting to return Brazil to the rule of law. He is proof that Latin America could indeed become master of its fate with good leadership.

But there are others like him, including a string of government leaders in El Salvador, Chile and Costa Rica, plus the no-nonsense (and highly popular) Alvaro Uribe in

Colombia. With Washington's help, they are at the forefront of building liberal economies and are a buffer against the populist contagion. Not surprisingly, these countries are where European business leaders have chosen to direct their investments.

Venezuelan President Hugo Chávez openly admits to financing subversives elsewhere—his country's national budget includes line items for 'alternative groups' in target countries such as Mexico. However, Mexican President Felipe Calderón made it a priority to re-establish good relations with Havana and Caracas, refusing to criticise their actions. Indeed, Mexico (typically for the region) seems unable to understand the implications of this new trend—instead hoping to appease it.

Calderón should think twice. As in Soviet times, the biggest prize for the illiberal Left is Mexico—for its size, its northern border and its 'cultural superpower' status in the hemisphere. The Chávez ally narrowly lost the presidential election to Calderón in 2006, despite the reported millions of dollars of support from his patron. If the illiberal Left does eventually take over, it is unclear whether Mexico would allow its institutions to be dismantled or its Congress replaced by a puppet 'constituent assembly' as happened in Venezuela, Ecuador and Bolivia; or whether a leftist president would step back from such an effort, as Luiz Inácio 'Lula' da Silva did in Brazil. In any case, an agitated and violent southern neighbour would probably prompt the United States to finally seal its border as the human waves would likely increase beyond the current yearly flow of 300,000 migrants—as happened in Cuba, Nicaragua, Venezuela and other nations where similar governments took over. While Mexico today harbours surprisingly few geopolitical ambitions, this could easily change with an illiberal leftist and his Cuban and Venezuelan advisors.

The EU: between Munich and Maginot

The European Union is a great experiment that has inspired elites and populace alike in once-barren parts of Europe to reinvent themselves for the sake of joining this prestigious club. Though its economic value is disputed, few doubt the EU has transformed its immediate neighbourhood by what Harvard scholar Joseph Nye calls 'soft power'.

But despite its efforts and resources, the EU has essentially failed to spread its soft power beyond Europe. Apart from Turkey, there is little evidence that the EU has influenced the Middle East, including North Africa. Russia is actively countering the EU's soft power in Serbia and Belarus, and becoming a divisive factor in the EU itself. England's soft power from colonial times in India and Hong Kong (whose example served China's reformers such as Deng Xiaoping) proved very fortuitous for the destiny of those two giants and therefore the world, but it's unlikely that the EU will have much influence on them in the future.

While some view the EU as a counterweight to the United States, more enlightened leaders today realise that in a world that includes China, India and ASEAN (Association of Southeast Asian Nations), the EU should see itself as part of a global family that includes other liberal democracies in alliance against resurgent challenges. This will likely include the United States and Canada, plus other members of the 'political West' such as India and Japan. The great landmass that is Latin America could tip the balance one way or another and it is currently up for grabs—yet one would not guess this by observing the official policies of the EU and its larger Member States here.

The Treaty of Rome (1957) and the *acquis communautaire* give the impression that the EU is broadly aware of responsible political and economic policies. However, these

gospels applied so stringently to aspiring Member States don't seem to be a guide for relations with Latin America. The policy, if there is one, instead seems a mixture of patronisation, appeasement, confusion and even encouragement of unacceptable behaviour. Brussels ably diagnosed Vladimír Mečiar's and Leonid Kuchma's regimes, but fails to do the same across the ocean. Moreover, the behaviour of the *chavista* axis countries contradicts more recent EU official policies. The EU Commission states that the main goals include the fight against corruption and 'contributing to the development of a stable and predictable framework to help the Latin American countries attract more European investment' [2]. However, according to the Berlin-based Transparency International, Venezuela is one of the most corrupt nations in the world, and European businesses have stayed away from countries that have fallen under the influence of Venezuelan and Cuban machinations. Chávez has harassed European companies, even from countries that indulge him.

While they will not say so openly, Latin American elites (both liberal and traditionalist-conservative) actually crave an outside figure they can follow, yet that figure has failed to appear. The only one they have is Washington, which at least has been broadly consistent (since President Ronald Reagan) in its approach towards the region—unlike Spain or other potential suitors. Just as the United States proved an important impetus for European unification after World War II (through the conditions of Marshall Plan aid and other mechanisms), the EU too can provide that external catalyst and leadership role to an otherwise mutually distrustful and bickering group of nations.

Needless to say, Latin America shares with Europe the same basic Greco-Roman and Christian ethos, though without the Enlightenment or Reformation colouring. From Spanish and Portuguese colonialism and mercantilism to French constitutionalism, to the Napoleonic wars that ushered in independence, to the immigration of millions of Europeans, to sizeable investments, Latin America's umbilical connection to Europe is undeniable. In time, the region can be nudged to reform with the same instruments used in previously backward parts of Europe. Unlike the usual complexes displayed towards the United States, Latin American response to European and Canadian advice is welcoming and open—even if the advice merely mimics that of Washington.

European soft power already enters Latin America through unexpected channels—from the elites' exposure to their countries of origin, to International Monetary Fund advice, to increasing trade. But in the same way as forests were once considered 'idle land' by development economists, the political EU itself fails to appreciate the true value of a liberal Latin America, judging by its indulgence of demagogues and its almost nil assistance to the actual and potential Kubitscheks.

Take for example election observation missions, the one area where the EU could directly contribute to frustrating the spread of illiberalism. Instead of tracking and denouncing the tens of millions of Venezuelan petrodollars supporting leftist agitators in other countries, or the de-institutionalisation, violence and electoral fraud that follow their victories, the EU instead has essentially endorsed these takeovers. EU observer missions in Venezuela and Ecuador came in for criticism [1], but the case of Mexico is also illustrative.

In a crucial election in the world's largest Spanish-speaking country in July of 2000, Europe was largely absent (except for warm words from Polish legend Lech Wałęsa from faraway Gdańsk supporting Vicente Fox). In a preparatory gathering of EU ambassadors and electoral observers, the basic consensus was to turn a blind eye to the expected electoral fraud which would have put Fox's opponent—the former secret-police chief and candidate of the official regime party in power for 70 years—in office. One key EU

ambassador even commented that, fraud and all, that election would be a step forward in Mexico's history. The one exception to the blasé attitude of these European officials was the Italian scholar and politician Rocco Buttiglione, who single-handedly forced the EU machinery to make the signing of the pending EU-Mexico Association Agreement conditional on a clean election—perhaps a factor that compelled President Ernesto Zedillo to unexpectedly recognise the opposition's victory. (Typically, the EU failed to capitalise on this accidental yet non-trivial achievement.)

While the official United States was no better (the Clinton administration and both presidential candidates also tacitly endorsed the one-party regime in those elections), Mexico City was teeming with important Americans from both the Republican and Democratic parties helping the reformers. Despite its lavish official summits and budgets, the EU is largely absent in this region at crucial moments—in contrast to the United States.

Worse, the few consistently active EU politicians and NGOs flying this way seem to be committed to rolling back the hard-won progress made towards democracy and rule of law. Fidel Castro and now Hugo Chávez can count on the ready support of key foreign ministries in Europe—namely and quite crucially, that of the Spanish Prime Minister José Luis Rodríguez Zapatero. However, EU forces that sympathise with an alternative model have hardly mobilised to counterbalance this influence. Aside from Václav Havel and a few other Cassandras and 'screamers' (to use Arthur Koestler's haunting term), the EU has projected an image towards Latin America that betrays some of its worst instincts and traditions. Moreover, the illiberal regimes in Latin America have been quite adept at dividing not only the EU from the United States, but at leveraging the EU's internal divisions as well.

The failure of Rodríguez Zapatero's (and by extension, the EU's) approach was evident during the shouting match between King Juan Carlos de Borbón and Hugo Chávez at a summit in Santiago. However, the problem should have been noted before Chávez's numerous other abuses, including, most tellingly, his openly anti-Semitic remarks and later his embrace of the FARC (Revolutionary Armed Forces of Colombia).

Rodríguez Zapatero has indicated he would like to restore Spain's diminishing role in the region, in which case his natural allies would be the current conservative elites here, who have a natural affinity for (and ancestry in) the Iberian Peninsula, not Iran, Russia and China—who are becoming strategic competitors in the hemisphere, not only of the United States but mainly of Spain and its financial interests. Spain's self-defeating policy should convince the rest of the EU to remove it from the driver's seat of Latin American policy, lest those relations continue resembling those of two neurotics.

As its main (some would say only) asset is soft power, the EU would be ill advised to continue pursuing a foreign policy inconsistent with the internal values that glue it together. The United States can afford to pursue double standards in its foreign policy. But for the EU, tolerating and even encouraging despotic behaviour in Moscow or Havana or Yerevan or Caracas will eventually have a boomerang effect. What if one of its Member States were to behave this way? How would they handle, say, a Romanian Chávez? Would Madrid indulge him as well?

Besides a vague notion of global democracy and the common good, the EU should support the liberal (or, failing that, the conservative or traditionalist) forces in Latin America for two more realist reasons besides the internal cohesion mentioned above: to blunt the spread of anti-Western values which also threaten the EU, and to protect the EU's financial interests in the region.

It is rarely noticed that Chávez and Castro represent a direct affront to the EU itself—by their training and funding of insurgencies such as the 'Polisario' in northern Africa, their

threat to nationalise Spanish banks, their entente with Islamic radicalism and Colombian narco-terrorists, their support of Alexander Lukashenko with a half-billion dollars and their open slighting of European democracy. Their support in some key EU circles seems paradoxical but not too surprising, given the larger Member States' traditional fetishes for strongmen. It would not be the first time the EU is called to rise above the pettiness of its Member States.

From a business standpoint, the EU will increasingly need Latin America in the decades ahead for several strategic products (such as biofuels). Investment and trade are likely to flourish, but only if liberal forces and ideas take root in the region. EU politicians would do well to notice where EU investments are going—towards the liberal regimes.

Industry and investment have traditionally collapsed when the demagogic Left takes over, due to nationalisation of industry, price controls, export restrictions, corruption and forced geopolitical reprioritisation. Venezuela today is experiencing a form of de-industrialisation and even food shortages in the middle of the oil boom—all the while creating a parasitic red oligarchy and destroying the middle class. Even when individual EU countries or companies negotiate special treatment or assurances with a despot (as with Moscow's gas pipelines), the EU as a whole suffers.

In any case, Spain's perceived right to tutelage may be misplaced. As Spanish thinker (and a founder of the Liberal International) Salvador de Madariaga would say, Latin America is not the child of Spain, but instead, Latin America plus today's Spain are the offspring of a Spain that has long ago ceased to exist. His grandson, the EU high representative Javier Solana, has wisely heeded this advice and shown congruence towards Latin America—unlike the newer generation of his fellow Spanish Socialists.

Cuba to the rescue?

Paradoxically, but quite realistically, Cuba could become a source of inspiration for Latin America. But instead of inspiring misguided Rousseauian romantics, corrupt demagogues and guerrillas, this time the island nation could give hope to those forces attempting to reform the hemisphere. It could also be the main conduit of European soft power into the rest of the region.

So far, only Chile has provided (albeit reluctantly) a model for the reformist forces of the region. Costa Rica is also oftentimes touted as an example of a socially sensitive democracy—although it's still basically poor. All the other examples are too deeply flawed to offer any kind of model.

Cuba could use its pending transition from communism to escape the cultural pathologies of *latinoamericanismo*, just as several other nations did with the even more pernicious 'Central Europeanism' of interethnic conflict, militarism, poverty and war. The only democracy east of Switzerland in the interwar period was Tomáš Masaryk's Czechoslovakia. However, today there are over a dozen functioning democracies in the region—countries that took advantage of good leadership and a social consensus to dramatically reinvent themselves. The transition from communism provides this opportunity, if the elites take advantage of what Leszek Balcerowicz calls the 'window of opportunity', before the honeymoon of extraordinary politics gives way to the restraining humdrum of ordinary politics.

If a post-authoritarian Cuba decides to go further than a mediocre *status-quo ante* transition and finds the courage to model itself as a Caribbean Estonia, then the implications for the rest of the hemisphere will be profound. A Cuba with a Havel or a Mart Laar as president, that implements administrative reform, lustration, a flat tax, open trade,

rigorous banking reforms, fiscal discipline, low indebtedness, property rights and fair privatisation, that maybe even joins NATO as a way to reform its bloated military—this Cuba could see Asian-style growth rates and a dramatically better rank in the UN's Human Development Index (as happened with Estonia), thereby catapulting it from pariah to messiah status in the rest of the hemisphere. This is not to say that only in this exceptional case can a Latin American country reinvent itself—there are also cases worldwide of dramatic improvement through ordinary politics, such as Ireland in the 1990s. However, the type of political figures necessary to achieve something akin to the Irish miracle are few and far between here. Nevertheless, we should have faith in the domino effect a Caribbean Estonia could have.

Probably the most constructive EU policy towards Latin America would be to use the soft power of its successful democratic transitions to train a cadre of dissidents in Cuba and Venezuela. The decisive economic reforms undertaken by several post-communist countries will be more relevant than those of Spain, whose reforms were mostly implemented during Franco.

Member States have already spontaneously formed groups that the EU itself would do well to support. For example, the International Committee for Democracy in Cuba (ICDC) that was formed in Prague in 2004 on the initiative of Havel, José María Aznar and the People in Need Foundation brings together some of the main transition leaders of the region plus those of Latin America: Philip Dimitrov of Bulgaria, Patricio Aylwin of Chile, Laar of Estonia, former leaders from Costa Rica and Uruguay in addition to legendary activists such as Adam Michnik of Poland and Yelena Bonner of Russia. The Lech Wałęsa Institute in Warsaw and the Respekt Institute in Prague formed a programme to study Latin America and advise regional governments on policy—especially that of the Czech Republic, which is scheduled to chair the EU rotating presidency next year. Indeed, Prague has done far more to deploy European soft power positively in Latin America than has Madrid as of late. And unlike Madrid, whose Latin American policy is held hostage to domestic political struggles (even within the Socialist Party), Prague has been consistent across government coalitions.

Though despotic forces in Latin America will condemn them for 'racism' or 'neo-colonialism', the EPP, the Conservatives and the Liberals of the EU could take the initiative squandered by the Socialist International. They would work not only with their Latin ideological counterparts, but also with the genuine and healthy Social Democrats of the region, which the Spanish Socialists and many of their European comrades have curiously chosen to relegate to the backseat. These include forces represented by figures such as Ricardo Lagos of Chile, Oscar Arias and Luis Alberto Monge of Costa Rica, Fernando Henrique Cardoso of Brazil, plus their Venezuelan and Cuban counterparts (the former political prisoners Vladimiro Roca and Huber Matos). Tellingly, Venezuelan Social Democrats openly favoured the defeat of the Spanish Socialists in the March 2008 elections, just so that Europe would stop condoning Chávez.

The goal should be to reorient EU policy towards a self-serving, pragmatic, hard-nosed and realistic strategy for Latin America: support the Kubitscheks. The EU could be the factor that determines if Latin America evolves from the adolescent of the Western world to one of its strategic assets. Latin America will change when its values change, and that takes leadership.

For the sake of the EU and the rest of the political West, Latin America should continue its exotic traditions in cuisine, folklore and vibrant cultures, but like every good marriage partner, become refreshingly 'boring' in the affairs of everyday life.

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Fredo Arias-King is the founder of the academic quarterly *Demokratizatsiya: The Journal of Post-Soviet Democratization*, published since 1992 in Washington, DC. He is an analyst with two regional think tanks: CEON (Miami) and CADAL (Buenos Aires).