Global Geopolitical Dynamics and the Future of Democracy in Latin America[1]

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[1] *Global Geopolitical Dynamics and the Future of Democracy in Latin America* is a project of the Democratic Platform, a consortium of the Fernando Henrique Cardoso Institute and the Edelstein Center for Social Research with 33 affiliated institutions from 11 Latin American countries. The project aims to foster Latin American reflection on the impact of international geopolitical changes on democratic institutions and on regional coexistence and peaceful integration.

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Executive Summary

Following the fall of the Berlin Wall and the demise of the Communist alternative, democratic regimes emerged in virtually every country in the region with the exception of Cuba. National dynamics paralleled the triumph of liberal capitalist democracy worldwide spearheaded by the United States, along with the apparent retreat of geopolitical alternatives.

Historically, models for exercising power that directly conflict with liberal democracy and the market economy were only possible when fissures occurred in the international political system brought on by the rise of new power centers based on alternative ideologies. This was true of the emergence of the Soviet Union and Nazi Fascism and later the Cuban Revolution (which was, in turn, buttressed by the Soviet Union). In this context, revolutionary groups were able to glimpse the possibility of a radical break with the United States by aligning themselves with the Soviet bloc, while on occasion, local elites and authoritarian governments went so far as to flirt with Nazi Fascism.

For much of the 20th century, the United States served as the linchpin of regional governance (and disgovernance) either by setting the course for the economic order or due to its military capacity to confront countries or political organizations that opposed its liberal capitalist system. It is common knowledge that international integration, first under British and later U.S. hegemony, never entailed a commitment to democracy on the part of local Latin American elites. Moreover, apprehensive about the "communist threat," the United States frequently lent its support to dictatorships, most of them military. These dictatorships, however, never managed to consolidate ideological projects as alternatives to liberal democracy and the market economy, as to do so would have entailed direct confrontation with the hegemonic power that sustained them.

In the latter half of the 20th century, Latin American analytical frameworks for understanding the international system—whether from the "left" or from the "right"—were essentially bipolar in their unconditional support for, or outright opposition to, the United States, although levels of adherence to the Soviet Union might vary among leftists parties and movements. This perspective is no longer relevant insofar as the contemporary regional order is increasingly informed by the role of local actors and potential alliances with emergent powers.

The new context is not nearly as straightforward as the capitalism-communism bipolarity of the 20th century. Today's potential alliances are varied in their geometry in a context of waning U.S. power, the emergence of new poles of economic power (especially China) and the partial emergence—or resurgence—of non-NATO sources of military supplies (especially Russia).

Significantly, new non-State actors have emerged in the current context, many of which operate at the level of transnational networks and are able to exercise considerable influence on the dynamics of democratic institutions and inter-State relations. While narco-guerrillas and narco-trafficking are the most obvious, and negative, example of this, they are certainly not the only ones. In less evaluatively charged arenas, social movements focused on the environment and the rights of originary peoples coordinate intra- and inter-regionally and establish ties of cooperation/conflict with regional governments. In short, the bipolarity of the past has been replaced by the potential for geometrically variable alliances backed by different—and not necessarily western—sources of support, at the same time that many new actors on the scene are not operating in the framework of relations between nation-states.

We are living in a world in which the United States has ceded some of its relative influence in the world economy and China—orbited by the east Asian economy—has emerged as a formidable economic power of the future and one with a voracious appetite for securing it supply of natural resources and exporting an ever-widening array of manufactured goods. China's quest for natural resources has reverberated in Africa, a region heretofore subject exclusively to European and U.S. influences. China's burgeoning investments on the African continent are mainly accomplished through bilateral government relations, which frequently end up fortifying non-democratic regimes. China has penetrated Latin America in a different way: up to now, the impact of China's activities on the Latin American continent have been largely through trade, with the attendant increases in the value and volume of commodities exports and positive effects on fiscal and external accounts. Growing competition in the industrial sector, which began with the light industries, is increasingly focused on more capital intensive sectors and technology. At the same time, China has begun to step up its direct investments in the region and this is creating tensions around land ownership and the use of natural resources.

On a tangential note, Iran has emerged as a pole of reference in the Islamic world, now without the regional brakes that Iraq once represented. Iran has deliberately challenged North American hegemony mainly through its actions in the Middle East, but also on the international plane. In Latin America, for example, it has found

ideological affinities and established close ties of cooperation with some countries, including in the nuclear realm. Finally, despite having lost some of its ideological capital and military might, Russia is still a player that does not bow to "Western" logic notwithstanding its recent *rapprochement* with the United States.

The new international landscape does not, however, explain the emergence of nationalist-statist political projects in Latin American countries whose main source of fiscal income is derived from natural resources. These projects are instead attributable to essentially internal causes and they are associated in each local context with different categories of elites: military in Venezuela, indigenous movements in Bolivia, and former revolutionary militants in Nicaragua. The new international landscape has, however, contributed to their viability. Access to Chinese investments, for example, or to Russian military aid, creates a platform based on which the development of alternatives to the market economy and liberal capitalist model is plausible. Beyond their regional impact, these projects are also capable of projecting their influence on the international plane, albeit in a limited fashion, as Venezuela has demonstrated under the leadership of Hugo Chávez. It is therefore not immaterial to examine whether or not a national-statist project has an "internationalist" vocation and the resources to "export" its model and spread its influence. Indeed, alternative models to capitalism and liberal democracy have a powerful influence on most of the main "anti-globalization social movements" which, in turn, are frequently associated with, or supported by, the aforementioned governments.

The effects of the new global landscape are not confined to channeling ideological and financial support to radical State-sponsored political and economic restructuring projects. Even in countries with more solid economic and political institutions, the new global panorama reinforces historical proclivities towards a sort of "crony capitalism" that is to varying degrees personalistic or based on corporatist ties (mainly trade union or military). This brand of capitalism may, in fact, be internationally competitive based on a partnership between a controlling State with financial resources at its disposal and large private corporations, both buttressed by the commodities boom and privileged ties with political-bureaucratic elites. This model can be problematic in terms of the compatibility between the control, transparency and autonomy of branches of government and the autonomy of civil society.

The last five years of the 20th century featured a trend towards consolidation of the liberal democracies in the region accompanied by the incorporation of new actors in the political arena. This set the stage for—and partially explains—the emergence of

governments of a different stripe, a trend that was reinforced in no small measure by the financial crises that swept the countries of the region in the 1990s. While the "new globalization" marked by the rise of China and the relative decline of the United States has paved the way for a Latin American economic resurgence as reflected in improved social indicators, it in no way ensures the future of democracy and peace in the region. To the contrary. The region is exhibiting trends toward authoritarian regimes and/or the concentration of political and economic power that could well compromise the substance—while preserving the trappings—of democratic institutions.

This panorama calls for a Latin American thought which, despite national differences, contributes to the identification of a project in which democracy is situated at the heart of development strategies and international projections. The 20th century was essentially one of peace among Latin American countries. And this was not due to any intervention by the United States, but rather to the capacity of the region's countries to resolve conflicts among themselves by building a legal and political tradition of respect for sovereignty and for the principle of nonintervention in internal political matters. As it stands now, there is no guarantee that this tradition will endure.