

The Future of U.S.–Latin American Relations *A Discussion with Michael Shifter*

Interviewed by Aaron Rosen

Michael Shifter is president of the Inter-American Dialogue. Since 1993 he has been an adjunct professor of Latin American politics at Georgetown University's School of Foreign Service. Shifter writes and comments widely on U.S.-Latin American relations and hemispheric affairs, and has frequently testified before the U.S. Congress. He is co-editor, along with Jorge Dominguez, of *Constructing Democratic Governance in Latin America* (Johns Hopkins University Press). He is contributing editor to *Current History* and a member of the Council on Foreign Relations.

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AR: Where did your interest in Latin America originate and how has your understanding of the region developed over your varied and extensive career?

MS: For some reason I still don't entirely understand, from a very young age I was drawn to Latin Americans and their culture, especially art, music and of course food. I spent a summer in Durango, Mexico, when I was 13, living with a family and learning Spanish. In high school I was an exchange student with American Field Service in Lisbon, Portugal. During my college years, and especially when I spent my 3rd year studying politics and international relations at the University of Los Andes in Bogota, what had been mainly a cultural interest became a more political,

academic and intellectual engagement with Latin America. Over the years, my view of Latin America has become markedly less romantic and more anchored in the region's complex realities. Situations are rarely, if ever, black and white, so it's best to develop interpretations with shades of grey and, if possible, a touch of irony. That is what makes the study of the region constantly challenging.

AR: How would you compare and contrast the twentieth century U.S.–Latin American relationship with its twenty-first century counterpart?

MS: There are profound differences between U.S.-Latin American relations in the 20th century compared to the 21st century. In the latter part of the 20th century, the United States was the predominant external actor involved in the region. The vast asymmetries in power defined a very complex and ambivalent relationship that was often marked by both cooperation and conflict. Such enormous power differentials naturally gave rise both to a paternalistic attitude in the United States, as well as to suspicions and resentments towards the U.S. in many parts of Latin America. For Washington—engaged in a fierce ideological battle with the Soviet Union—anti-communism trumped everything else. The Cold War years left a lot of baggage that manifests itself to this day. The onset of the 21st century coincided with the terrorist attacks on the U.S. on September 11, 2001. From that moment on, Washington's attention was focused on other parts of world. At the same time, many Latin American countries—most notably, Brazil, but others as well—became more confident and engaged in global affairs. The United States, though still important, became an actor among many, including Europe, Japan, and of course, starting roughly a decade ago, China. Besides being attacked by Al Qaeda, the U.S. suffered other mounting problems, culminating in the 2008-9 financial crisis and increasingly polarized and dysfunctional politics. Such shifts have helped level the

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playing field in the U.S.–Latin American relationship that is more and more tailored to particular countries rather than the region overall, and reflects both the striking differentiation within Latin America and the limits of U.S. policymaking.

AR: What are Latin America's most pressing regional challenges, and what are its greatest strengths?

MS: Latin America is the most violent region in the world, and is also the most unequal. While some progress has been made over the last decade in narrowing the glaring gap between rich and poor—and there have also been some successes in reducing crime in a number of cities—overall the situation is of considerable concern, especially looking ahead at a more difficult economic environment. State capacity and rule of law are problematic in many countries, and the strides have been slow and uneven. In a fiercely competitive global economy, such deficiencies are urgent and need to be addressed. In light of Latin America's many strengths, there are, however, reasons to be hopeful. The region's macroeconomic policymaking is impressive, and electoral bodies are also performing well in most countries. There is a vibrant civil society and a spirit of entrepreneurship that, when nurtured and harnessed, can produce positive results. For all of the region's problems and frictions, it remains relatively peaceful and is not driven by ethnic and religious differences that are tearing apart other parts of the world.

AR: Why have some in the region chosen a more liberal economic path (typically Pacific Alliance countries), while others continue to pursue more comparatively authoritarian and protectionist policies (typically Mercosur countries)?

MS: Latin American governments have pursued different paths to deal with the challenges and pressures of globalization. There are, to be sure, ideological differences, but the countries are also distinguished from one other by their levels of institutional capacity and the structure of their societies, including the dislocations that sometimes accompany free trade. In most circumstances, such factors best account for the disparate

trajectories, with some countries being more protectionist than others. To be sure, there are strong contrasts in policy orientation between the Pacific Alliance and Mercosur arrangements, but these should not be overstated and they are not frozen. Today, for example, Brazil seems to be heading in a new direction in its economic policy, which could eventually have important consequences for Mercosur and South American integration. And there will be a new government in Argentina before the end of the year.

AR: What are the implications of the United States having recently designated Venezuela a national security threat? (For Venezuelan politics, for U.S.–Venezuelan relations, and for U.S.–Latin American relations.)

MS: It was not wise for the United States to use such terms as “threat to national security” in relation to Venezuela. Everyone knows such language was legally required and that its use does not reflect a strategic policy decision regarding Venezuela, but it was ill-advised nonetheless. It was not surprising that it would be used by the Venezuelan government as ammunition against Washington’s “imperialist aggression”, and that it would touch a nerve throughout the region. There is not a single Latin American government that supports the decision to apply sanctions to seven Venezuelan officials on human rights grounds, but the furor was caused mostly by the accompanying language in the executive order. The misstep should be kept in perspective, however. The costs will eventually pass, and hopefully attention will be turned to the very serious situation in Venezuela and how other governments can work together to respond to the crisis. To date, the regional response has been disappointingly tepid.

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AR: How has the demand for illicit drugs in the United States impacted Latin America – for transit countries as well as for production countries?

MS: The huge demand for illicit drugs in the United States has had a mostly pernicious effect on many countries in Latin America. Though surely not the only cause, the drug trade has been a key contributing factor to the region's violent crime and corruption, as well as institutional deterioration. Former presidents Cardoso, Zedillo and Gaviria headed a commission that came out with a report in 2009 calling attention to the failure of drug policy and urging not only a serious, honest debate but effective policy changes as well. Over the last several years there has been more openness and flexibility on drug policy, and the OAS (Organization of American States) produced a very important study on the issue, but the region is far from reaching a consensus on the best alternative approach. The landscape on this question has also fundamentally changed – it used to be the case that the U.S. was solely associated with consumption and some Latin American countries with production and/or transit. But today, unfortunately, in a number of Latin American countries—Brazil, for example—consumption of illicit drugs has climbed as well, and of course in the United States there is considerable production of marijuana. The great risk for the United States is pursuing a more liberal and open policy at home, while at the same time carrying out on the ground, in Mexico or Honduras, a tougher approach, more aligned to the traditional paradigm. Such a contradiction is not sustainable and is bound to only build resentment towards the United States in the region.

***AR:** What do you expect to develop out of the gradual yet apparent thaw in U.S.–Cuban relations? Specifically, should the U.S. maintain "Wet Foot, Dry Foot", and what changes can we expect the Communist Party of Cuba to undertake in exchange for a lifting of the embargo?*

MS: There appears to be a will in both Washington and Havana to proceed towards greater engagement and openness in U.S.–Cuban relations. In the short term it is likely that diplomatic relations will be established and there will be embassies in both capitals. Normalization is far more complicated and will take years. Given the power distribution today in the U.S. Congress, it is doubtful that the embargo will be lifted in the next couple of years. The Cuban government has a valid point in insisting on overturning “Wet Foot, Dry Foot” that is not consistent with

the spirit of the policy shift. It will probably happen eventually, though not now. Whatever changes that take place in the Cuban Communist Party will be the product of the evolving conditions in the country and will not be linked to any decision to lift the U.S. embargo. The Cubans will not agree to such a quid-pro-quo. The notion is that easing or lifting of the embargo will help unleash forces and pressures in Cuba that will, over time, result in political reform and greater openness. Whether that happens or not, nobody really knows, but that's the theory. What is clear is that the punitive embargo, in place for more than half a century, was definitely not producing the political change Washington was hoping for. It only served to isolate the United States from Latin America, and the rest of the world.

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AR: How might a Chinese-supported Nicaraguan canal impact the politics and commerce of the Western Hemisphere, and is it likely to happen?

MS: There are varied views about whether the ambitious Nicaragua canal project will actually happen. There are ample grounds for skepticism in view of the enormous obstacles. It is unclear how much the Chinese government is backing the project, and whether it is prepared to commit sufficient resources. Should it materialize, the canal would surely have a role in Western Hemispheric commerce, though it is unlikely to affect the trade associated with the Panama Canal expansion to any significant degree. A completed project would further bolster an already strong Nicaraguan president Daniel Ortega, though wider, hemispheric political ramifications are less clear.

AR: For students wishing to enter the D.C. think tank scene, what do the leading institutions look for characteristically, and what is currently in demand specialization-wise?

MS: There are different types of think tanks, but most value a combination of skills and talents. These include excellent writing, research, and public speaking, along with analytical acumen and critical faculties. Professionals at think tanks usually have some academic background, or at least familiarity with the academic world, but have a strong policy orientation and think about how to identify the best ideas and make them accessible to relevant decision makers. They should know how to conceptualize a program and develop a set of coherent and compelling activities. In light of scarce resources, fund-raising, too, is also an increasingly indispensable skill for think tank professionals. For think tanks with a global focus, the Middle East and China are the highest priority regions. Latin America is not exactly at the top of the agenda and is unlikely to become so. Different disciplinary training is in demand at think tanks, especially economics. There is also a strong connection with public policy programs.

***AR:** How has the nature of the think tank as an institution changed over your career, and what has been the most fulfilling aspect, or aspects, of working within one?*

MS: Think tanks are growing in various parts of the world, but they remain rather peculiar to the United States, and especially to Washington, DC. Many are under considerable stress because of fierce competition, resource constraints and rapidly changing technological forces. The communications function is more crucial than ever, and there is great pressure to keep up with the latest advances in social media. Think tanks confront strategic choices, including whether to focus on influencing particular actors or to reach as many people as possible. Striking the right balance between preserving independence on the one hand and pushing hard on critical policy aims like democracy and equity on the other is a major challenge. Most fundamental for a think tank is doing whatever is necessary to build and maintain credibility. In contrast to other, more formal institutions, think tanks offer a platform to express views and share interpretations about what is happening in the world, and within fairly wide parameters. They provide an opportunity to shape the public debate on the set of issues you care most about. Think tank life has its share of

frustrations, but when it works and things go well it can be tremendously liberating -- and a rare privilege.