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LATIN AMERICAN
MULTILATERALISM:
NEW DIRECTIONS

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ABOUT THIS PROGRAM:

FOCAL's Inter-American Affairs program provides policy-relevant research and analysis on hemispheric issues including governing institutions, multilateral organizations and hemispheric co-operation with a focus on both state and non-state actors. The program seeks to increase understanding of Latin America in Canada and promote Canadian best practices in Latin America.

Working in collaboration with regional partners, we have several projects that focus on various aspects of democracy and the rule of law, as well as on other hemispheric initiatives such as the Summit of the Americas. Between summits, our efforts are geared toward lessons learned, governance trends, challenges and successes in the hemisphere.



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Foreword

Michael Shifter

The Western Hemisphere cannot be justly accused of lacking regional and multilateral mechanisms purportedly aimed at strengthening co-operation. Drawing up a full inventory of such mechanisms, and explaining their purpose and role, is in itself a considerable task.

The proliferation of regional groupings stems in part from a longstanding aspiration in Latin America and the Caribbean for greater unity and integration. In some ways, this is an old and familiar story. But in the age of globalization, that aspiration also derives from the determination of such countries as Brazil and Venezuela to assume more active regional leadership —along with the relative decline of U.S. influence in hemispheric affairs. As Latin American countries face a widening range of foreign policy options they also seek increased breathing space and distance from the hemisphere's dominant power.

While it is preferable to have weak institutions than no institutions at all, it would be better still to have regional and sub-regional groupings that are able to effectively tackle common problems and challenges, from drugs, security and democracy and human rights to trade, the environment and migration. What is striking about the hemisphere's current multilateral arrangements is the extent to which they have, on balance, underperformed. This is particularly so in light of the gravity of the shared agenda, and the expectations created in the early post-Cold War years about vigorous co-operation.

The obstacles have been fundamentally political, both within countries —the United

States included— and among nations. The notion of collective action on key policy challenges that would gradually erode barriers of sovereignty has given way to the salience of nationalism, resulting in high degrees of tension, fragmentation and disarray.

On economic, technological, demographic and cultural fronts integration is moving forward, albeit by fits and starts, and absent the idea of an all-encompassing Free Trade Area of the Americas. But as bilateral strains mount, drug-fueled violence spreads, and democratic safeguards and the rule of law in some countries erode, the mobilization of the hemisphere's political resources has been disappointing.

To be sure, there have been some successes that, in a hemisphere devoid of regional groupings, might not have otherwise been achieved. A Brazilian initiative launched in 2008, the Union of South American Nations (UNASUR) was able to help defuse tensions between Colombia and Venezuela, and also assisted in brokering a political accord in Bolivia. But it is unclear whether UNASUR and the associated South American Defence Council (CDS) will become sufficiently institutionalized to deal, for example, with the fundamental threat of organized crime and the risk of an arms race in the region. Among UNASUR members, levels of mistrust are high and governments are generally reluctant to cede too much control on such sensitive questions.

The Community of Latin American and Caribbean States (CELAC), the latest grouping that will be formally launched in Caracas in July

2011, is exclusively regional. The United States, Canada and Europe do not take part. Bolivian President Evo Morales has said that CELAC will supplant what he sees as the U.S.-dominated Organization of American States (OAS).

The OAS has had more than its share of difficulties and frustrations, particularly surrounding the 2009 crisis in Honduras. Member states have long expressed disappointment with the organization's performance. Still, despite its shortcomings, the OAS has developed a remarkably advanced normative and juridical framework, and has had some real accomplishments in resolving conflicts throughout its history. The formation of CELAC might provide added impetus to the United States and Canada to revitalize and reform the OAS.

It will take some time before the incipient regional groupings acquire more definite shape and a clearer purpose. Some political posturing will be inevitable, and national governments may well turn inward to deal with many of their problems. It is unlikely, however, that such reactions will succeed in resolving the underlying problems that continue to deepen and that require meaningful co-operation.

In the post-financial crisis context, Latin America's resilience and multiple strengths have been on display and deserve to be recognized. But the region's vulnerabilities are serious, and cannot be adequately addressed without effective multilateralism.

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Introduction

Thomas Legler and Lesley Burns

Despite the effervescence of new Latin American regional and sub-regional multilateral forums in recent years, and particularly bodies that exclude the United States and Canada, there has been surprisingly little systematic study of multilateralism in the region. Among the more important new entities are: the Bolivarian Alliance for the Peoples of Our America (ALBA), the Summit of Latin America and the Caribbean on Integration and Development (CALC), the Community of Latin American and Caribbean States (CELAC), and the Union of South American Nations (UNASUR).

The following collection of articles is a translation of pieces originally published in a Spanish special issue of *Foreign Affairs Latinoamérica* (vol.10, no.3, 2010) dedicated to Latin American multilateralism, which grew out of an academic workshop held in February 2010 in Mexico City. It received important support from the Center for Inter-American Studies and Programs of the Instituto Tecnológico Autónomo de México (CEPI-ITAM) and the Under-Secretariat for Latin America and the Caribbean of the Mexican Ministry of Foreign Affairs. Most crucial were the contributions of CEPI's Director Natalia Saltalamacchia, Mexican Undersecretary for Latin America and the Caribbean Salvador Beltrán del Río Madrid, and Mexican Director General for American Regional Organizations and Ambassador José Antonio Zabalgoitia Trejo.

The relevance of the compilation for inter-American relations and the future of multilateral co-operation prompted the Canadian Foundation for the Americas (FOCAL) to make this major work available in English to broaden its audience and impact. FOCAL seeks to contribute to an increased understanding of relations among Latin American countries and to highlight research conducted within the region.

The articles emerged from a shared understanding that multilateralism implies formal or informal institutional arrangements based on principled relations among three or more states, often with important participation or inclusion of non-state actors such as non-governmental organizations, business interests or experts. Realists remind us correctly that multilateral institutions are also permeated by power relations and reflect the international balance of power. Robert Cox's line of critical international political economy stresses how international organizations can be seen as sites for North-South conflict when analyzed from a historical perspective; they can serve both as vehicles to advance the interests of the powerful or as weapons of the weak. In the Latin American context, the newly-created summits and forums are also the locus for growing South-South rivalries among such countries as Brazil, Mexico and Venezuela.

This compilation paints the picture of a dynamic multilateralism with a number of distinctive characteristics, but one also fraught with challenges. For one, Latin American multilateralism is heavily state- or even executive-centric, with a clear preference for presidential summits. Second, it is *pro tempore*, in the sense that it favours arrangements in which national leaders take periodic turns chairing organizations over creating strong, independent secretariats. Currently, Latin American multilateralism has a strong emphasis on promoting spaces for political dialogue and concertation instead of investing in regional public goods, regional governance and development. It also rests on a long tradition of defensive multilateralism, one that participates in the struggle to assert Latin American autonomy vis-a-vis the United States while also defending the exclusive sovereign prerogative of states to formulate foreign policy unimpeded by neither domestic nor foreign actors. Future research must determine to what extent these

are Latin American multilateral idiosyncrasies or whether in fact they are common to different regional contexts. The authors concur that these defining attributes often represent the limits or deficiencies of Latin American multilateralism; some point out that this illustrates the gap between multilateral aspirations and the reality. As Andrés Serbin states in his overview of the main principles and challenges to Latin American multilateralism, the next test for the region will be to move from formal to substantive co-operation.

Although there are a number of common analytical threads among the articles, they also convey some of the leading debates on the topic of Latin American multilateralism. Implicit in all contributions is one question: has the time come for a definitive break from the existing inter-American system in which Canada and the United States are active members? Francisco Rojas outlines some of the compelling reasons for constructing regionalism without U.S. and Canadian participation. On the contrary, Dexter Boniface argues that it is still important for Latin American countries to engage the United States. Lesley Burns suggests ways the most recently created CELAC could work to strengthen the inter-American system. A number of the authors, most notably Olga Pellicer and Richard Feinberg, also question the prospects for the articulation of a common regional vision or consensus. Francisco Rojas and Thomas Legler observe that the absence of a clear bonding agent, such as a strong collective identity or a shared vision, has hampered the consolidation of effective regional multilateralism. It is clear from the articles that both centripetal and centrifugal social and political forces are at work in shaping contemporary Latin American multilateralism. Finally, given recent sub-regional and regional multilateral proliferation, there is some debate on the likelihood of either compatibility or competition among the plethora of organizations. On the one side,

Richard Feinberg, Dexter Boniface, Lesley Burns and Lorena Oyarzún find that there is no necessary contradiction or conflict in the coexistence of inter-American and Latin American multilateralism. On the other side, Josette Altmann draws our attention to the polarizing role of ALBA while Olga Pellicer underlines the deep-rooted divisions and fragmentation in the region.

This compilation of articles reflects the complexity of multilateral arrangements in Latin America and the Caribbean and will certainly contribute to a better understanding of political dynamics in the region and challenges ahead.

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Old factors and new challenges in regional multilateralism: A Latin American idiosyncrasy?

Andrés Serbin

This past decade, a large number of multilateral forums, organizations and spaces have been deployed in Latin America and the Caribbean. Among them is a growing abundance of summits of all stripes, both strictly regional and broader, such as the Summit of the Americas, the Ibero-American Summit and the EU-Latin America and Caribbean Summit. There was also a marathon-like succession of four summits involving presidents from Latin America and the Caribbean in Brazil in December 2008; these summits lay the foundations for the recent Cancún Summit and the creation of the Community of Latin American and Caribbean States (known by its Spanish acronym CELAC). The summits have also been associated with the creation of new multilateral organizations working on agreements and co-ordination related to a diverse regional agenda. Parallel to these summits are the social summits convened by civil society and non-governmental organizations.

Further, the last 10 years have been witness to the birth of several multilateral spaces with economic-financial or integration goals: the Bolivarian Alliance for the Peoples of Our America (ALBA), the Union of South American Nations (UNASUR), the Bank of the South, the South American Energy Summit, and the Summit of Latin America and the Caribbean on Integration and Development (CALC); these overlap with older multilateral spaces such as the Rio Group, the Latin American Integration Association (ALADI), the Latin American and Caribbean Economic System (SELA), the Central American Integration System (SICA), the Caribbean Community (CARICOM), the Andean Community (CAN), the Southern Common Market (MERCOSUR), the Andean Development Corporation (CAF) and the Association of Caribbean States (ACS).

The oversupply of proposals and projects in the region reflects an overlay of multilateral options; this hinders the development of common regional

interests and increases fragmentation, on the one hand, and seriously jeopardizes the future of regional integration and the continuity and sustainability of these forums, on the other.

Decisive factors

Within this framework, a series of factors has contributed to the proliferation of multilateral spaces and mechanisms over the last decade. At the same time, some regional organizations have progressively lost regional influence as their functions were limited or became obsolete, such as SELA or ACS, or as some of their members withdrew, such as CAN or the G3 free trade agreement between Colombia, Mexico and Venezuela. Even though some of these regional organizations are not officially extinct, their survival and continuity are threatened by an absence of specific mandates and a reduction of their resources.

Relevant exogenous factors that explain the multiplication of these forums include, first and foremost, the complex relationships of the region with the United States, especially after the Cold War and 9-11. The unilateralism of former U.S. President George W. Bush's administration generated negative reactions in the region. For instance, Latin American and Caribbean countries —with a few significant exceptions— condemned the invasion of Iraq and have expressed reservations about the “war on terror,” because it is not based on international norms and law, among other reasons. This situation has been compounded by the region's loss of strategic significance for the United States after the Cold War, as the country's foreign policy focuses increasingly on other areas of the world. In this context of growing inattention or “benign neglect” on the part of the United States, Latin American countries had increasing possibilities —proportional to their geographic proximity and economic links to the U.S.— to develop more autonomous policies. This resulted

in the creation of the region's own forums and instruments for action that seek to reduce and prevent the United States' traditional influence in the Western Hemisphere, without excluding the possibility of generating new forms of interaction with this country. In some cases, such as ALBA, the alliances are developed in clear challenge and opposition to the United States, whereas others such as UNASUR are searching for their own autonomous space within the region, in order to improve their capacity to interact with Washington, as well as with other international actors. Given this context, the election of U.S. President Barack Obama raised expectations that his foreign policy would pay more attention to Latin America. More than a year into Obama's presidency, there is a general feeling of disappointment due to policy ambiguity and contradictions that were evident during the 2009 Honduran crisis, as well as in U.S. relations with important regional actors such as Brazil, Colombia, Cuba and Mexico.

Another relevant exogenous factor is related to the effects of globalization in the region and to the need to propel Latin America's insertion in the international economic system. This need has been accelerated in previous decades by regional and sub-regional integration processes, political co-ordination and collective interaction with external actors, for example through the Rio Group-European Union dialogue, the Ibero-American Summit, and the Pacific Arc Summit; these may be a reaction against, or a complement to, global processes.

In addition, the global crisis of multilateralism created by U.S. unilateralism has been made more complex by new and emergent actors in the international system, as demonstrated by the growing economic power and international weight of China and other BRIC countries (Brazil, Russia, India). These countries are another important exogenous factor, since they contribute to the capacity of some regional actors to diversify their international relations. In this context, some of these countries are looking to consolidate their influence in global structures and institutions as a way of solidifying their influence and reach, a goal that can be achieved through different multilateral schemes. The case of Brazil, which has taken up

leadership in the development of multilateral spaces and organizations at the regional level—moving away from its previous penchant for bilateralism and overcoming some domestic resistance—reflects this aspiration to become a global actor.

There is also a series of endogenous factors that have contributed to the proliferation of multilateral organizations. These factors include the reconfiguration of the political and geopolitical maps of Latin America and the Caribbean through the election of progressive or populist governments in many countries, the emergence of regional leadership with the aspiration of backing distinct regional projects, and new and different visions for regional integration that have contributed to heterogeneity and fragmentation. Other relevant endogenous factors include the growing role of social movements—especially through the rise to power of left-wing and centre-left governments—that aspire to influence the regional agenda. Another factor is the weakening of the state and its effective political, territorial and institutional reach, especially after structural reforms in the '90s, and the recurrence of internal and security crises at different levels; these crises contributed to the weakening of the process of democratic consolidation that, despite failures in poverty and inequality reduction, is still prevalent in the region. Finally, the emergence of new challenges and threats to regional security and public safety due to transnational crime and drug trafficking, which both question and limit the traditional principle of national sovereignty and eventually lead to the reconsideration of the principle of non-intervention, has also factored in.

The reconfiguration of the region's geopolitical map is due to both the lack of U.S. attention toward the region, and the election of left-wing and centre-left governments in most of its countries. One of the goals of these governments is to strengthen their autonomy from the United States, be it through more independence and clearly limited co-operation, or through direct confrontation as a form of differentiation and pressure exertion. Brazil is a clear example of the former approach, and Venezuela of the latter. Through their different ideological and political perspectives, both

countries play a clear leadership role in creating autonomous multilateral spaces in accordance with their respective visions of a regional project that fosters a multi-polar international system. The most representative initiatives are UNASUR led by Brazil and ALBA led by Venezuela. This emergent leadership has generated a significant increase in the efforts to promote multilateral spaces that exclude the United States; these efforts sometimes overlap or compete against one another as they vie to become the hard nucleus of regional integration promoting different political and ideological orientations. These efforts were differentiated from, and eventually rivalled, the Organization of American States' (OAS) vision for the hemisphere.

In addition, the emergence and development of social movements and their will to influence the policies and decisions —or at least the agendas— developed in these multilateral spaces have led to diverse attempts at participation. In the framework of new and emergent multilateral organizations, the main opportunity for the participation of civil society and social movements in particular is achieved through various social summits that eventually generate dialogue with governments. However, beyond the participation of the private sector in trade agreements in the '90s, citizenry has been conspicuously absent from emerging multilateral organizations, both because of its own diversity and heterogeneity, and because of the lack of institutional mechanisms for participation. For example, during the marathon-like succession of summits in Costa do Sauipe, Brazil in December 2008, and despite the precedent set by the South American Community of Nations (CSN), the involvement of civil society was inexistent and there was no effective interaction with participating governments.

Further, the weakness of some states has become a relevant endogenous factor. Their political and institutional limitations increase the chances that any crisis or conflict that takes place will affect the stability and security of a country's neighbours. That is why it has become necessary to develop and consolidate specific multilateral mechanisms that can effectively defuse or mediate in inter- or intra-state crises to bring forward less polarized

positions. This was done by the Group of Rio after the Colombia-Ecuador crisis of March 2008 and by UNASUR in the 2008 Pando crisis in Bolivia.

However, many of the current threats to regional security are not the work of clearly identifiable state or domestic actors, but that of transnational actors, such as participants of organized crime. These threats require transnational policies and strategies that can only be co-ordinated by multilateral organizations or forums. Beyond their effective accomplishments, these venues become a crucial factor to co-operate and co-ordinate the necessary policies to fight new transnational security threats. This is exemplified by the creation of a series of UNASUR mechanisms, most notably the South American Defence Council.

The last endogenous factor relates to policy co-ordination and lies in the need to face specific challenges brought about by particular sectors, such as: finance, which is particularly sensitive to globalization; energy; the development of regional infrastructure that allows for greater interconnection and better communication; and policies in public health, poverty eradication and environmental protection, which often go beyond the national level and display transnational characteristics. The co-ordination of these policies seeks to create regional public goods that transcend the national sphere and necessarily becomes a fundamental element in the creation and development of multilateral organizations, as evidenced by the Initiative for the Integration of the Regional Infrastructure of South America (IIRSA), UNASUR's Health Council, and the creation of the Bank of the South.

A Latin American idiosyncrasy?: Old factors and new challenges in regional multilateralism

This combination of exogenous and endogenous factors has influenced the development of the region's current multilateral values and institutions. Together with factors related to national interests and to predominant political models and culture, these values and institutions present challenges to the internal and external legitimacy of regional organizations and

agreements. They challenge who makes decisions and how, they question how stakeholders are represented and how organizations fulfill their specific mandates, and redefine the values and principles they represent and develop.

Despite the region's legal traditions, it is evident that, in this context, most of these newly-minted multilateral organizations suffer from a lack of consolidated and effective institutional structures and also concentrate executive decision-making. The proliferation of multilateral schemes leads to a sharp concentration of decisions based on consensus achieved among government leaders or ministers, with little participation and support from multilateral bodies' administrations, civil society or elected parliamentarians. Therefore, these structures fundamentally express the political will of governments. The best example in this respect is UNASUR, which lacks both a secretariat and a supporting technical structure, while ALBA is the most emblematic case of an organization subject to presidential decisions. The fragile or non-existent institutional structures, the markedly inter-governmental and state-centric character of these initiatives and the persistence of a democratic deficit generate a number of important questions. Chief among them are those related to the necessary levels of transparency and citizen participation, and to the development of effective pluralism. Overall, this challenges the possibility of developing a regional governance structure.

In addition, most multilateral summits and organizations normally produce an enormous amount of agreements and decisions that are rarely followed up or implemented. This is due to the absence of institutional consolidation, among other reasons. Ad hoc initiatives often reach their immediate goals, but in the end they seldom articulate a long-term vision and strategy that responds to the overall interests of the region or of the group of member states.

In this context, one of the distinct characteristics of multilateral forums dedicated to political co-operation and co-ordination is the limited will to create and develop a structured institution that assumes substantive and clearly-defined norms and values, and the ability to develop adequate and

efficient functioning structures at different levels based on long-term mandates and objectives.

The possibilities of developing and implementing common long-term strategies are frequently limited not only by the lack of institutional and normative continuity and stability and their transitory character, but also by the absence of available technical capacity and training in civil society in general, and of a more qualified civil service. As a result, with some notable exceptions, the tendency is for these multilateral schemes to be more reactive than proactive or preventive. However, it must be mentioned that these characteristics give the region's multilateral organizations a significant degree of flexibility and adaptability.

In this framework, current Latin-American multilateralism can neither be qualified as a "highly demanding" institutional configuration—in Robert Keohane's terms—nor as complex multilateralism. In practice, this form of multilateralism is more formal than substantive.

From a simplistic and extreme perspective, it is possible that this characterization actually represents the essence of Latin American multilateralism. This version of multilateralism is prone to a succession of multilateral forums and spaces for co-operation with no institutional development or consolidation, and also to almost ritually approving a large series of treaties and agreements with no commitment or follow-up on the part of the signatories. It is not inclined to construct effective forms of regional integration that would be based on complex, pluralistic, qualitatively and institutionally advanced multilateralism.

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Multilateralism and regional governance in the Americas

Thomas Legler

Prepared for the Academic Workshop “El Multilateralismo en las Américas,” CEPI-ITAM, Mexico City, Feb. 3-5, 2010. NOTE: This is a work in progress. Please do not cite without permission from the author.

Introduction: Latin America and the Caribbean’s historic opportunity

Recent events may well be adding up to a dramatic redefinition and even possible transformation of the inter-American system. Having endured successive periods of foreign domination under colonialism and post-independence, states from Latin America and the Caribbean (LAC) are presently passing through an unprecedented historical moment in which not only have they won hard-fought autonomy vis-a-vis existing regional and global powers, but they also have the potential to take charge decisively over their own regional governance agenda.

An important part of this story is the gradual decline of U.S. hegemony in the region such that now we can speak accurately of a post-hegemonic moment in the region’s history. Concurrently, as even conceded recently by Secretary of State Hillary Clinton, we see the rise of a multi-polar regional order, in which Argentina, Brazil, Chile, Mexico and Venezuela enjoy considerable regional influence (although not necessarily equally) alongside the United States. Importantly, for the first time, Brazil, Chile and Mexico are all in the process of joining the international club of official development assistance donors. Bolivia, Brazil and Venezuela possess vast natural gas and oil reserves with the potential to convert these countries into international energy powers along the lines of their Middle East counterparts.

In practical terms, LAC states have successfully diversified their international relations to such an extent that they now currently enjoy hitherto unknown foreign policy autonomy and

flexibility. This often translates into a situation where individual countries continue existing trade and investment arrangements with the United States while pursuing expanding ties with such non-traditional actors as the European Union and its individual member states, Canada, China, India, and Venezuela through its petro-diplomacy initiatives.

The traditional, U.S.-dominated pillars of the inter-American system, that is, the Organization of American States (OAS), the Inter-American Development Bank (IDB), the Rio Treaty, and the Summit of the Americas, face increasing competition and mandate overlap from a striking proliferation of new sub-regional and regional integration schemes and multilateral forums characterized by their “U.S.-free” membership. On top of the Andean Community, the Southern Common Market (MERCOSUR), the Caribbean Community (CARICOM), and the System for the Central American Integration (SICA), the long list also includes the Rio Group, the Bolivarian Alliance for the Peoples of Our America (ALBA), the Union of South American Nations (UNASUR) and the Ibero-American Summits. The Cold War relic of the Rio Treaty has come under serious challenge, first by Mexico’s withdrawal in 2003 and then by the creation of an ALBA military alliance and a new South American Defense Council linked to UNASUR. For its part, the Summit of the Americas faces a new challenger: the Summit of Latin America and the Caribbean on Integration and Development (CALC), which held its second meeting in Mexico City in February 2010. Further, the Banco del Sur could eventually pose competition for the IDB. Finally, the OAS struggles to maintain its relevance in the context of a rapidly expanding and increasingly complex inter-American governance architecture.

It is noteworthy that “U.S.-free” multilateral

forums have increasingly taken the lead in efforts to resolve pressing problems on the regional agenda. In March 2008, Latin American leaders that had gathered for the Rio Group Summit held in Santo Domingo managed to diffuse the crisis triggered by the incursion of the Colombian military into Ecuadorian territory, which targeted the Revolutionary Armed Forces of Colombia (FARC) presence in the neighbouring country. In September 2008, UNASUR held a fruitful emergency session to address the worrisome political crisis in Bolivia. In 2009, SICA, ALBA, MERCOSUR, the Rio Group and UNASUR all responded rapidly and with determination to the June 28 coup d'état in Honduras. In August 2009, UNASUR convened another special session to confront the growing regional tensions triggered by the recent announcement that the United States had reached an agreement with Colombia to sustain and possibly expand its military bases in that country.

The prospects for “made in Latin America and the Caribbean” or “U.S.-free” regional governance hinge to a large extent on the institutions and practices of multilateralism in the region. Governance, whether at the regional or global level, entails a highly politicized and power-ridden process in which governmental and non-governmental actors construct transnational spheres of authority and provide international public goods in an effort to resolve pressing shared problems that defy solution by any single government. For its part, multilateralism implies formal or informal institutional arrangements based on principled relations among three or more states, often with important participation or inclusion of non-state actors such as non-governmental organizations, business interests, or experts.

In the absence of world or regional governments, multilateralism is an anchor for diverse governance schemes, from addressing international economic crisis to combatting transnational crime to countering global warming. In theory, as the main embodiment of multilateralism, formal international organizations contribute in practical ways to

governance challenges, such as the ability to centralize collective activities for member states or to serve as independent and neutral third-party arbiters in conflict resolution. Informal and formal multilateral groupings can promote the creation of new norms and the construction of new international regimes, as well as enhance communications, share knowledge, and coordinate approaches among member states.

Nonetheless, the multilateral base for Latin American and Caribbean regional governance remains relatively weak. Before LAC leaders can truly seize this historic opportunity, they must address a series of multilateral challenges, six of which are identified here. Briefly, multilateral governance in the Americas is impeded by: a tradition of defensive multilateralism; the lack of strong regional identity; problems of competition and overlapping mandates caused by multilateral proliferation; the question of who foots the bill; a club mentality; and the reluctance to delegate national authority to international organizations.

Beyond defensive multilateralism

In the Americas, there is a powerful tradition of defensive or reactive multilateralism. The OAS, for example, has long been a forum in which Latin American and Caribbean member states have undertaken efforts at “soft balancing” in order to contain and resist U.S. attempts at domination as well as assert their autonomy. Since its creation in 1948, the net result of this recurring U.S.-Latin American tension has been that the hemisphere’s principal governance institution, the OAS, has suffered a chronic funding shortage, effectively limiting its ability to tackle tough regional problems. The United States has paid the lion’s share of the OAS’s annual operating budget, with LAC governments paying only limited annual quotas and even often renegeing on those quotas. The OAS’s ongoing weakness reflects the old realist truism: international organizations are only as strong as their member states want them to be.

In addition to the multilateral strategy of strength in numbers, these countries have

also sought to curb U.S. influence through the creation of regional and sub-regional multilateral entities and integration schemes that intentionally excluded U.S. membership. Historical examples abound, including the Latin American Economic System (SELA), the 1967 Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean (Treaty of Tlatelolco), the Contadora peace process in Central America and the Rio Group. As mentioned above, this propensity has manifested itself dramatically in recent years. Accordingly, today Latin American and Caribbean countries inherit multilateral institutions, traditions, and practices that often reflect an intentional anti-governance bias, constructed through years of efforts to limit U.S. power in the region.

The search for a bonding agent

For a long time, the common desire to limit U.S. power ambitions frequently served to unite LAC countries. Now that U.S. hegemony is on the wane and these countries are increasingly in a position to assume control over their own regional governance, the question is what will provide the bonding agent for Latin American and Caribbean multilateral schemes. With the United States becoming less and less of a convenient punching bag for the region's leaders, and despite periodic historic attempts to craft and promote a united vision of "América," it is revealing how few things tie the Latin American and Caribbean people together and how heterogeneous the region's peoples are. In fact, numerous cleavages and divisions exist in the region, which will become increasingly apparent as the United States becomes less of a catalyst for LAC unity. These include ethnic and racial divides, intra-regional power asymmetries and rivalries, economic development disparities and numerous bilateral disputes.

One concrete manifestation of this is that sub-regional or regional integration schemes, such as MERCOSUR, are characterized by a strikingly weak perception of interdependence among member states and their inhabitants. They tend to be more elite-driven political projects than ones with significant collective meaning for the populations. An important repercussion

is that the neo-functionalist logic that may have historically helped strengthen European integration and regional governance over time is lacking in the Americas. The implication may well be that in spite of pressing regional problems, many LAC multilateral arrangements cannot count on a strong collective sense of purpose to unite and rally governments and peoples. If regional multilateral entities are not meaningful for citizens, it is also difficult for governments to justify increasing their budgets, something essential if they are to become pillars of regional governance. The question of regional identity construction must therefore become a key priority for LAC leaders and intellectuals alike because it is a crucial ingredient in the construction of strong regional multilateral institutions.

Proliferation: Competition and overlap

On a number of occasions the Americas' ever more complex regional and sub-regional multilateral architecture has been advantageous. For example, in the 1996 political crisis in Paraguay, the efforts of MERCOSUR leaders complemented the OAS response to procure a quick resolution. During the mounting crisis in Haiti in 2003-2004, CARICOM leaders assumed an important role in co-ordinating with the OAS the search for a political solution. During the current crisis ignited by the June 28, 2009 coup in Honduras, SICA, the OAS and the United States jointly proposed Costa Rican President Óscar Arias as chief dialogue facilitator. The sub-regional groupings of the Andean Community, CARICOM, the SICA and MERCOSUR have also served as caucuses in the OAS Permanent Council and General Assembly which have facilitated the crafting of resolutions.

Occasionally, chance has helped diverse multilateral institutions assume mutually reinforcing measures. For example, the one-two timing of regional summits and general assemblies has played out in advantageous ways. The coup conspirators in Venezuela in April 2002, for instance, could not have chosen a more inopportune moment to launch their coup; at the same time, Latin American heads of

state were gathering at the Rio Group Summit in San José and quickly condemned the act and issued instructions to the OAS to invoke article 20 of the Inter-American Democratic Charter and convene a special General Assembly. In the case of the crisis provoked by Colombia's military incursion in Ecuador to eliminate FARC leaders in March 2008, the timing of the Rio Group Summit that was taking place in Santo Domingo shortly after the emergency OAS meeting undoubtedly helped sustain diplomatic pressure and efforts for a successful, peaceful resolution.

Unfortunately, inter-institutional relations are not always synergistic. Competition and tension can also characterize their dealings. During the 2006 Venezuelan presidential election, for instance, the OAS and UNASUR both sent election observation missions; this raised the question of whether UNASUR's actions would augment the OAS's election observation capacity or challenge it. ALBA member states have repeatedly issued threats to leave the OAS. ALBA's relationship with sub-regional organizations like the Andean Community, SICA, and UNASUR is also unclear.

The proliferation of multilateral organizations and integration schemes invariably will create co-ordination problems as well as overlap and duplication among mandates. This problem is exacerbated by the penchant among leaders and diplomats across the Americas for improvisation: they often propose new, creative ideas at regional summits and ministerials that multiply both the number of organizations and their mandates. Indeed, according to a study by the U.S. Senate Council on Foreign Relations, the OAS alone has more than 1,700 mandates originating from the Summits of the Americas and the annual General Assembly.

Footing the bill

Another important concern linked to LAC multilateralism has to do with the fact that leaders often improvise without paying any serious attention to the need for adequate resources to finance new commitments. Multilateral proliferation and mission creep

invariably contribute to increased competition for scarce resources. Leaders and their diplomatic teams are also saddled with the added headache caused by "cumbritis" or summit fatigue: they scramble from one major international event to the next. While smaller countries in the region have been important soft power players, this situation could also overstretch their meager human and financial resources.

Autonomous regional governance means that LAC governments must be prepared to assume the costs of maintaining a vast multilateral governance infrastructure. Historically it has been the United States, Canada and other Organisation for Economic Co-operation and Development (OECD) member states that have bankrolled the OAS and the inter-American system. Traditionally, LAC governments have been highly creative in terms of relatively low-cost but effective diplomacy as proven by historic examples such as the Treaty of Tlatelolco, the Contadora process and the Esquipulas Peace Agreement. But many of the region's pressing governance issues such as combating narco-trafficking and transnational crime or initiatives such as peacekeeping missions require the commitment of considerable resources. The provision of key international public goods, including law enforcement, security, public health, conflict resolution and disaster management, has a hefty price tag.

Thus far the record has been mixed. On the one hand, for example, Haiti's recent earthquake triggered an instantaneous and commendable outpouring of material and logistical support from its LAC neighbours. Brazil already demonstrated an impressive ability to mobilize resources when it organized and hosted four regional summits simultaneously in December 2008. It has also proved its willingness to assume the costs related with serving as leader of the United Nations Stabilization Mission in Haiti (MINUSTAH). For his part, Venezuelan President Hugo Chávez has amply demonstrated his country's capacity to channel considerable resources through his petro-diplomacy at levels that have rivalled U.S. aid disbursements. On

the other hand, it remains to be seen whether the plethora of new multilateral forums in the Americas will receive significant core funding from their LAC member states. The signs from organizations such as UNASUR are not encouraging. The onus of course is on the region's larger economies to foot the bill.

Instead of the consolidation of strong, well-financed regional institutions, *pro tempore* multilateralism is common in LAC. That is, member states take turns serving as secretary for limited terms, as is the case for the Rio Group. On the positive side, this allows individual countries to demonstrate their leadership, at least over short periods. It also helps avoid constructing bloated, expensive and often inefficient bureaucracies. On the negative side, sustained leadership and institutional memory are often sacrificed via *pro tempore*. In the end, *pro tempore* may well reflect a general reluctance to assume the costs entailed in the establishment of more permanent multilateral secretariats.

Expanding the club

One of the hallmarks of emerging global governance practices is the increasing incidence of complex, co-operative or networked multilateralism. Indeed, transnational networks of non-state actors, including non-governmental organizations and private sector firms, have made some significant inroads in traditional interstate multilateralism. The United Nations, for example, has passed through oscillating moments of inter-governmentalism, that is, traditional interstate multilateralism, and transnationalism or complex multilateralism.

However, the Americas continue to be distinguished by a traditional club mentality in which membership in regional multilateralism is restricted exclusively to governments and their designated diplomatic representatives. A strong disdain exists for expanding multilateral practices or opening the club to non-state actors. In a limited sense a more elitist form of complex multilateralism sometimes exists, as found in trade negotiations where a select group of "insiders" representing business interests or

non-threatening NGOs obtain limited access to decision-makers; experts from transnational knowledge networks are also occasional participants.

Given that the defence of sovereignty has been an important element in the historic quest of LAC countries to assert their autonomy vis-a-vis the United States, another related element of this club mentality is the persistence of executive sovereignty. Indeed, Latin American club multilateralism has traditionally respected and recognized the supreme authority of heads of governments and their diplomatic designates in international affairs. Even left-wing national leaders have subscribed to this institutionalized practice, despite the participatory rhetoric of organizations such as ALBA. The idea of popular sovereignty as the basis of a country's foreign relations has made few genuine inroads on executive sovereignty.

Accordingly, we find two largely disconnected phenomena operating at regional and sub-regional levels. Despite some token opening to civil society participation in organizations such as the OAS and calls for "citizen diplomacy," exclusive interstate multilateralism persists in the Americas. Since the 1990s, there has been an upsurge in transnational civil society activity, but with little influence on multilateral governance so far. Yet harnessing the energy and resources of LAC civil society makes sense, given the expensive and daunting challenge of promoting "made in Latin America and the Caribbean" regional governance.

Delegating authority to international organizations

The limited autonomy of international organizations vis-a-vis their member states has been an additional enduring element of this club multilateralism. For example, despite some scope for the use of his good offices, the secretary general of the OAS has historically and intentionally been kept on a short leash by his member state masters. The signs for any innovative opening of independent authority for UNASUR are not encouraging, suggesting this is a near-

permanent fixture of LAC diplomatic culture. An important governance implication of this is that constructing international regimes or spheres of authority meets up against real legalization limits. “Soft legalization” appears to be the natural limit of these regimes as LAC governments are seemingly reluctant to delegate real authority to intergovernmental organizations for their management and enforcement.

Accordingly, *pro tempore* multilateralism may have an additional political rationale beyond the low cost argument. State leaders who take turns chairing multilateral forums also prevent the rise of independent multilateral secretary generals and secretariats that one day could operate in ways that run counter their members’ interests.

From asserting autonomy to autonomous governance

LAC governments are now recognized for their unprecedented international assertiveness, confidence, diversification, autonomy, flexibility and pragmatism in international affairs. We could well be witnessing a dramatic transformation of the inter-American system, from U.S.-dominated to “made in Latin America and the Caribbean” regional governance.

Nevertheless, the challenges that this entails in terms of consolidating one of the key pillars of governance, multilateralism, are formidable. In a nutshell, when it comes to international affairs LAC citizens and governments must switch from a political tradition of autonomy assertion to a hands-on approach that will effectively resolve regional problems. Now that they enjoy unprecedented degrees of autonomy, the even more difficult task at hand is to manage on their own the minutiae of constructing multilateral governance schemes.

This will require nothing short of a dramatic cultural shift. Homegrown regional governance will require altering an age-old tendency to want to impede or hold up multilateralism, shifting traditional attitudes of dependency in favor of assuming sustained leadership, demonstrating the willingness to invest real resources, opening

up old-fashioned club multilateralism, and delegating substantial authority to independent intergovernmental organizations. LAC’s multilateralism and collective identity must become mutually reinforcing, moving away from Uncle Sam. The road ahead is filled with obstacles, but the trip will be well worth it.

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The Community of Latin American and Caribbean States: A viable option to consolidate Latin American multilateralism?

Francisco Rojas Aravena

Within the framework of global institutions, multilateralism continues to be in a state of crisis. Global challenges are on the rise, thus generating tension and uncertainty. Globalization has increased interdependency without generating the parallel advancement in building global public goods. Global governance is weak, as is the institutional framework required for it. The financial crisis has sidelined the United Nations (UN) and the G20 has assumed a role to deal with it. Three countries from the Latin America and Caribbean (LAC) region participate in this forum, but with little co-ordination and consequently with reduced capacity to exert any influence on it. Therefore, LAC requires new positioning in the international system.

The regional political map generates simultaneous processes of integration and fragmentation. An expression of the former is the large amount of initiatives for integration, and the latter is exemplified by the tensions that fragment it with different political proposals. In addition, there are various disputes. LAC is devoid of a strategic political vision, and co-ordination of positions and policies is limited as a result.

With globalization the weight of external variables on domestic policies is greater each day. Within this context effective co-operative multilateralism becomes indispensable, as it promotes the creation of opportunities for meetings, dialogue, consensus building, and it also brings in additional participants to the debate. Further, it promotes flexible institutional frameworks, democratizes decisions on international public goods, establishes conceptual frameworks that create a fresh design leading to a more democratic global and regional architecture, and fosters the development of new relationship networks and co-ordination on specific issues. Lastly, it incorporates the value of identity within the context of global interdependence.

Latin America and Caribbean Unity Summit: Cancún 2010

Representatives from 32 countries from Latin America and the Caribbean met in Mexico on Feb. 22-23, 2010; 25 of these representatives were heads of government. The president of Honduras, Porfirio Lobo, was not invited.

The LAC Unity Summit produced a declaration whose central theme was the setup of the Community of Latin American and Caribbean States (CELAC). The Cancún Declaration, composed of 88 paragraphs, explored nine issues in their respective sub-categories: co-operation on regional and sub-regional mechanisms of integration, economic affairs, social development, migration, sustainable development, natural catastrophes, human rights, security issues and South-South co-operation.

Eight special declarations were issued with regard to Haiti, an end to the U.S. blockade on Cuba, the Falkland Islands, the exploitation of hydrocarbons on the continental shelf, the extraction of oil in the Ecuadorian Yasuni National Park (Yasuni-ITT initiative), co-operation on migration, Guatemala and solidarity with Ecuador.

Community of Latin American and Caribbean States (CELAC)

It was after 12 earlier discussions that the presidents decided to create CELAC. This new organization has as its mission the projection and consolidation of LAC based on nine principles and values. It will work on the basis of eight operational concepts, and will inherit the legacy of the Rio Group and the Summit of Latin America and Caribbean on Integration and Development (known by its Spanish acronym CALC). It will promote and provide impetus to seven priority

tasks. Notwithstanding this, its name, structure and other items will be defined over the next two years at the summits of Venezuela in 2011 and Chile in 2012.

The rhetoric of the declaration goes beyond that which political will expressed. Important differences remain on deciding upon the name—whether it should be called an association, union, community, organization, alliance, forum, league, coalition or federation. A seed of convergence, that must be ratified, was established when “the institutional web (was) cleared up,” as indicated by Dominican Republic President Leonel Fernández. Yet, in his view the process of creation of the entity is not yet mature. In contrast, Brazilian President Luiz Inácio Lula da Silva expressed that “he did not expect to arrive so soon at the creation of the community.” Cuban President Raúl Castro also highlighted the “historical significance” of the new community.

The large degree of mistrust and divergence among the heads of government does not appear in the declaration. Given the violence and mutual insults between the heads of government of Colombia and Venezuela it was necessary to create a “Group of Friends”—Argentina, Brazil, Dominican Republic and Mexico—which can act as an intermediary and reduce tensions that have existed on the border of both countries.

The statements made by the heads of government of the Bolivarian Alliance for the Peoples of Our America (ALBA) reflected visions that are not shared by other presidents. Bolivian President Evo Morales stated that what had been agreed to was “a new Organization of American States (OAS) without the United States or Canada.” Venezuelan President Hugo Chávez expressed that this step is the opportunity to “rid ourselves once and for all from the colonialism that the United States imposed on this continent.” Previously, Ecuadorian President Rafael Correa had stated, “to create an OAS without Canada and the United States (would unite) the region.” Chilean President Michelle Bachelet expressed herself using a different tone, indicating that “the enlargement of the area of co-operation must not be seen as a replacement of the OAS,” and that

both can operate as parallel organizations.

Spokespersons responsible for the U.S. policies in the region at the State Department said, “The United States does not see any problem with the creation of a regional forum without its presence,” and added that the new entity does not threaten the interests of the United States.

Differences were also expressed in regard to other issues. In reference to the new government of President Porfirio Lobo in Honduras, Colombia indicated that the mechanism could not be limited in its geographical scope. Costa Rica also expressed disappointment as a result of Honduras’ absence at the meeting. There was no consensus on the issue of military bases in the region.

Costa Rican President Óscar Arias said, “in spite of the rhetoric and applause, the fact is that our region has advanced very little in the past few decades. In certain areas it has actually stepped backwards.” He then added: “it is sad that at this summit on unity there are countries in attendance who are arming themselves against each other.”

Uruguayan President Tabaré Vázquez pointed out that when it comes to integration “there are no short cuts or miracles,” and that unity “is not resolved, nor is it dictated: it is a process of collective and persistent effort in which we have much to accomplish, we are not starting from scratch.” He then added that in order “to make integration effective,” a new institutional framework is required; it is not “a gathering between good neighbours, but it can no more be a myriad of acronyms and a succession of summits.” In the end, he said, “what is important will be the results.”

Mexican President Felipe Calderón recognized there were differences and difficulties, but remarked that in the end a sense of unity prevailed. “The wish of our nations has been greater integration,” he said, “(...) a means to taking a positive step forward in that direction is to consolidate, with a big effort and sacrifice on the part of all, one single regional mechanism.”

In spite of the efforts, the situation is, in reality,

such that while the process of establishing CELAC has not concluded, the Rio Group and CALC are maintained with their respective work methods, practices and procedures in order to ensure compliance with their mandates, and maintain their capacity to reach agreements that enable them to express themselves or act in the face of international events. Although there is an indication that a united forum will come into being, no provisions have been made for the transition process or how the co-ordination of this unified forum will be accomplished. In practice the two summits are now complemented by a third summit, which may be held in conjunction with the two.

Principles, values and priority areas of CELAC's work

The objective of the new entity will be to shape a regional identity based on the defence and promotion of nine principles and values: respect for international law; sovereign equality of states; the non-use of threats of force; democracy; respect for human rights; respect for the environment (with its pillars being sustainable development, the environment, the economy and social aspects); international co-operation for sustainable development; the unity and integration of LAC states; and permanent dialogue that promotes peace and security in the region.

The following will be the operational mechanisms: solidarity; social inclusion; equality and equity of opportunities; complementarities; flexibility; voluntary participation; plurality; and diversity.

Seven tasks are defined as priorities: provide impetus to integration with the aim of promoting sustainable development; promote a concerted positioning of LAC in the face of relevant events and in global forums; encourage dialogue to strengthen regional presence in the international arena; promote synergy between organizations and sub-regional institutions; increase the capacity to institutionalize frameworks for dialogue and co-operation in the region and with international players; strengthen compliance with established mandates in a co-operative and integrated manner; and promote the implementation of regionally-

suitable mechanisms for the peaceful resolution of conflicts.

At the Venezuela Summit in 2011, the statutes for the new organization will be proposed, based on the principles outlined above, as well as the operational mechanisms defined to accomplish the priority tasks agreed upon, with a reference point based on the legacy of the Rio Group and CALC.

Background of CELAC

Although the processes of regional integration have suffered setbacks and important inconsistencies, they also show evidence of constant work that has increased the political autonomy of LAC in the past decade. LAC has increasingly diversified and differentiated itself. The region becomes more pluralistic and diverse each day. The forms and types of international insertion of the region's countries respond to distinct strategic political views. The strategic outlook of the region has changed. For example, the United States has been absent from the region. Further, Brazil's global weight has augmented, and it provides ever growing leadership. Its alliances with BRIC countries (Brazil, Russia, India, China) and BISA (Brazil, India, South Africa), as well as its initiative for dialogue with Arab and African countries within the context of South American ties in these regions increase its sphere of action in the world and the region itself. Mexico, for its part, has worked to regain its dialogue facilitator role and sphere of influence in LAC; President Calderón has developed an active policy toward the region. Venezuela, with President Chávez, has also generated important initiatives: ALBA and Petrocaribe.

In December 2008, Brazil promoted the CALC Summit where the importance of dialogue and co-operation was highlighted as a means to generate tangible results and mutual benefits from the exchange based on the experience and knowledge of existing regional institutions. In November 2009, in Montego Bay, Jamaica, the Plan of Action for CALC was established with a goal to implement agreed-upon commitments.

In 2008, Mexico expressed its interest in forming

a Latin American and Caribbean Union, which it ratified at the meeting of the Rio Group in 2009. The new forum would be a sphere of dialogue and political harmonization for the convergence of agendas and mandates of CALC and the Rio Group.

Is a regional organization viable?

Diplomacy at summits is the form that has been adopted by multilateralism in the 21st century. Latin America currently finds itself immersed in summit diplomacy. Since 1987 with the first Rio Group Summit, until December 2009, with the ALBA Summit, there have been 122 presidential summits, not counting sub-regional summits. This represents an average 5.5 summits per year. If the sub-regional summits, which are generally carried out every six months, are taken into consideration, the total number is increased by two. This means that the presidents of LAC must attend at least seven presidential summits per year. The frequency of these encounters is expressed in the combined set of issues, agreements and resolutions adopted at each meeting. During the period 2007-2009, the leaders adopted a total of 1,802 agreements on diverse issues at those many summits. The possibility of following through with so many agreements and their implementation represents a great challenge for Latin American diplomacy, one that is very difficult to accomplish. There is an element of fatigue linked to summits and its mechanisms —the weight of the media, duplication of issues, lack of follow-up and execution of agreements.

The creation of CELAC should reflect the political commitment to build a common agenda, shared views and common space for the benefit of the region with the aim to obtain greater weight on the international sphere. A purely Latin American forum could eliminate or at least diminish the ideological tone that is characteristic of the various summits, especially hemispheric ones, in which many of the discussions are centred on attacking actions that are anti- or pro-imperialistic, or anti- or pro-globalization. Notwithstanding, regional differences or sub-blocks could stand out even more and show strong polarization.

What limitations could one such regional institution have?

The Rio Group responded to the need to provide a shared political and strategic view that was not a competitive one among the sub-regions. Its positive role in times of political crisis such as that which arose between the governments of Colombia, Ecuador and Venezuela demonstrates its importance as a mechanism for dialogue and public harmonization. The Rio Group is a sphere for moderating and preventing the escalation of tensions.

Given the successes achieved by the Rio Group in the political sphere, any attempt to use it as a basis for the new entity could have negative, unintended consequences. As CELAC would address issues that go beyond political harmonization, the political strength of the Rio Group could be diluted and contentious sectoral issues could come to paralyze this forum. The proposed agenda for CELAC represents a huge challenge. Experience shows that commitments that are adopted by many countries with diverse interests do not often materialize; this could well happen in a CELAC forum of 33 countries that lacks —until this date— a strategic political vision and a shared political project.

Even if the political will to build a Latin American vision is stronger today than ever before, the fact remains that the ideological differences observed, together with old disputes among some nations, express the difficulty that will exist in building a joint decision-making process on controversial issues. All of this occurs in an atmosphere of mistrust, and even occasional aggressiveness, among the heads of government.

Final reflections

Beyond the coinciding views of Brazil and Mexico, differences regarding how to carry forward priority actions in the LAC region and within the global system are evident. In addition to the differentiated strategies of Brazil and Mexico, one can point to ALBA countries, whose positions on how to achieve development are in sharp contrast with those of Colombia, Panama or Peru. This makes it difficult to consolidate co-operative and

effective multilateralism and the development of CELAC.

All of the issues that have been controversial in different forums and the low degrees of agreement continue to exist. The region as a whole faced the 2009 Honduran crisis with great difficulty and few results. Neither did the region have a shared position at the conference on climate change.

One aspect that will be paramount in the development of the Community of Latin American and Caribbean States will be the transition from an *ad hoc* mechanism to a “formal” one, if this is the form proposed in the statutes at the summit to be held in Venezuela. A central aspect will be the issue of congressional ratifications; based on the experience at the Union of South American Nations (UNASUR), this process can at times extend over several government mandates.

A maturing process will be necessary in the harmonization process. This means that a gradual process will have to prevail. The post-Cancún challenge is to achieve convergence of the Rio Group’s political agenda and CALC’s integration and development agenda. Transforming this into a meaningful plan of action will require time and effort, in addition to defining the resources necessary for its implementation.

The creation of CELAC marks the beginning of a long process of building a sphere for Latin American and Caribbean harmonization and co-operation. In one year we shall know if the seed planted in Cancún has been fruitful. If this is the case, the governments of the most varied ideological and political orientations with diverging views on development will have overcome their differences in order to build a common strategic political project. It would mean that institutions prevailed over temporary personal leadership. From there, answers to great challenges in the region will emerge, in particular poverty and inequality, as well as security or prevention of drug trafficking and organized crime, even within a context of widely diverse cultures and values.

Building co-operative and effective multilateralism

is a constant task. It is only with co-operation and association that it becomes possible to face great challenges. Integration expresses a higher level of political agreements.

In order for the new entity to reflect co-operative multilateralism in LAC it must place itself at the higher level of strategic political orientation and exert its leadership on global and transnational issues. Indeed, global issues form an essential part of the Latin American and Caribbean agenda. Many hemispheric issues are “inter-domestic” (*intermésticos*) and are thus of concern to all countries, although the consequences may diverge significantly. Yet, the policies and the co-operation arrangements to resolve and prevent shared problems are still very distinct. The creation of CELAC can help establish a forum that will build a regional vision and favour global integration, as well as strategies for regional co-operation rooted in efficient and co-operative multilateralism.

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Recent tendencies in Latin American multilateralism: Implications for the inter-American system and the Organization of American States

Richard Feinberg

Multilateralism in the Americas has a long and distinguished history. Indeed, the Western Hemisphere is the world leader in the practice of institutionalized multilateral diplomacy. In recent years, there has been a stunning burst of multilateral activity, through state leaders' summitry and meetings of ministers. Long-standing multilateral forums have taken on new agendas and new life. The Western Hemisphere has been vigorous in giving birth to new multilateral forums, whether to take on new issues, to form new groupings of countries, or to allow aspiring regional powers to test their mettle as hosts and leaders. Just this February 2010, the Latin American and Caribbean countries convened in Cancún, Mexico to debate the formation of a new regional summit process that would exclude the United States and Canada, for which Brazil and Mexico, ongoing rivals, were unable to agree on a proper name.

This paper will note that regional summitry fulfills a number of diplomatic purposes, including the advancing of regional norms, the driving of specific agenda initiatives, and offering an efficient forum for face-to-face encounters among national leaders. The hemisphere's premiere political institution, the Organization of American States (OAS), traditionally a ministerial-level body, has been reinvigorated by the Summits of the Americas, initiated in 1994 in Miami by former U.S. president Bill Clinton. Historically, the OAS has had its ups and downs, a function of the degree of convergence of interests and attitudes among the member states. Over the years, Latin American nations have forged many sub-regional groupings with aims compatible with those of the broader inter-American body. Thus, there is no necessary contradiction between inter-American and sub-regional institutions. Today, some Latin American nations imagine a region-wide summitry excluding and even hostile to the United States and Canada, but history suggests there are many obstacles confronting this exclusionary vision.

The purposes of regional summitry

Skepticism regarding the value of summits has become widespread. A common view is that summits are largely photo ops for leaders and that their lofty communiqués are soon forgotten, leaving a wide gap between aspirations and implementation. With each passing year, there are more and more summits—global, regional, sub-regional—with overlapping mixes of countries and agendas, crowding the calendars of leaders and resulting in “summit fatigue.” However, summitry serves a number of important diplomatic purposes:

- Adding legitimacy to norms and values. When modern inter-American summitry began in 1994, many countries were just emerging from the horrors of authoritarian military rule. Summits have underscored that democracy is the only legitimate form of government in the region. Importantly, the 2001 Quebec Summit gave impetus to the Inter-American Democracy Charter, signed by foreign ministers in Lima, Peru, on Sept. 11, 2001.
- Advancing specific initiatives. Summits can catalyze collective action behind consensus goals. Many initiatives extolled in the plans of action produced by the five Summits of the Americas have remained on paper, but some have come to life. For example, the 1994 Miami Summit fostered actions to eliminate lead in gasoline and to eradicate measles. Summits have originated the Inter-American Convention against Corruption and the associated OAS follow-up mechanism. Despite the contentious atmosphere at the Port of Spain Summit in 2009, several of the initiatives from the plan of action are showing signs of momentum.
- Compelling executive branch bureaucracies to focus on issues of inter-American interest. The scarcest commodity of a head of state is time.

Periodic summits force chief executives and their senior officials to devote time—in preparation and in attendance—to the common problems confronting the assembled nations.

- Providing a forum for face-to-face engagement of leaders. Summits afford an efficient opportunity for heads of state to get to know one another, and to develop some degree of mutual respect and confidence. These encounters can develop the positive inter-personal chemistry between leaders and lay foundations for future co-operation and bargaining and for confronting crises as they may arise.
- Summits can, on occasion, address crises of the moment (*conjuncturales*). For example, the 2008 Rio Group Summit in Santo Domingo, Dominican Republic, facilitated the resolution of a border dispute between Colombia and Ecuador.

Another goal of mega-regional summits, some contend, is to forge regional perspectives on global issues that can then be articulated in global forums. That is, summits can help build a regional caucus to advance common interests in wider venues. This aspiration, however, is rarely obtained in any meaningful way. In the Western Hemisphere, even if one were to exclude the United States, interests are typically too diverse among states to forge a unified stance on tough global issues (other than to articulate procedural requests for more attention to, or more voice for, Latin America).

At the G20, the three Latin American participants (Argentina, Brazil, Mexico) have yet to act as an effective unit. At the United Nations (UN), the Latin American caucus does sometimes find common ground, but the squabble among Argentina, Brazil and Mexico over who should represent the region in an expanded UN Security Council suggests the limits of regional unity. Therefore, while inter-American summits (with or without U.S. participation) can pursue a number of important goals, forging a mega-regional consensus and a unified front in global forums will generally be beyond reach.

The evolution of the Organization of American States

As the centrepiece of the inter-American system,

the OAS is the oldest and most elaborate regional governance system in the world. Over the decades, the reputation and effectiveness of the OAS have oscillated in function of the shifting global environment and the degrees of co-operation or tension between the dominant nation in the region—the United States—and the 33 countries of Latin America and the Caribbean. The weaker countries, fearful of the gaping asymmetries of power and of U.S. intervention in their internal affairs, have sometimes sought to employ the OAS to constrain or balance the superpower, while at other times they have preferred co-operation with Washington in areas of mutual interest. In the 21st century, a renewed ideological fragmentation among member states and the emergence of ambitious regional powers pose challenges to the historic functions of the region's premier political institution.

Today, the OAS faces many tough challenges, not the least of which is resource scarcity: member states have frozen the institution's regular budget in nominal terms—less than US\$90 million in 2008—even as governments earmark modest additional funds for their preferred programs. In the cycles of conflict and co-operation that have typified inter-American relations, the OAS can prosper only during moments when the hemisphere is of like minds. The future of the Western Hemisphere's premier political body rests, therefore, with its masters and their own capacities to find common purpose.

Reflective of both the increasing fragmentation but also the growing maturity and sophistication of the region, other states that aspire to regional leadership—notably Venezuela and Brazil—have formed new groupings such as the Bolivarian Alliance for the Peoples of Our America (ALBA), the Rio Group, the Union of South American Nations (UNASUR), and the Community of Latin American and the Caribbean States (CELAC). These sub-regional entities pretend to perform some of the same functions—ideological leadership, economic assistance, dispute settlement—claimed by the OAS. Some Brazilian diplomats have always been distrustful of the OAS, which they have perceived as being overly U.S.-centric and therefore a challenge to Brazil's

inherent hegemony in South America. From time to time, Brazil has sought to promote new organizations that would feature its own leadership. Nevertheless, the capacity and sustainability of these potential claimants to regional authority remain to be demonstrated.

Latin American-only multilateral entities may or may not be compatible with the OAS, depending on the intentions of their leadership and the manner in which they address the pressing issues of the day. ALBA affirms itself as a hostile alternative to the OAS, and its members often strive within the OAS to neutralize the organization. However, constructions such as the Rio Group and UNASUR share some similar goals to those of the OAS and, if they endure, could complement, or become nested within, the larger, more established hemispheric institution.

Latin American multilateralism

Sub-regional groupings in the Americas—including the Andes, the Caribbean, Central America and the Southern Cone— have long sought to foster economic integration among their member states and, at times, to resolve disputes among nations, whether over traditional security issues (territorial borders, armed groups operating across borders, civil strife within nations) as well as to manage the “newer” problems and promises of interdependence (trade and investment flows, cross-border crime, pandemic diseases, etc.). These sub-regional initiatives have had their successes: trade flows have increased, and peace among nations generally maintained. Expenditures for armaments remain low in Latin America and the Caribbean, in comparison with other more conflict-ridden regions of the world.

Notwithstanding such achievements, over the decades most Latin American regional and sub-regional arrangements have fallen short of initial aspirations. There are several deep-seated reasons for these traditional shortcomings in Latin American multilateralism:

- Nationalist ambitions and historic rivalries among nations impede compromises and make it difficult for governments to make short-term

trade-offs for long-term gains.

- Vested interests —among business and financial groups, organized labour, military establishments—oppose international agreements that might weaken their hold over strictly national institutions. Protected corporate oligopolies will fight to maintain their economic rents and to keep foreign competitors out of their markets.

- Sub-regional arrangements have sometimes erected common supra-national institutions, but these institutions have not been able to achieve sufficient power so as to become semi-autonomous motors of integration. On the contrary, established sub-regional entities have tended to weaken over time. Jealous of their prerogatives, Latin American nation states have not been willing to pool sovereignty, nor to delegate much power to regional entities. For example, as the hegemonic player in the Southern Common Market (MERCOSUR), Brazil has hesitated to build strong sub-regional structures, preferring to reserve decision-making over major issues to political authorities.

- Latin American diplomatic corps have been brilliant in exercising their traditional crafts, but their governments have not given them many tools with which to either advance national interests nor with which to bolster regional arrangements. Latin American diplomats can successfully negotiate interstate peace accords, as Brazil and Argentina did in the 1990s to end the Peru-Ecuador border conflict. But they have not had the economic or financial instruments or the military and intelligence tools that can be the binding cement of supra-national arrangements.

Broader efforts to construct a region-wide multilateralism face an additional obstacle: the intense rivalries among the natural leaders—Argentina, Brazil and Mexico (and perhaps Venezuela in an age of high oil prices). In past years, the Argentina-Brazil contests impeded South American solidarity. Today, the rivalry between Brazil and Mexico is palpable at any hemispheric gathering. It may be that the current Brazil-Mexico clash is partly driven by individual leaders and ideological cleavages, but it is also rooted in a natural geopolitical contest for

hemispheric leadership. Furthermore, the history, cultures and populations of the two Latin American behemoths are starkly separate, impeding mutual understanding and co-operation.

Brazil convened the first Summit of Latin America and the Caribbean on Integration and Development (CALC), the precursor to CELAC, in Salvador de Bahia in December 2008. The Summit communiqué, drafted largely by the Brazilian foreign ministry, echoed the “new international economic order” rhetoric of the 1970s and found much fault with United States foreign policies. The text was consistent with a Brazilian posture that positions the Amazonian giant as an independent leader of the developing world. However, the communiqué was uncomfortable for Mexico, which advances a more modern and consistent vocabulary when addressing international economic issues. Mexico countered by offering to host the second summit which was convened in February 2010; at the Cancún conclave, Mexico wanted to label the new entity with “unity” whereas Brazil preferred “community,” and so the meeting ended in disharmony. Even if the new Latin American-only summit survives, it will not have a permanent secretariat, suggesting it is unlikely to rival the brick-and-mortar OAS.

As Simon Bolivar discovered on his incredibly bruising horseback travels and through bitter political defeats, the very geography of Latin America has impeded regional unity. Populations arrayed along the littorals have been separated by great expanses of tropical forests and by forbidding mountain ranges. It has been much easier to ensure the peace by keeping populations apart than to foster integration by crossing frontiers. Nevertheless, in the modern era, technologies—from airplanes to the Internet—are making it much easier to overcome or bypass these natural barriers. This year’s generous outpourings of international assistance to earthquake-stricken Haiti and Chile are heartening signals of the power of 21st century communications to build community. In the future, natural geographic barriers will matter less, unshackling the struggling proponents of unity and the ever-more powerful drivers of international co-operation.

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ALBA: From integration alternative to political and ideological alliance

Josette Altmann Borbón

Since its foundation in 2004, the road travelled by the Bolivarian Alliance for the Peoples of Our America (ALBA) has led it from being an alternative for integration to becoming a strategic alliance for regional integration.

ALBA member states met in Havana, Cuba on Dec. 13-14, 2009 for the 8th ALBA Summit of Heads of State, where they reiterated their decision to consolidate their potential for political consensus in order to deal with issues of regional and global importance. Under this understanding, ALBA member states agreed to increase co-operation between their countries in social and economic areas and declared their position as a bloc with respect to issues currently on the Latin American agenda: climate change, the coup d'état in Honduras, and the establishment of U.S. military bases on Colombian soil. Further, at the Extraordinary Meeting of Secretaries of State held in Caracas on Jan. 25, 2010, ALBA member states agreed to ask the United Nations to organize international aid for Haiti after the devastating earthquake that occurred there, pointing out their concern over the military presence of the U.S. in Haiti.

Regional integration is vital for ALBA, which has promoted a distinct alliance in Latin America that seeks to diversify international relations by initiating and favouring relations with “other” countries. The ties that ALBA has with Iran express and symbolize the autonomy of ALBA countries and their differences from the United States. They also enable the search for resources that will become difficult to acquire from the Western world. ALBA’s policies are an example of how Latin America seeks to significantly transform its relations with the world. Brazil is another example. Despite having ties with Iran, Brazil favours its relations with South Africa and India (a group known as the BIS countries) and

is part of the group of emerging economies that includes Russia, India and China (BRIC).

ALBA’s busy agenda in 2009 —when seven presidential summits were held— and the increase in member states are proof of the strengthening of this integration proposal. With its veto power, ALBA currently has an important role in making decisions and taking positions on the main issues in the Latin American agenda. ALBA has the power to exert influence in Latin America, but not to decide.

Background

ALBA is the antithesis of the so-called “Washington Consensus.” Cuba and Venezuela signed its constitutive agreement in 2004 and the first summit was held in 2005. The proposal created by these two countries was expanded when Bolivia joined in 2006, Nicaragua and Dominica in 2007, Honduras in 2008 and Antigua and Barbuda, Ecuador, and St. Vincent-Grenadines in 2009. Honduras later separated from ALBA in the aftermath of the coup d'état. All together, ALBA is made up of eight governments.

At the 8th Meeting of the ALBA Political Commission held in Caracas in February 2009, ALBA reinforced its organization with increased membership, project consolidation and the rising power of its actions. Member states agreed to create the ALBA Permanent Commission consisting of an executive ministry to serve as its support organization, with Amenotheop Zambrano as the current executive secretary. In addition to these two new organizations, at the 8th Presidential Summit in December 2009, the heads of state agreed to restructure ALBA into three Ministerial Councils: the Ministerial Political Council, the Ministerial Council for Economic Complementarity and the Ministerial Social Council.

ALBA's two most significant strategies for positioning itself in the region are Telesur and Petrocaribe. Telesur is a continent-wide television station with the goal of contributing to Latin American integration. Moreover, this multinational company with its ideological message serves as an instrument for legitimizing communications and actions by ALBA countries. The second strategy, Petrocaribe, uses oil as an instrument in Venezuelan foreign policy by proposing a model of energy co-operation guided by differentiated negotiations. Petrocaribe is based on a policy of securing subsidized prices and developing mixed companies to operate in the petroleum markets.

The different payment options proposed by Venezuela in Petrocaribe, as well as the creation of a package of local products and services by member countries, have encouraged numerous countries to join this specific initiative, such as Antigua and Barbuda, the Bahamas, Belize, Cuba, Dominica, the Dominican Republic, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Nicaragua, St. Kitts-Nevis, St. Lucia, St. Vincent-Grenadines and Surinam. It is relevant to note that most of these countries are not ALBA members, with the exceptions of Antigua and Barbuda, Cuba, Dominica, Nicaragua, St Vincent-Grenadines and Venezuela.

Venezuelan President Hugo Chávez is clearly the leader of ALBA. One reason for this is the strong economic support given by Venezuela to ALBA countries. According to figures from the Venezuelan Centre for Economic Research (CIECA in its Spanish acronym), aid from Venezuela and Petrocaribe rose to nearly US\$32,952 million from ALBA's foundation in 2004 to September 2008. Nevertheless, Cuba's role in ALBA is equally important, specifically because of its influence on ALBA's foreign policy.

Co-operation among ALBA countries focuses more on human resources. The alliance has introduced various proposals such as the Grand National Literacy and Post-Literacy Projects, ALBA-Education and ALBA-Culture. Other proposals that are worth mentioning include the ALBA Bank, the Single Monetary System (SUCRE

in its Spanish acronym) and the negotiation of a People's Trade Agreement (TCP in its Spanish acronym).

There is no question that poverty, inequity and governance problems form the breeding ground that fortifies ALBA. The initial proposal has been strengthened with social programs (missions) and energy co-operation. ALBA's strength is based on the struggle for citizen participation, mainly of groups that had been previously excluded from social, economic and political movements.

ALBA and Latin American integration processes

As with most countries in the region, ALBA nations are part of other regional and sub-regional integration mechanisms.

ALBA countries in other integration initiatives	
Integration initiative	ALBA countries that are members
Mesoamerican Project	Nicaragua
Union of South American Nations (UNASUR)	Bolivia, Ecuador, Venezuela
Andean Community (CAN)	Bolivia, Ecuador
Southern Common Market (MERCOSUR)	Venezuela (in the process of ratifying)
Central American Integration System (SICA)	Nicaragua
Caribbean Community (CARICOM)	Antigua and Barbuda, Cuba, Dominica, St. Vincent-Grenadines
Amazon Co-operation Treaty Organization (OTCA)	Bolivia, Ecuador, Venezuela
Association of Caribbean States (AEC)	Antigua and Barbuda, Cuba, Dominica, Nicaragua, St. Vincent-Grenadines, Venezuela
Summit of Latin America and the Caribbean on Integration and Development (CALC)	Antigua and Barbuda, Bolivia, Cuba, Dominica, Ecuador, Nicaragua, St. Vincent-Grenadines, Venezuela
<i>Note: The Honduras National Congress ratified its departure from ALBA on Jan. 12, 2010.</i>	

The presence of ALBA countries in various regional and sub-regional integration mechanisms has had consequences, given ALBA's strong ideological component and its veto power.

This can be seen in the official declarations of the 5th Summit of the Americas and the recent Copenhagen Summit on Climate Change, which did not receive unanimous support from all heads of state.

In cases where countries have pushed for procedures and actions that were not followed through within a particular integration mechanism, those countries have turned to ALBA and received strong support. The most obvious case is ALBA's role within the UNASUR framework when the installation of U.S. military bases in Colombia generated a lot of controversy. The group's political-military proposal was offset by an approach to reinforce confidence and information procedures. Nevertheless, ALBA's position on the subject is radical as stated in the Political Declaration of the ALBA Summit of December 2009 in which ALBA strongly accused the U.S. government of interference: "It is Venezuela's just right to put its military on alert in the face of the clear risk to national security and its people resulting from U.S. military deployment close to its borders. ALBA also demands solidarity from the people and governments in the region in order to confront such a serious threat." (translation)

ALBA and multilateralism

Today, it is absolutely necessary to commit to multilateralism and effective integration in order to confront the challenges facing states, which cannot be resolved in an isolated manner due to their transnational nature. It is indispensable to present Latin America as an influential actor in a global context if the region is to have a voice in global decision-making on important topics such as organized crime, climate change, pandemics and trade negotiations. It is therefore vital to generate co-ordination and cross-relations among the different levels of integration in sub-regional, regional, hemispherical and global agendas.

Today, ALBA continues to tackle numerous issues with varied emphasis. As a result, integration moves toward divided viewpoints that are not connected, which causes regional fragmentation and reduces capabilities for bi-national to global cross-level co-ordination. A shared vision

is needed to overcome the main problems confronted by the various integration processes. It is in this specific context that ALBA's ideology regarding certain integration topics leads to greater fragmentation.

In practice, the results that ALBA has shown concerning the typical characteristics of Latin American multilateralism are varied. On the one hand, like other integration plans, ALBA focuses its actions on the political decisions and will of its leaders. In late 2009, political institutions were created that supposedly will give support to and monitor decisions taken in governmental agreements. However, it is too early to discuss the real implications of this integration process. Nevertheless, this does represent progress compared to other initiatives like UNASUR, which has not yet been able to designate an executive secretary due to a lack of consensus.

Social and energy projects that were drawn up and established by ALBA with Petrocaribe have remained separate from other plans. Based on the co-operation maintained between Venezuela and Cuba, Petrocaribe has been able to establish itself in other countries. At the economic level, even though the ALBA Bank is currently working, the real future of the SUCRE and the fulfillment of the TCP have yet to be seen. Nevertheless, as often occurs in Latin American multilateralism, decisions and consensus are centred on the will of the leaders of the member states. ALBA reacts in response to multilateralism that is state-centric and intergovernmental, not social.

As with other integration plans, ALBA is also vulnerable to a glut of signed agreements from presidential summits, and it is impossible to fulfill all of them. Some decisions taken within this integration project arise from short-term positions that show little continuity or institutional capacity. In the end, much remains in the political discourse, which in ALBA's case has a strong ideological component.

ALBA's position with regard to strengthening multilateralism and integration is a paradox. At times, it has facilitated important advances but has hindered them as well.

Since its foundation, ALBA has defined itself as a Latin American proposal that struggles for self-determination and sovereignty for the people of the region in the face of so-called U.S. imperialist policies. This confrontational position has had two consequences. The positive consequence is that ALBA countries constantly express their support for Latin American integration initiatives. The 8th ALBA Summit declared: “its decision to promote actions within the framework of the Rio Group and CALC to form an exclusively Latin American and Caribbean organization that contributes in a prominent manner to the forces supporting integration and unity in the region” (translation).

ALBA has also shown its interest in the initiative of the Latin American Unity Summit that took place in Cancún in 2010, which proposed the formation of an entity of Latin American States without the U.S. or Canada. From ALBA’s point of view, this represents a strike against American imperialism. This entity would allow development in the Latin American and Caribbean region without a dominating power. Contrary to what other countries have indicated, for ALBA countries the Organization of American States (OAS) must be left behind.

The strong ideological unity of the ALBA countries has had important consequences at the regional and hemispherical levels. Though they are not members of ALBA, countries such as Argentina and Paraguay consolidate and strengthen the mechanism by assuming monolithic ideological positions within the framework of “21st century socialism.” The vigorous support and negotiations by ALBA countries regarding outstanding topics on the Latin American agenda have resulted in ALBA receiving more attention. One example is the expulsion of Honduras as a member state of the OAS after the 2009 coup d’état. Another example is the OAS’s readmission of Cuba, which was aided by the Obama administration’s multilateral foreign policy vision, but nonetheless rejected by Cuba.

On the negative side are the confrontations among leaders, and the consequences and effects that they have on integration. This situation has generated constant disputes mostly against

countries that are close to the United States and rely on important aid and sources of co-operation from them, especially Colombia.

Conclusions

Despite confrontations, altercations and disputes, the fact remains that ALBA countries form an efficient and important part of sub-regional and regional integration mechanisms and maintain an active role in them. South America has promoted and included itself in initiatives that try to strengthen sub-regional influence and sovereignty with proposals such as the Bank of the South. At the same time, ALBA is developing its own proposals such as the ALBA Bank and the implementation of the SUCRE, which represents the first step toward establishing a common currency. In the case of humanitarian aid, ALBA countries agreed to the creation of a strategic plan for the reconstruction of Haiti after the devastating January 2010 earthquake. The plan includes various mid- and long-term goals such as hospitals, drinking water facilities and the revival of agriculture.

The proposal’s strong ideological stance, as well as the “anti-imperialist” and confrontational overtones that are constantly emphasized in leaders’ speeches, fracture the integration scene even more. By promoting an ideological position, or “camp elections,” the proposal goes beyond dealing with approaches for co-operation to focus on issues on the political agenda. One example of the polarization generated by this situation was the acceptance speech by the re-elected president of Bolivia, Evo Morales, who indicated that the United States would not impose decisions upon him such as ceasing relations with Cuba, Iran and Venezuela. On the other hand, another example comes from the president of El Salvador, Mauricio Funes, who stated that his country would not join ALBA because El Salvador’s government is trying to develop a serious foreign policy with a position that distances itself from the idea of “friends” and “enemies” based on ideological differences.

In practice, none of the ALBA countries has broken off relations with the U.S. Being part of

the ALBA mechanism does not exclude belonging to proposals that radically conflict with it. For example, Nicaragua is part of ALBA but it supports the free trade agreement between the U.S. and Central America and the Dominican Republic (CAFTA-DR) despite President Daniel Ortega's strong confrontational and anti-imperialist discourse. Likewise, Venezuela continues to sell oil to the U.S. and Bolivia continues to negotiate with Washington for preferential treatment through soft loans.

At the political level, differences are highlighted in a region that is wary. Cordiality and personal treatment among leaders have deteriorated and fallen to very low levels. The different presidential summits, which are intrinsically packed with extensive political ideological speeches, result in more debates on ideological points than agreements on actions that could lead to greater integration and sustainable development to generate a sense of well-being for all Latin Americans.

Polarization does not help integration processes as distrust erodes opportunities for agreement. The recognition of regional pluralism in Latin America and the Caribbean, with the significant presence of ALBA, is a prerequisite for advancing co-operative multilateralism in the region.

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The role of UNASUR in Latin American multilateralism

Lorena Oyarzún Serrano

“Fear of foreigners makes a weak foundation for regional conscience because it depends on the foreigner’s behaviour.”

(Ernst Haas, 1966)

Until now the Union of South American Nations (UNASUR) has overcome difficulties surrounding its construction with relative success; for example, the approval of the Council on South American Defence (CDS) or the election of former Argentinian President Nestor Kirchner as its secretary general, overcoming objections among its members. Notwithstanding, there is a need to make progress in significant areas in order to achieve the best development and consolidation of this process. Among these areas, one that is fundamental is that, beside the ratification of Bolivia, Ecuador, Guyana, Peru and Venezuela, four other states sign the international treaty in order for the organization to come into force.

Without ignoring the visions of each member, the weaknesses in the domestic area and countless obstacles, this article argues that UNASUR has all the potential to become a relevant actor and perform an outstanding role in the region. If they succeed in overcoming the sole dimension of the reactive-defensive parameter, the union will become an entity that is capable of transforming itself from being a rule-taker to that of a rule-maker. In order to sustain these ideas, the article first explains several factors present in the international system that led to the organization’s emergence, followed by an analysis of the meaning of its creation and its role with respect to other forums and regional institutions.

Conditions that favoured the formation of UNASUR

The process of globalization, the crisis of global multilateralism and the unilateralism of the United States are three elements that facilitated the emergence of UNASUR, which is formed by Argentina, Bolivia, Brazil, Chile, Colombia,

Ecuador, Guyana, Paraguay, Peru, Surinam, Uruguay and Venezuela. These Latin American states have reinterpreted their international, regional and sub-regional relations to embrace greater interdependence in order to move away from the United States for a series of reasons: the United States’ decline in interest in the region following the attacks of 9-11 which led the country to prioritize other issues such as the war on terrorism and extra-regional alliances; the recognition of errors committed in applying the recipes of the so-called Washington Consensus; and finally, the urgent need for developing countries to liberalize trade and access markets in developed nations, considering that the Doha Round of negotiations made little progress.

Within this context, most South American countries perceive their neighbours and other regions of the globe as attractive potential partners, although the United States continues to be the main market for members of the Andean Community. In the case of Colombia, the U.S. is its strongest source of technical, financial and military assistance to fight drug trafficking and resolve its internal conflicts. Along the same lines, Brazil and Mexico —two countries that aspire to leadership in Latin America due to geographic, economic, population and development characteristics— have for several years concentrated their influence in the sub-regions of interest to them.

In the case of Mexico, signing the North American Free Trade Agreement (NAFTA) reinforced the country’s interdependence with the United States and strengthened Mexico’s credibility with other new potential partners. However, its heavy reliance on the North has weakened its regional influence, especially in South America where Brazilian leadership is consolidating itself.

In the case of Brazil, the South American region occupies an important place in its current development strategy. At the beginning of the 20th century, the Government of Brazil propelled

the creation of various multilateral forums among which is included the South American Summit, the Initiative on Integration of Regional South American Infrastructure (IIRSA in its Spanish acronym) and subsequently, the creation of the Community of South American Nations now known as UNASUR. There are political and economic reasons that explain why Brazil seeks to strengthen its ties with South America: these links help Brazil increase its own projection in the world and assume the role of representative of the economic and commercial interests of the region within financial and trade-related blocs such as the G20. Similarly, organizations such as the Southern Common Market (MERCOSUR) and UNASUR allow Brazil to broaden consensus for multilateral diplomacy and strengthen its role as a global player.

At the same time, the presence of a majority of centre-left governments with similar interests and their common decision to organize “the neighbourhood” according to criteria and needs of their own is a key factor for the emergence of UNASUR. However, the leadership of Brazil and Venezuela, as they both position themselves as possible hegemony axes, sometimes created tensions in the process, which became evident in the discussions over what source of energy to prioritize (oil or ethanol) at the first South American Energy Summit that took place in Margarita Island in 2007.

Although Venezuela first promoted the Bolivarian Alliance for the Peoples of Our America (ALBA) as an exclusive arrangement, at present one can observe a greater diversification. In the regional sphere, the Venezuelan request to become a full member of MERCOSUR, with which it renounces to the Andean Community, has evidenced this change. This new inclination also emerges from Venezuela’s active participation in UNASUR, a union that could prove strategic for this country as it could become a mechanism for diplomatic balancing against the United States, as well as help to achieve agreements regarding a subject of such relevance as energy security if Venezuela moderates its confrontational policies.

What does the creation of UNASUR mean?

The creation of UNASUR is the materialization of a strategic political project that is based on the organization of the South American region and the search for autonomy. UNASUR emerged with the signing of the Treaty of Brasilia within the framework of the Third Summit of South American Presidents in 2008 and formed by the 12 independent South American states. In order to become formally effective, at least nine signatories must ratify the agreement.

UNASUR is an organizing mechanism by which member countries seek joint solutions to face problems and issues of common interest such as trade, democratic consolidation, co-operation on energy, infrastructure, the environment and security, the equitable distribution of income, financial stability and a response to natural catastrophes. In addition, members recognize that they belong to a community with specific cultural features.

In this respect, UNASUR reflects —and in some cases lacks— the idiosyncrasy of Latin American multilateralism. Two visions coexist within it. The first is a vision of governmental orientation and defence of sovereignty pushed to the extreme that seeks to achieve the primacy of a specific national interest in order to balance asymmetries of power, mainly with the United States. The second vision recognizes the interest of its members to create a shared future and seeks to build autonomous governance for the region as a whole.

Although the ideas on the latter vision —a shared future and autonomous governance— are set forth in the preamble of its Constitutional Treaty, so far it is the first vision that has predominated. UNASUR is entrenched in the tradition of defensive multilateralism rooted in the defence of national sovereignty and non-interference in internal affairs. Thus, the position of states reluctant to transfer or share sovereignty is reinforced, which is evident from its operating structure: government representatives rule the

entities of UNASUR, decisions are taken by consensus and there is no specific clause for the resolution of conflicts. In addition, to this day the structure does not allow the inclusion of social actors because the representation is exclusively reserved for the states. Even if members contemplate the creation of a future South American Parliament (PARLASUR) that would contribute to overcoming this democratic deficit, its establishment would not necessarily imply any major participation or inclusion of other actors in the decision-making process. That is because elections may not be direct or universal, and because the elected representatives could only assume deliberative functions, as is the case with the majority of the organizations of Latin American integration.

On the other hand, in the founding treaty of the Union there is no mention of the establishment of trade preferences, the elimination of custom duties or even less of the creation of a customs union. In contrast to this, the promotion of energy and physical integration of the region is being considered, for which reason existing projects such as IIRSA (2000), and the South American Energy Council (2007) have been incorporated into UNASUR. Along the same line, the South American Defense Council, formed by the ministers of defence from member states, was created at Brazil's request to prevent threats to peace and regional governance, such as the 2008 Colombian military incursion in a Revolutionary Armed Forces of Colombia (FARC) camp located in Ecuadorian territory.

The problem with UNASUR being limited to interventions of a defensive nature lies in that—to paraphrase Ernst Haas, one of the main proponents of integration theory—setting out the basis of integration on a shared fear from outside forces is a weak one, precisely because it depends on the behaviour of those forces.

The role of UNASUR from a Latin American perspective: Another competing organization?

In the Latin American sphere, there exists a great variety of organizations and forums that,

on occasion, superimpose their functions and compete for scarce available resources. Among these organizations and forums is the Rio Group, which has played a role of consultation and political harmonization since its creation in 1986. On the other hand, there are several summits that take place on a regional, bi-regional or sub-regional level, for example: the Ibero-American Summit since 1991, the bi-regional European Union and Latin America and Caribbean Summit since 1999, and the Summit of Latin America and the Caribbean on Integration and Development (CALC) since 2008.

CALC stands out because it is the only forum gathering all Latin American and Caribbean nations that is not convened by an external institution. Within the framework of its second summit—the Unity Summit—the governments of the region announced the creation of a new organization, the Community of Latin American and Caribbean States (CELAC) that will coordinate the integration of the various existing mechanisms, forums and organizations. At this Cancún Unity Summit of Feb. 23, 2010, the Cancún Declaration was signed. In one of its paragraphs, the declaration mentions the importance of fostering political dialogue among the members of the community in order to achieve political harmonization leading to enhancing “the international position and translate it into rapid and efficient actions that promote the interests of Latin America and the Caribbean in the face of new issues on the international agenda” (translation).

The search for autonomy by means of the creation of regional co-operation agreements is one of the most characteristic features of Latin American multilateralism. Therefore, the creation of UNASUR reflects other characteristics and features of Latin American multilateralism: the presence of many multilateral initiatives to promote regional integration, the desire to achieve greater independence and the attempts to consolidate the region as a peace zone. Simultaneously, it highlights the difficulties in harmonizing consensus around a single vision and defining a regional identity. In zero-sum logic, UNASUR competes with the regional entities

mentioned previously; yet, it could also be seen as a co-ordinator of positions at the sub-regional level. In this regard, if one considers that the Rio Group has promoted Latin American solutions for Latin American problems, this reasoning could be extrapolated to the role of UNASUR in South America, that is, to promote South American solutions to Latin American problems. The idea is to apply the subsidiary principle, that is to say decisions should be adopted at the level that is most adequate for each case, without this meaning necessarily that there is an antagonistic position. However, the relationship between UNASUR and CELAC will evolve as a function of the individual development of both organizations, and above all of their institutional structure and attributes.

In the sub-regional sphere the Union of South American Nations can play a complementary role to that of other sub-regional integration organizations. The Andean Community is going through a serious identity crisis because it has failed to observe the principle of joint negotiations with third parties, and Venezuela subsequently withdrew; if the Community is incorporated into UNASUR, it could be reinforced and rescue its institutional accomplishments to converge toward other frameworks of co-operation. For its part, MERCOSUR has serious weaknesses and little legitimacy in the area of conflict resolution, a situation that became evident when two of its members (Argentina and Uruguay) decided to appeal to an external tribunal (the International Court of Justice in The Hague) to resolve their bilateral problems. An eventual rapprochement with UNASUR would provide a scenario of greater geographical scope to deal with issues of physical infrastructure and energy complementarities, and provide smaller countries with a political forum of greater magnitude to balance out Brazil's strength.

The new strategy of ordering in South America is in line with the Latin American tradition of resistance to attempts of domination. However, its creation is also a product of greater autonomy that the region currently enjoys. The challenges to overcome are clear —assuming the cost of working toward an end to the internal conflict in Colombia (an option that will surely change

the attitude of Bogotá from one of reticence and mistrust to one of a more solid support for the organization), and transcending the changes in leadership— if the region is to leave behind the threat that an organization be the result of a short-term policy of any government of the day, and ensure that it becomes a long-term policy.

In spite of the difficulties mentioned, the balance until now is positive: UNASUR has contributed to the strengthening of governance in South America. Some of its interventions stand out, such as its pertinent and decisive 2008 intervention in the department of Pando that threatened to cause a democratic crisis in Bolivia, its rapid positioning in favour of democratic solutions during the 2009 crisis in Honduras, as well as its participation in the multilateral humanitarian efforts in 2010 to face the devastating consequences of the earthquake in Haiti and the catastrophe resulting from a quake and tsunami in Chile.

To conclude, if the cost of autonomous governance is assumed and UNASUR is granted greater competences —step by step, but in a decisive and forceful manner—, the Union could become an excellent opportunity to count on a sub-regional co-operation organization capable not only of halting any unilateral action by a hegemonic country (global or regional), but also to act with a shared vision built on common interests.

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Diverging paths of Latin America: The case of international security

Olga Pellicer

The 21st century has seen new and interesting developments in Latin American countries in the area of foreign relations. The diversity of the countries' development processes, internal problems and political objectives has brought with it increasing heterogeneity in foreign relations that extend outside the continent. In some countries, the presence of the United States has become more pronounced in a qualitatively different way, while others have formed extra-continental alliances which, with the exception of Cuba, were quite uncommon a few years ago.

The influence of these new trends is particularly evident in matters of defence and security agreements. While Mexico has strengthened agreements with the United States, thereby involving sectors that traditionally fell outside the boundaries of these agreements, Venezuela has conducted joint military exercises with Russia, and Brazil has entered into a large-scale military agreement with France.

This panorama of diverging views coincides with an interest in strengthening political consensus mechanisms at a sub-regional level, as exemplified by the Union of South American Nations (UNASUR) and, at a regional level, by the recently created Community of Latin American and Caribbean States (CELAC) that resulted from the so-called February 2010 Unity Summit.

The purpose of this essay is to comment —based on examples— on the current situation regarding defence and security in the cases of Mexico, the Andean region and the Southern Cone. Commentary on these three cases illustrates the plurality of interests and objectives that come into play, and from the vantage point of this multiplicity, reflect on the potential extent of regional consensus that leaders hoped to implement at the aforementioned Unity Summit.

Combating transnational organized crime: New dialogue with the U.S.

Transnational organized crime has become the most serious threat for Mexico and the majority of Central American countries. The magnitude of the problem has made it necessary to grant new responsibilities to the armed forces and to seek new forms of co-operation with the U.S.

The Mérida Initiative marks a transitional phase in Mexico-U.S. co-operation, not merely in terms of the amount of aid provided, but rather in terms of the new modalities for the exchange of intelligence information, co-operation in the installation of secure border crossings, and the possibility for the U.S. Department of State to exert pressure on countries receiving aid in the areas of justice implementation and human rights.

At a high-level meeting held in Mexico in late March 2010 to discuss phase two of the Mérida Initiative, the importance of deepening security relations was made clear. Officials warned that the uncontrollable violence that had taken hold of northern Mexico —particularly border cities such as Ciudad Juárez, Tijuana and Reynosa— demanded the creation of a new chapter in the security agenda between Mexico and the United States. The consequences of this new chapter are far-reaching.

The first consequence is to increase the number and role of actors participating in intergovernmental negotiations. On the Mexican side, the newest change is in the role of the armed forces given the army's high level of responsibility in the fight against drug trafficking and the high number of troops it maintains in border cities such as Ciudad Juárez.

For historical, ancestral and nationalistic

reasons, the Mexican army has avoided dialogue with the U.S. However, it is now clear that Mexico must provide answers as to why it has not been possible to control the violence in the region and on whether the United States' plan to co-ordinate actions on both sides of the border is acceptable, as well as the need to accelerate training programs for the Mexican military. This new relationship between the Mexican army and its U.S. counterpart represents a turning point in security relations between the two countries, the consequences of which cannot yet be fully appreciated.

The second consequence is the creation of a climate of uncertainty between the two countries. On the U.S. side, the Department of Homeland Security has acquired more influence; on the Mexican side, confusion exists due to the absence of an entity in its public administration that would perform similar co-ordination duties, not to mention that the various Mexican agencies that deal with security issues practically act independently from one another.

The presence of new actors, agencies and complexities for fostering dialogue on bilateral security problems are, therefore, two consequences that illustrate not only the difficulties but also the increasingly deepening interaction that is forming between Mexico and the United States in terms of security.

The Andean region: Arms build-up, the presence of the U.S. and extra-continental actors

A situation quite unlike the one described above is that of the Andean region. The region is characterized by polarized societies, fragile democratic institutions, arms build-up and the existence of border conflicts on the verge of becoming military confrontations.

The climate of mistrust that prevails between Colombia on one side, and Venezuela and Ecuador on the other, has accentuated the arms build-up processes with negative consequences for extra-regional relations. The agreement granting the United States access to Colombia's military bases

has planted a seed of mistrust in the entire region and is, in turn, used to legitimize Venezuela's arms build-up.

For several years, Venezuela has been leading an active political agenda of extra-continental relations for co-operation in the area of defence. For example, in accordance with this trend, President Hugo Chávez visited Moscow in 2008 and, for the first time in Venezuelan-Russian relations, the countries carried out joint aerospace manoeuvres. These exercises were symbolic in nature, but beyond the inauguration of a significant era of Russian presence in the Andean nation, they were an expression of the *chavista* interest in playing a role in international power games. Be that as it may, the event is cause for uncertainty, particularly in the United States, not to mention the deepening of relations and military co-operation agreements between Venezuela and Iran.

Despite the attention these actions receive, Venezuela's influence in regional security is minimal. In fact, other countries, through fortuitous circumstances, have been influential. For example, the Dominican Republic President Leonel Fernández succeeded in resolving the conflict between Ecuador and Colombia at the meeting of the Rio Group in March 2008; Brazil exerted its influence to halt the worsening internal problems that threatened to unleash a separatist movement in Bolivia at UNASUR.

The increase in military spending that has characterized countries of the Andean region in recent years has raised a great deal of concern, further magnified by a tendency to focus attention on Venezuela. However, it is worth noting that the country's spending is lower than that of other Latin American countries such as Colombia, Chile and, by a long stretch, Brazil —the country that spends the most on weapons in the region.

The volatile Andean situation is serious due to the degree of fragmentation among the region's countries, the relative presence of extra-continental actors, and the continued role of the United States as the primary source of strength for countries such as Colombia and discredit and

resentment for others such as Bolivia, Ecuador and Venezuela. Nevertheless, the most significant changes in international security in Latin America are not taking place in the Andean region but rather in the Southern Cone.

The Southern Cone: Consensus mechanisms and Brazil's leadership

In the Southern Cone countries —Argentina, Brazil, Chile and Uruguay—, the institutionalization of security relations has made the most significant advances since it is where autonomy from the U.S. is the most pronounced, and where sub-regional consensus has occurred in parallel with Brazil's growing influence.

Brazil's National Defence Strategy (NDS), announced in 2008, clearly reflected the government's desire to make the armed forces and the national military industry a central element of the country's modernization process and its consolidation as a powerful regional and international player.

The document outlines the long-term objectives for ensuring the defence of Brazil's vast territory, its airspace and territorial waters, which have become increasingly valuable following the recent discovery of rich sources of oil. In accordance with the document, the development of technologies and capacities in three key sectors —space, cybernetics and nuclear— is paramount.

In the field of aerospace, the document prioritizes the development of satellites for communication purposes, commando control and the determination of geographic co-ordinates. In cybernetics, emphasis is on communication technologies that make network co-ordinated action within the armed forces and their communication with space vehicles possible. As for the nuclear industry, the goal is to achieve the complete nationalization of both development at the industrial level of the nuclear fuel cycle and of the construction of reactors for the country's exclusive use, speeding up prospecting, mapping and taking full advantage of uranium reserves, as well as having the potential to project and build thermoelectric power plants and increase

the capacity of the use of nuclear energy for various purposes. The strengthening of the military industry to achieve dominance in these technologies is a central objective of the NDS.

This is the nature of the large-scale diplomatic offensive employed by Brazil since 2008. On the one hand, it seeks technological co-operation agreements with countries including China, France, Italy and Russia; on the other hand, it has pushed for the institutionalization of regional relations through UNASUR and the South American Defence Council (SDC).

The negotiation of military co-operation agreements with countries identified as important providers of technology has been a central chapter of Brazilian diplomacy in recent years. Of particular importance in terms of the attention it has received is the agreement with France on co-operation regarding control of defence and the armed forces, signed in January 2008. Once the agreement took effect, the French president showed his support by providing technology for the construction of helicopters and airplanes, as well as co-operating in the construction of the submarine Scorpen whose hull can be adapted for nuclear propulsion —of utmost interest to Brazil's plan to broaden and strengthen its use of nuclear energy.

Other less “visible” —but nonetheless important— agreements include those signed with China concerning space-related issues, with Russia for the acquisition and sale of equipment and defence services, and with Italy. The agreement with Italy made it possible for the Brazilian air force to achieve significant levels of training and operation through the use of the fighter AMX and, at the same time, led the Brazilian company Embraer, leader in the building of airships for regional aviation, to become qualified in the design and construction of cargo planes.

At the regional level, Brazil's interest turned to strengthening the institutions of South American defence through an initiative announced in May 2008 —at the then newly-created UNASUR— to establish the SDC, which was formally inaugurated in 2009. This forum for political dialogue on topics of

regional security has interesting characteristics: first, the rapprochement between various levels of the armed forces of member countries and the consequent climate of trust that this has created between them; second, the autonomy with which the process occurred vis-a-vis the U.S.; and third, the projection of Brazil's military industry as a cohesive force, through joint ventures with counterparts from other countries, in the military industry of the Southern Cone under Brazil's leadership.

Clearly, this process is not without feeding the suspicions and mistrust toward Brazil. A very adept diplomatic policy is required to negotiate these issues. Nevertheless, the direction for regional security in the Southern Cone has been set out.

The aforementioned examples confirm that, from the perspective of international security, Latin America as a whole does not present favourable conditions for consensus. A number of different opinions exist as to what constitute real or potential threats and what international alliances would be best suited to combat them. The persistence of misgivings and distrust are cause for the anticipation of complications if, for instance, an attempt were made to create a Latin American joint security system.

However, past events do not mean that all existing political consensus mechanisms are ineffective in building bridges in times of crisis. One need only think of the positive role played by the Rio Group in decreasing tensions, which allowed for a rapprochement during the border crisis between Colombia and Ecuador. Yet another example is the positive role played by UNASUR in the internal conflict in Bolivia.

Beyond the dissuasive powers of diplomatic authorities, what is truly of interest over the long term is the identification of trends toward the unification or fragmentation of Latin America. Increasingly, these trends point toward fragmentation into sub-regions whose delimitations are becoming more defined.

In the case of the Southern Cone, new geopolitical

relations exist in which Brazil has a powerful voice, sweeping aside the once omnipresent United States, and opening the way to co-operation with extra-continental countries. In other cases, such as that of Mexico, the U.S. presence has not diminished. On the contrary, the two countries' internal power groups —such as the military— are becoming increasingly interconnected. Finally, in the Andean region, polarization leaves no room for consensus mechanisms. Rather, it is an area where the dissuasive effects to confrontation coming from other sub-regions or traditional regional mechanisms can occur.

The landscape of Latin America in the coming years will be determined more by sub-regional arrangements in the area of international security than by regional mechanisms built around vaguely defined common interests, rooted in historical, linguistic or cultural conditions. Such conditions should not be underestimated, as they have maintained Latin America as a united regional group in the majority of existing international organizations. However, this does not mean that these conditions are sufficient for tracing the future of a region whose dynamic, as seen above, points toward very diverse objectives.

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Multilateralism is what states make of it: Canada and the Community of Latin American and Caribbean States

Lesley Martina Burns

This paper argues that the recent creation of the Community of Latin American and Caribbean States (known by its Spanish acronym CELAC), although it excludes Canada, is neither an imminent threat to the country's role in the hemisphere nor to its commitment to multilateralism. As a middle-power Canada benefits from membership in multilateral organizations, such as the Organization of American States (OAS), and values the role that they play, including in shaping interactions among states, increasing collaboration and improving cooperation. The nature of political, environmental and economic conflicts today makes collaboration more important than ever. Few of the problems that face our hemisphere can be solved by one state alone. However, the existence of multilateral organizations does not ensure mutually beneficial outcomes: multilateralism is what states make of it. Recognizing that CELAC is recent, and has an identity crisis, this paper outlines two potential scenarios for CELAC: as a replacement for the OAS or as a complementary organization, the latter proving more likely.

This paper provides an overview of Canada's commitment to multilateralism. It then proceeds to argue that an organization that excludes Canada and the United States does not inherently undermine multilateralism in the Western Hemisphere and suggests ways that CELAC could strengthen the OAS, in particular, by genuinely promoting a more unified Latin American and Caribbean voice on the global stage. It concludes with an outline of how Canada's priorities in the region are affected by new multilateral arrangements in the hemisphere.

Canada's commitment to multilateralism

As a middle power, Canada benefits from operating through multilateral organizations.

Canada's commitment to multilateralism spans decades and the political spectrum—it is unlikely to be uprooted from the foundation of our foreign policy. A belief that organizations such as the OAS are dominated by the U.S., and to a lesser extent Canada, motivated Latin American and Caribbean countries to seek alternative organizations. Yet, interestingly Canada's shared concern with its Latin American neighbours about the extent of U.S. domination of the OAS kept it out of the organization until 1990. There is no denying that the links between Canada and the U.S. are deep and include geography, security and the economy. Making them seem at times even more similar is the fact that Canada shares one of its two official languages—French and English—with the U.S.

Whereas some have accused the U.S. of using multilateral institutions to assert supremacy, Canada is classified as a “defensive ideational multilateralist,” as compared to a “revisionist instrumental” and more ad hoc multilateralism characteristic of some Latin American countries. In this context Canada is classified as “defensive” for its attempts to counterbalance the power and influence of the U.S., but also for its commitment to upholding the status quo of the existing international structure. It is classified as “ideational” for its attempts to use institutions to promote Canadian values. These two concepts are in direct contrast to revisionist multilateralism, which refers to countries that seek to alter the status quo. An examination of why countries support CELAC will show that several member countries fit into this category. Finally, countries that are predominantly seeking to increase their interests are classified as instrumental. The diverse motivations that drive multilateralism account for part of the identity crisis that CELAC was founded on.

When Canada joined the OAS in 1990 it did so

in large part to promote its ideational values including democracy, human rights and the rule of law. For example, it took a leadership role in the creation of the Unit for the Promotion of Democracy. It also spearheaded the inclusion of a democracy clause in the 2001 Quebec City Summit Declaration, a clause that was institutionalized in the 2001 Inter-American Democracy Charter. The adoption of representative democracy as the underlying form of democracy was and continues to be a divisive issue that challenges the OAS; this will be discussed further in relation to CELAC.

The Canadian government reaffirmed its commitment to the hemisphere in 2007 with its Americas Strategy, which vowed to enhance engagement in the region. With this policy the Canadian government demonstrated its intention to uphold the mutually reinforcing concepts of security, democracy and economic prosperity by strengthening bilateral relations and regional organizations, bolstering Canadian partnerships and expanding Canada's regional presence. The Canadian government's support for multilateral co-operation through priority regional organizations places much emphasis on the OAS, but also includes the Inter-American Development Bank (IDB), the Caribbean Development Bank (CDB) and the Pan American Health Organization (PAHO). Members of CELAC that see it as a replacement to the OAS envision CELAC as a direct challenge to the multilateral system created since the end of the Second World War.

Latin American multilateralism beyond the OAS

Motivated by a desire to develop and promote a unified region that can jointly resolve shared problems the newly-created CELAC is an effort by Latin America and the Caribbean to assert itself free of Canadian or U.S. influence. The idea of promoting the region separately from its northern neighbours is widely accepted, but member countries remain divided on whether the organization was created to compete with, or even replace, the OAS, which has been advocated by Bolivia, Brazil, Ecuador and Venezuela, or to complement it, as presented by Chile, Mexico,

Panama and Peru.

Member countries' indecision on the central purpose of CELAC is only one of the many important issues to be decided at meetings in 2011. Members have not determined if it will replace the Rio Group with its focus on political issues and the Summit of Latin America and the Caribbean on Integration and Development (CALC) with its focus on economic issues, or if it will work with these organizations. How and by whom the group will be funded is unclear, and the *pro tempore* secretariat has led many analysts to conclude that the organization will not hold teeth. The two driving member states, Brazil and Mexico, account for 7.4 per cent and 4.9 per cent of the OAS budget respectively. Although this may seem small at first glance, they are the third and fourth largest contributors, behind the U.S. and Canada which combine to account for 62 per cent of the OAS budget. A withdrawal or redirection of these funds could certainly impact an already financially strapped OAS.

Although Brazil and Mexico vie for hemispheric leadership, neither has demonstrated a sustained interest in carrying the burden. Their attempts seem driven by a willingness to offset the power of the other country, a characteristic more reflective of a zero sum game in which gains by one country translate into losses for another. No institutional structure based on co-operation can be effective unless parties realize they can achieve mutually beneficial gains.

Brazil, for its part, with its strong and growing economy, is often seen as a logical hemispheric leader. However, organizations in which it plays a key role such as the Southern Common Market (MERCOSUR) and the Union of South American Nations (UNASUR) have fallen short of expectations. Additionally, recent attempts to mediate the 2009 Honduran crisis failed to bring a timely resolution to the crisis and resulted in ousted president Manuel Zelaya taking refuge in the Brazilian Embassy until after the late November election.

Mexico is the geographic gateway between South and North America, positioning it well to act as an

interlocutor between its northern and southern neighbours. Like Brazil it is more ideologically aligned with free market capitalism than other Latin American nations. Although it is possible to have strong relations among different forms of government, within the Western Hemisphere it has been a strong dividing force.

A strong push to establish an organization outside the OAS has come from the Bolivarian Alliance for the Peoples of Our America (ALBA), which has asserted itself as an anti-imperialist organization and shown that it could act as a unified group. It also promoted CELAC as a replacement for the OAS. Yet, ALBA has seen few successes. Often presented as a sign of unity among the ALBA countries, the OAS General Assembly meeting in June 2009 cannot be seen as unequivocal success. ALBA effectively co-ordinated the removal of Cuba's suspension from the OAS at its 2009 General Assembly, however there were a number of qualifications placed on its re-entry which offset the claim that this was a demonstration of political strength.

CELAC's lack of an overarching issue to unite all members will be an impediment to internal cohesion. Recent events in the hemisphere such as the 2009 Honduran crisis and the election of the new OAS secretary general show that hemispheric rifts are not North-South. Further challenging any form of collaborative work is the high level of distrust concerning sovereignty which, due to historical circumstances, has been highly protected. Moreover, states play an undeniably important role in the hemisphere, but they are not the only actors: international organizations, business groups, civil society and other domestic and transnational social actors play an increasingly large role.

The plethora of existing organizations in the hemisphere has, on one hand, led many analysts to believe that Latin American leaders are on the verge of over commitment; on the other hand, it shows a track-record of multi-layer organizations that have successfully worked together. Heads of state and government have an increasingly large number of hemispheric meetings on their agendas. As Table 1 below shows, our leaders

meet at smaller meetings in forums as diverse as ALBA, the Ibero-American Summit, the Asia-Pacific Economic Cooperation (APEC) and the United Nations (UN), to name a few. Some analysts warn that we are over-committing our leaders and that more summits would only invite redundancy. Yet, until the overarching purpose of CELAC is determined one cannot conclude that it will be redundant.

Number of summits related to hemispheric issues per year for countries of the Americas	
Number of summits	Countries
9	Mexico, Venezuela
8	Colombia, Guatemala, Nicaragua, Peru
7	Belize, Bolivia, Brazil, Ecuador, Guyana, Honduras, Panama, Paraguay
6	Antigua and Barbuda, Argentina, Bahamas, Chile, Costa Rica, Dominica, Dominican Republic, El Salvador, Haiti, Jamaica, Suriname, Uruguay
5	Cuba, Grenada, St. Kitts-Nevis, St. Lucia, St. Vincent-Grenadines, Trinidad and Tobago
4	Canada, United States

As the table shows, a number of these meetings already exclude Canada, yet rarely have they been cited as a threat to Canada's role in the hemisphere. Along with hemispheric partners, Canada participates directly in the North American Free Trade Agreement (NAFTA), APEC, the OAS and the UN. This suggests that should CELAC establish itself as an alternative to the OAS, it does not mean that Canada will be excluded from hemispheric affairs.

The coexistence of organizations such as the UN and the OAS provides an example of the potential for co-operation among organizations operating at different levels. The key difference here is that coexistence is based upon the fact that each organization is intended to serve a different purpose. On a global level, the UN successfully

works with regional organizations. Within the hemisphere, the relationship between a sub-regional entity such as the Caribbean Community (CARICOM) and the OAS is a good example of fruitful collaboration. CARICOM was created to put forward a unified Caribbean voice. Although it has fallen short of some of its goals for economic integration CARICOM has been involved in fertile political mediation in the region. For example, it brokered early elections to calm political protest in St. Vincent-Grenadines in 2000. CARICOM was able to provide a solution without impeding procedures in other regional organizations.

CELAC could reinforce the OAS. For this to be possible it would have to develop the capacity to facilitate regional positions on specific issues. Unified positions could then be presented to the OAS. If issues or conflicts specific to the region were resolved outside of the OAS there would be more time and resources to focus on those that impact the entire hemisphere. Rather than viewing the emergence of CELAC as a threat to hemispheric unity, it can be seen as a potential building bloc to make regional co-operation more effective. It is too soon, however, to determine if CELAC member states will seek this end.

Canadian thematic priorities

Canada remains committed to the principles of human rights, democracy and governance, multi-dimensional security and the participation of civil society. It actively promotes these priorities throughout the hemisphere, and largely through the OAS. Many of these shared values are expressed in the OAS's Inter-American Democratic Charter. At this point it is difficult to see how CELAC would replace the OAS. As a sub-regional body working in collaboration with the OAS, the new CELAC does not pose a direct threat to Canada's thematic priorities.

The Government of Canada views security and economic prosperity as not only domestic concerns, but also issues that require regional, if not global, co-operation. To facilitate this, Canada has played a central role in encouraging the process of civil society consultation within the framework of the OAS. As a central component

of democracy, broad civil society participation is fundamental for any process to gain democratic legitimacy. The OAS has a well institutionalized process for consulting civil society groups —or social actors, a term the OAS uses to include business groups, youth, indigenous and other groups not included in some definitions of civil society. The OAS continues to engage with these actors to improve consultations, suggesting that unless CELAC establishes a similar process, its claim to legitimacy as a representative body will be contested. Recognizing that it is early in the unification process, it is still notable that there has been an absence of consideration for civil society and non-state actors. Will CELAC consider the role of the private sector, civil society and other social actors? Until CELAC can present a unified face to the citizens of its member states and to other countries in the hemisphere, it is unlikely to derail the OAS and multilateralism as we know it.

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Latin American multilateralism: The U.S. perspective

Dexter Boniface

The international system has undergone a profound transformation marked by the relative decline of the United States and the growing influence of emerging powers such as Brazil, Russia, India and China (BRIC countries). At the same time, the inter-American system has also undergone a reconfiguration. Latin American states have diversified their economic relations with the world, asserted their independence in domestic and foreign policy, and reconfigured hemispheric institutions in contra-position to the U.S.-dominated system created in the immediate post-World War II period. Today, the inter-American system and its fundamental institutions, the Organization of American States (OAS) and the Inter-American Development Bank (IDB), increasingly compete with other multilateral institutions, both sub-regional and extra-regional, which exclude the United States. The Community of Latin American and Caribbean States (CELAC), created in February 2010 in Cancún, is the most recent and perhaps the most important example of the aforementioned situation. This paper examines whether the proliferation of multilateral institutions that exclude the United States actually reduces the U.S.'s role in regional governance and examines how the U.S. can respond to these new challenges.

Lonesome hegemon

It is indisputable that U.S. influence in the region has decreased. Yet it remains to be seen whether excluding the United States from emerging multilateral institutions reinforces this trend or merely disguises the continued dominance of the United States in inter-American affairs. This paper argues that U.S. leadership remains critical to regional governance and that the new Latin American multilateralism, while constructive, faces major obstacles to achieve its objectives. My argument is based on three premises. First, U.S. hegemony in the hemisphere, though weakening, remains unchallenged. Second, the diversification of Latin America's economic relations with the

rest of the world is not as deep as recent headlines suggest; the Monroe Doctrine may be dead, but this does not necessarily guarantee the autonomy of Latin America. Finally, the collective action problems facing Latin America will be difficult to overcome without U.S. participation.

While the U.S. position in the world is in relative decline, the country continues to be dominant in a number of aspects. Its economy is the world's largest and probably the most dynamic. U.S. industries are at the forefront of technological advances and its universities lead the world in terms of investment for research and development. The U.S. is the largest recipient of foreign direct investment (FDI) in the world and is a safe haven for investors in times of crisis. The weight of the United States is amplified at the regional level where, in spite of important regional variations, Latin America's economies remain (for better or worse) largely dependent on the United States.

On the one hand, the United States is the largest investor in Latin America and the largest source of FDI in the region, followed by Spain, Canada, Holland and Japan. On the other hand, it is also the region's main trading partner: trade between Latin America and the United States is significantly higher than that with China and the European Union combined. Even in South America where several countries have sought new economic partnerships with Asia and Europe and pursued more independent foreign policies, the United States remains the largest trading partner. In 2008, the United States was the largest source of foreign imports and the leading export destination for every major country in the region except Argentina, Bolivia, Chile, Paraguay and Uruguay. For their part, Central America, the Dominican Republic and Mexico, linked to the U.S. economy by the North American Free Trade Agreement (NAFTA) and the United States-Dominican Republic-Central America Free Trade Agreement (CAFTA), remain as dependent on the U.S. as ever. Furthermore, the links between the

U.S. and Latin America are not only economic but also social and cultural; this is evidenced by consumption patterns, migration and tourism. The bottom line is that the fate of Latin America is still closely tied to that of the United States.

The increased presence in the region of extra-hemispheric actors, such as China, India, Iran and Russia (not to mention Japan or Spain), has generated many headlines heralding the end of the Monroe Doctrine. Yet the presence of such extra-hemispheric actors is actually less relevant than it seems. Chinese trade and investment in the region, for example, have grown dramatically but remain heavily concentrated in the commodity sectors of certain South American countries, especially Argentina, Brazil, Chile and Peru. Furthermore, in other sectors such as textiles, electronics and light manufacturing, China is a fierce competitor, especially for Mexico and Central America. Thus, although the increased presence of Asian and European countries has caused a slight decline in the U.S. position in the region and contributed to a perception that Latin American countries have new options for integration, the U.S. economy remains a key factor in Latin America's development.

The final reason why the new multilateralism in Latin America will not substantially reduce the U.S. role in regional governance is that Latin America faces serious collective action problems to achieve co-operation without the participation of the United States. Past attempts at regional integration have resulted in many forgotten acronyms and even in the most successful cases these attempts have not succeeded in promoting deep integration. Despite the recent efforts of Venezuelan President Hugo Chávez, Brazilian President Luis Inácio Lula da Silva and others, Latin American countries are far from reaching agreements to co-ordinate security, energy and development policies, adopt a common currency, or even establish something as simple as a common visa policy. The reality is that Latin American states are divided into distinct subgroups with conflicting political and economic interests. Furthermore, in some cases, such as between Bolivia and Chile, and between Colombia and Venezuela, there is open hostility. In short, the

new multilateralism in Latin America has not achieved tangible results which would suggest that U.S. influence in regional governance is decreasing dramatically. At the same time, there are still many steps that can and should be taken to revive and promote co-operation between the U.S. and Latin America.

The Obama administration: A new partnership?

How should the United States and the administration of U.S. President Barack Obama in particular respond to the new challenges of Latin American multilateralism? In a sense, this question is part of a broader issue related to U.S. foreign policy for it is not only the inter-American system but also the entire architecture of Western-dominated global institutions that need reconfiguration in the new millennium. It makes perfect sense to start the process of reform in the Americas.

The United States effectively has two options: maintain the status quo or promote the "new partnership" that Obama defended in his campaign for the presidency. The first option, inherited from former president George W. Bush and softened by Obama, is not ideal, though it has some benefits. The crux of this strategy, described as "multilateralism à la carte," is to selectively engage interested parties on narrowly defined issues. This strategy allows the United States to develop closer ties with key partners such as Canada, Colombia and Mexico and, at the same time, avoid the conflict entailed by deepening its relations with a broader set of actors and a wider range of topics. The strategy effectively sidelines the hemisphere's fiercest critics of American policy such as Chávez, former Cuban leader Fidel Castro, Ecuadorian President Rafael Correa and Nicaraguan President Daniel Ortega in favor of a wait-and-see approach, which is premised on the assumption that these radical regimes will eventually collapse under the weight of their own contradictions before their deepening ties with Iran or Russia pose any substantial security risk to the United States or our allies. The approach is pragmatic, because it minimizes the problems of collective action, and also efficient in the sense

that U.S. influence increases in a bilateral or selectively multilateral setting.

It is, however, a strategy lacking long-term vision. For one, several of the most important problems in the region —drug trafficking, environmental conservation and migration among others— are essentially transnational issues for which bilateral and partial solutions are insufficient. Second, on issues such as arms control and energy security where the United States has strategic interests at stake, a wait-and-see approach is obviously inadequate. Finally, much like the debate on the reform of the United Nations Security Council and the International Monetary Fund (IMF), these discussions are critical to the legitimacy of the United States.

An alternative strategy demands a new commitment to revitalize the hemispheric agenda. Although Obama's policy proposal for a "New Partnership for the Americas" outlines a number of sensible changes in U.S. policy toward Latin America, the document ultimately fails to respond to the challenges of the new Latin American multilateralism in the region. To adapt to a new global and regional environment, the United States needs to develop a new foreign policy approach that is at once firm and flexible and, above all, must explore multiple mechanisms for co-operation on issues of common interest. Thus, the United States should seek to strengthen traditional inter-American institutions such as the OAS and the IDB but also facilitate the creation of new and potentially more dynamic mechanisms of co-operation.

This paper puts forward three ideas on how the U.S. could fulfill the promise of a new partnership with Latin America. First, the Obama administration must continue to distance itself from the unilateral policies of the previous Bush administration. It is important that President Obama makes it clear that multilateral co-operation is the core of U.S. foreign policy and that the unilateralism of the Bush era was a temporary aberration. As was seen during the 2009 Fifth Summit of the Americas in Trinidad and Tobago, the Obama administration's renewed emphasis on dialogue and diplomacy has paid dividends in terms of the

improved U.S. image in the region. Yet the recent (and avoidable) conflicts with regional leaders over the use of military bases in Colombia and the use of military force to deliver humanitarian assistance to Haiti after the country's devastating earthquake, demonstrate that the countries in the area remain sensitive to the use of U.S. military force in the region. President Obama must therefore show more sensitivity on this issue than he has so far.

Second, although it is essential that the United States listens to the leaders of Latin America and encourages the development of regional initiatives, the U.S. presence in the region must remain robust. The recent democratic crisis in Honduras confirms this. Although a consensus was quickly reached on the illegality of the overthrow of former president Manuel Zelaya and on the suspension of Honduras from the OAS, the failure of the United States to articulate a strong and consistent policy led to a power vacuum since no other country in the region had the same level of influence in this country. When the United States subsequently took more decisive actions to break the deadlock in Honduras, it had the unintended consequence of rupturing the regional consensus. This situation caused the United States to be diplomatically upstaged by Brazil on the issue of democracy promotion—even as Lula remained silent about the abuses of power by Chávez and Ortega, and rolled out the welcome mat for Iranian President Mahmoud Ahmadinejad.

Third, the United States should work with key partners to ensure the long term sustainability of the OAS and the IDB. The recent agreement to increase the capital of the IDB by \$70 billion is a step in the right direction. The OAS likewise needs budgetary reform. A reasonable proposal would be to create an automatic adjustment mechanism, like the one used by the United Nations, to ensure that annual contributions from member states comply with the rising inflation rate. In both of these instances, multilateral agencies need the financial support not only of the U.S. but also that of the emerging economies of the region, including Brazil, Chile and Mexico.

Moreover, although the OAS and the IDB should continue to play an important role in the regional agenda, especially in the areas of democracy, development and human rights, they need not be the main mechanisms of co-operation in all issue areas. In this regard, it is important that the U.S. be willing to undertake significant changes in other multilateral forums; for example, opening space for the greater representation of Latin America in the United Nations Security Council or the IMF. Furthermore, a recent Brookings Institution report suggests an interesting point: it is also possible to use other non-institutional mechanisms, such as a series of informal and flexible networks, to discuss specific issues which could facilitate co-ordination of policies on issues ranging from climate change and immigration to combating organized crime. Indeed, the OAS cannot only coexist with other multilateral institutions in the region but can also benefit by having other co-operative mechanisms in place. If Latin American leaders can resolve problems that affect them specifically, this benefits the entire hemisphere. For example, this year in Cancún, it was announced that the presidents of Brazil, the Dominican Republic and Mexico would form a “group of friends” to mediate between Colombia and Venezuela, an initiative that should be seen as positive with or without the participation of Washington.

The three ideas presented here underscore that the United States should use all of the means at its disposal to strengthen its relations with Latin America around common interests. Although the Latin American honeymoon with Obama ended quickly, the president is still well positioned to make these changes.

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