



Image: Pink Tide Leaders signing the founding charter of BancoSur in 2007.

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## THE LEGACY OF THE COLD WAR HOVERS OVER THE POSSIBLE NEW BATTLEFIELD FOR LATIN AMERICA

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Throughout the post-Cold War era relationship between the United States and the rest of the hemisphere, countries have become increasingly reminiscent of imperialistic tendencies throughout the Cold War. The rising Pink Tide throughout Latin America stems from the swamp of U.S. neoliberal policies following the end of the cold war, as well as the shared belief that the U.S. is a perpetrator of Latin American oppression. The overall goal of the Pink Tide is to bring about a universal commitment to the well-being of human beings residing in much of the region. Through various soft balancing techniques, these Pink Tide countries have continuously challenged the idea of United States exceptionalism. Though these neoliberal policies negatively dictate the daily lives of Latin Americans, by providing their own institutions and alliances aimed to challenge the capitalist system that historically has oppressed them, these Pink Tide countries have shown that they are able to pose alternative models.

U.S. foreign policy from the end of WWII to the fall of the Soviet Union, and together with the fall of the Berlin Wall, were influenced by the constant pursuit of the containment of communism as well as national liberation movements. The United States has used its Cold War competition with the Soviet Union as the backdrop for the suppression of the legitimate struggle of the populations of Latin America for social justice and democratic practices. This led the US to support of the almost casual



overthrow of leftist governments throughout Latin America under the guise of keeping communism out of the Western Hemisphere.[i] Key doctrines, such as the Kennan memorandum of the 1950s, the Mann doctrine of the 1960s, and Jean Kirkpatrick's doctrine formulations of the 1980s, were used to justify repeated U.S. military interventions, covert operations in support of authoritarian regimes, and to fund civil wars, and ideological conflicts throughout the Latin American region .[ii] This reminder of the crowded agenda of repetitive U.S acts of intervention during the Cold War, and Washington's penchant for neoliberal policies that followed in its wake. This led many Latin Americans to rekindle the Bolivarian cause of building an independent and sovereign Latin America. This post-Cold War era led to economic policies that have since been referred to by political scientists as the "Washington Consensus." These aforementioned reforms have been made manifest by a set of neoliberal economic policies that promoted efforts towards privatization of the means of production, deregulation, free trade, and fiscal discipline.[iii] These policies and recommendations were spearheaded by a new generation of leftist Latin American leaders and by much of the public on a number of occasions, and have led to anti-globalization and suspicious attitudes towards Washington's intervention initiatives.

The Washington Consensus has been seen by its adversaries as a tool for continued oppression and U.S. hegemony in the region. Furthermore, this notion that the Washington Consensus was a tool for continued U.S. supremacy in the area has led to the rise of populist, leftist governments, as was frequently witnessed in the late 1990s and early 2000s. The necessity of challenging the current global capitalist system has led many left-leaning Latin American leaders to advocate more state intervention in the economy in order to prioritize human development and community values over private accumulation as well as the transfer of an inordinate amount of wealth to transnational corporate interests.

Nevertheless, through institutions like the IMF, World Bank, the WTO, the OAS, and the Summit of the Americas, the United States has been able to sustain the export of capitalist values and the emphasis on the private sector that has continued to place a drag on human suffering[iv]. An example of this has been the IMF, which historically has provided loans on a conditional basis to developing countries and, at the same time, required borrowing nations to reform their economies through economic austerity measures that have often hurt the most vulnerable segments of hemispheric communities, such as the poor and isolated indigenous populations. The Washington Consensus claims to be a one-size fit for all forms of economic incentivisation, however, it continues to marginalize certain groups while undermining their autonomy.

The Washington Consensus also brought the creation of the Free Trade Area of the Americas, which was later rejected in the Mar del Plata Summit of Americas in 2005.[v] The FTAA was initially opposed by Nicaragua, Ecuador, Argentina, Brazil, Venezuela, and Bolivia.[vi] In their opposition to neoliberal policies, these Latin American countries have found themselves drawn inward to their own immediate regional trade blocs, such as Mercosur and the creation of the Alianza Bolivariana para los Pueblos de Nuestra América (ALBA).[vii] The once largely progressive (or left and left leaning) governments, believe that U.S. organizations and institutions, such as the OAS, have helped keep some Latin American societies corralled within a U.S.-dominated system.[viii] The more the U.S. continues to push its neoliberal tenets the more it furthers the anti-globalist and anti-imperialist sentiments of the embattled leftists in the region.[ix]

The rejection of U.S. neoliberal interests by the Pink Tide countries was seen in operation in the Mar del Plata Summit of 2005.[x] This sentiment was strongly exhibited in the case of Venezuela during Mar del Plata, as well as the Panama and the Colombian summits.[xi] In September 2006, Hugo Chavez delivered a speech at the United Nations General Assembly in which he used harsh language to refer to president George W. Bush as "the devil." In January 2006, Chavez delivered a speech at the



6th World Social Forum in which he expressed that the FTAA was a tool that would continue the pattern of exploitation and imperialism that has traditionally defined the inter-American relationship.

### **The Pink Tide's Soft Balancing and the Rise of the Latin American Consensus**

The Pink Tide has been used to describe the left and center-left governments throughout Latin America, as well as throughout the 1990s into the early 2000s. These countries have relied on import substitution industrialization tactics in order to boost their economies and the redistribution of resources as a way to help poor and indigenous communities. Import substitution industrialization tactics seek to decrease dependency on foreign imports by emphasizing domestic production techniques. Some of the Pink Tide countries include a number of states such as the island states in the Caribbean; Nicaragua under Daniel Ortega; Venezuela under the late Hugo Chavez and Nicolas Maduro; El Salvador since the election of FMLN administrations starting in 2009; Ecuador under Rafael Correa; Argentina under Néstor and Cristina Kirchner; Bolivia under Evo Morales; and Brazil under Lula da Silva.[xiv] Some of the Pink Tide countries gradually have become allies and implemented “soft balancing” techniques to compete against U.S. neoliberal strategies [xv]. They have sought the Bolivarian goal of resisting U.S.-NATO hegemony through the creation of regional institutions and by advancing their own strategies for human development. [xvi]

In the 1990s, Hugo Chavez was best known for being inspired by the legacy of Simon Bolivar, Simon Rodriguez, and Ezequiel Zamora. He was elected president of Venezuela in December 1998 and assumed the presidency in 1999.[xvii] In the early 2000s, the relationship between the U.S. and Venezuela rapidly deteriorated due to U.S. support for the military coup that had all but overthrown Chavez for two days in April, 2002.[xviii] Instead of an environment of sovereign equality and mutual respect, it became apparent that the United States sought to maintain its status as the region's supreme hegemon. In order to fulfill the Bolivarian dream of independence, soft balancing techniques have been used by such developing countries to check the power of developed countries like the United States.[xx] It is through the use of non-coercive tools, such as the forming of mutually constructive alliances and the creation of civil institutions that help protect the interests of the less economically developed states that seem to be the most promising direction to take.[xxi]

One example of such soft balancing has been the Bolivarian Alliance for People of the America (ALBA). ALBA, which is an organization that promotes regional integration between the following countries, Bolivia, Ecuador, Brazil, Nicaragua, Cuba, and Venezuela.[xxiii] ALBA was founded by Venezuelan President Hugo Chavez in 2004 and was bound to be an alternative to the Washington Consensus. It acts as a competitive wedge against the regional integration efforts of the Summit of Americas.[xxiv] It promotes social welfare above and beyond the neoliberal approach of the private sector deregulation of the market. It was originally designed to be a socially-oriented trading bloc based on the idea that trade ought to be complementary and should be aimed at the eradication of poverty through multilateral agreements that invest profits in education, health care, and a variety of other social programs.[xxv]

A second soft balancing tool created by Venezuela has been the formation of energy alliances, such as Petrocaribe, Petrodina, and Petrosur.[xxvi] These energy alliances have nationalized petroleum firms and as a result that has pushed oil profits towards investment in social development and to advance investment and moderation.[xxvii] Petrocaribe was created by Venezuela in 2005. This provided oil subsidies to 19 Caribbean states.[xxviii] As an example of complementary trade, this was meant to be a people-to-people relationship that today despite intense pressure from the Trump administration



resists surrendering its humanitarian foundation. For such reasons, this energy alliance has brought about closer relations between Venezuela and a number of Caribbean nations. The second energy alliance has been Petroandina, which is an arrangement between Venezuela and the Andean countries of Colombia, Ecuador, Peru, and Bolivia.[xxix] The third alliance is PetroSur, an alliance, which united Argentina and Venezuela. In 2005, there were extended talks of creating an oil pipeline that stretched from Venezuela to Argentina.[xxx] Ultimately, these energy alliances were created as a way to promote bona fide Latin American interests, such as the protection of the environment, respect for workers, and investment in social welfare programs. Despite sanctions against Venezuela, U.S. multinational oil corporations, such as Exxon, Chevron, ConocoPhillips, and BP still have a continued presence and are still welcome to do business in Venezuela. Though these companies remain in Venezuela, the Venezuelan oil alliances mainly collaborate with state-owned firms, rather than private-sector entities, in order to establish fair trading practices that give the host country the ability to protect its economies and communities.[xxxi] This oil diplomacy directly contrasts the “Washington Consensus” and the Trump administration’s repeated emphasis in privatization and the reduction of the state’s profile in the energy market.[xxxii] This rejection of neoliberal policies contributed to what Chavez saw as the rise of another entity, the Latin American Consensus.[xxxiii]

A third soft balancing act was the creation of Telesur in 2005.[xxxiv] Telesur was created to counter the monopoly of U.S. television networks like CNN and CNN Español.[xxxv] It is a television network that is available worldwide in both English and Spanish. [xxxvi] The goal was to compete against cultural imperialism as well as against U.S. soft power by stressing Latin American interests and providing support for Latin American media.[xxxvii] Telesur aims at ending the informational and the cultural hegemony coming out of Washington and allows the profits of the network to remain in Latin America.[xxxviii]

Mercosur, the Southern Common Market, was established in 1991 by means of the Treaty of Asuncion by Brazil and Argentina.[xxxix] The goal was to create a regional common market complimenting the European Union, which has provided regional and economic integration throughout EU member states.[xl] Mercosur provides a customs union, eliminates trade barriers amongst its members, encourages cross border investment and trade, allows freedom of movement, and sets common standards for tariffs.[xlii] Currently, Mercosur has four member states, Argentina, Brazil, Paraguay, and Uruguay. In 2012, Venezuela’s membership was withdrawn after its alleged violations of human rights. It also has associated members, such as Chile, Colombia, Ecuador, Guyana, Peru, and Suriname. This trading bloc has a combined GDP of nearly US \$3.5 trillion and is the 5th largest economy in the world.

## **What Went Wrong?**

When Chavez died in 2013, the opposition saw its chance to end Chavismo. This led Nicolas Maduro, who won the presidency in 2013, to be faced with angry opposition protests calling for a recall vote.[xliii] These demonstrations, which singularly avoided to include the working class nor the poor communities, were justified by the opposition due to Venezuela’s economic problems, including inflation and food shortages.[xliv] Such shortages and high inflation rates were the result of several salient factors and cannot be attributed solely to the massive public spending on social development programs funded by the soft balancing techniques. These food shortages were also a result of a broken currency exchange system that incentivizes fraud, the smuggling and hoarding of food and medicine to Colombia, and the ongoing speculation with the currency. [xliv] These maladies have been intensified with US economic sanctions that have struck at the well-being of millions of Venezuelans.



The U.S. sanctions on the country revealed the use of coercive tactics over diplomacy and a clear double standard in not holding violators of human rights directly accountable. The Trump administration, on a number of occasions, has congratulated the pro-American government in Honduras, despite the fact that local and overseas human rights organizations have repeatedly reported on pernicious human rights violations by its security forces against political protesters. The U.S. has continued to display support for the Honduran government and has continued to allocate funding to the Honduran right-wing authorities, including its military, reminding many of the realpolitik of the Cold War era. This chronic inability to hold Honduras accountable for abusing its citizens and the often entirely unmerited sanctions on Venezuela show a clear double standard in U.S. brutalities against Caracas.

In 2017, U.S. House of Representatives enacted the Nicaragua Investment Conditionality Act (NICA). According to Congress, the bill was introduced in order to “promote democracy and rule of law in Nicaragua, and for other purposes.” This bill has sought to exclude Nicaragua from international aid for being an ally of Venezuela. Telesur has reported that NICA is an attempt to “target socialist and left-leaning governments in the hemisphere” by cutting them off from international financial institutions and loans that help fund health care, education, and infrastructure.

## **Conclusion**

The left-wing governments in Latin America feel as if they have no option but to continue the quest for independence and human dignity. The Argentine-Mexican philosopher, Enrique Dussel, argues that victims of domination and exploitation must be the principal protagonists of resisting the neoliberal regime and building a world “in which many worlds fit” (to use a Zapatista expression). He argues that humankind has an ethical obligation to promote the well-being of all of humanity. His argument is founded on a critique of the current global capitalist system or any system that reduces human beings to mere resources or instruments. Instead, we ought to place human life and the earth’s ecosystems above private interests. This is what the popular sectors, who made the pink tide possible in the first place, generally aimed to do and which some progressive governments to some degree executed, largely through soft balancing techniques.

One way to take a critical ethical perspective on what Dussel calls the “totality,” which is the globalizing capitalist system, is by taking co-responsibility for the plight of the excluded and reflecting on how to transform the current system in order to promote a world that is respectful of human life, as well as the environment. By this act of reflection, one can then critique the system of oppression and promote the flourishing of human beings by using democratic procedures and policies that are feasible.

At the present juncture, the US seeks to reimpose the Monroe Doctrine and reassert hegemony in the region, despite the reality of a multipolar world in which Latin American nations engage in trade not only with the US, but with China, Russia, and other countries as well. This attempt to rehabilitate the Monroe doctrine was recently seen at the University of Texas at Austin when Secretary of State Rex Tillerson expressed the following, “Latin America does not need new imperial powers that seek only to benefit their own people,” in regard to Chinese and Russian involvement throughout Latin America. These remarks are blatant assertions that the region ought to be considered, by the international community, as the exclusive U.S. sphere of influence.

This ethical commitment to ensuring the ability of all human beings to live and grow in community is key to building a world in which diverse cultures can live in peace with each other. Latin America has



the potential to be a major economic and political player in the Western Hemisphere, as well as in the world, but the history of imperialism and colonialism remains a formidable barrier to their independence, economic stability, human flourishing, and the creation of a just society, that would allow for this to come into being.

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