### Latin America and the U.S.: Building a Partnership for the Western Hemisphere

Ray Walser, Ph.D.

In the face of multiple challenges from distant Iran, Iraq, North Korea, Afghanistan, and Pakistan, it may be easy to forget that Latin America and the Caribbean are so close at hand. The region may not be America's backyard, but it is certainly very much our neighborhood. The United States shares a 2,000-mile border with Mexico that is still far too porous. Cuba is a mere 90 miles from Key West, reachable by the desperate on even the most flimsy of craft. Ready trade partner, democratic friend, and epicenter of the cocaine trade, Colombia, is a two-hour flight from Miami and accessible by the ingenious, stealthy, semi-submersible boats of drug traffickers. We worry about the same legal and illegal flow of goods and people, the same hurricanes, and shared environmental hazards.

Across the board, U.S. ties with Latin America and the Caribbean run broad and deep. From 1996 to 2006, total U.S. merchandise trade with Latin America grew by 139 percent, compared to 96 percent for Asia and 95 percent for the European Union. In 2006, the U.S. exported \$223 billion worth of goods to Latin American consumers (compared with \$55 billion to China). Fifty-one percent of U.S. energy imports originate from Canada, Mexico, Venezuela, Ecuador, Colombia, and Brazil.

Americans of Hispanic descent now account for 15 percent of the U.S. population, making the U.S. the largest Spanish-speaking nation after Mexico. The billions of dollars in remittances dispatched from the U.S. are vital to the economic health and well-being of American's neighbors to the south. But the current

#### **Talking Points**

- Latin America and the Caribbean may no longer be in the United States' backyard, but they are certainly very much in our neighborhood. Responding to challenges in the Western Hemisphere is vital to core U.S. interests.
- The Bush Administration made positive progress in the region. Many programs begun under Bush—the Millennium Challenge Account, free-trade agreements, and Mexican counter-drug-trafficking assistance merit continuation.
- The Obama Administration should propose concrete, achievable programs to fight poverty, create jobs, and improve health and education in Latin America. It must also guard U.S. security against the drug trade, illegal migration, and terrorism.
- The Obama Administration must recognize that an anti-American, anti-democratic current led by Venezuela's Hugo Chávez aims for authoritarianism and a weakened U.S.

This paper, in its entirety, can be found at: www.heritage.org/Research/LatinAmerica/bg2238.cfm

Produced by the Douglas and Sarah Allison Center for Foreign Policy Studies of the Kathryn and Shelby Cullom Davis Institute for International Studies

Published by The Heritage Foundation 214 Massachusetts Avenue, NE Washington, DC 20002–4999 (202) 546-4400 • heritage.org

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.



### Backgrounder.

recession will create new strains abroad. Illegal aliens, predominantly Hispanic, exceed 10 million.

Any major change in U.S. relations with Latin America will inevitably be linked to progress on complex U.S. domestic issues, notably immigration reform, homeland and border security, and reducing U.S. domestic drug consumption. These changes are contingent on prevailing public attitudes toward open markets, free trade, international competition, and foreign assistance. Any substantial retreat into protectionism or isolationism on the part of the U.S. will send a hard shiver down the spine of the Americas. While Americans generally desire to help their less advantaged neighbors, they fear the additional tax burdens that would accompany any increases in foreign assistance in a period when fiscal discipline is under siege and recessionary pressures are mounting.

In the new Obama Administration, just as in others, Latin Americans will first judge the President by what he is able to accomplish at home. The historic election of 2008 and the orderly and dignified transition in 2009 speak volumes about the openness, the maturity, and the majestic continuity of American democracy. The old adage about the U.S. needing to lead by example remains fundamental to revitalizing our ties with Latin America.

The Western Hemisphere, moreover, presents a confusing and complex patchwork of states, cultures, resources, and ethnic and linguistic identities, as well as conflicting definitions of democracy and pathways to the economic future. Just think of the differences between three of the Southern Hemisphere's sovereign states: the Bahamas (a small English-speaking Caribbean nation), Brazil (an emerging multi-racial economic giant), and Bolivia (an impoverished, ethnically divided, politically unstable state). Imagine how difficult it is to develop a common policy that fits not just these three, but the 35 sovereign nations of the Americas. Therefore, it is important that from the beginning the new Administration avoid sweeping rhetoric, one-sizefits-all programs, and cosmetic multilateral fixes that paper over the region's differences and problems.

Latin America is undergoing changes in geopolitical orientation. The growth and current crisis in the

global economy and the rise of Asia coupled with a new sense of Latin American identity and solidarity have an impact on the region's development. From the establishment of the Union of South American Nations (UNASUR) to the proposed creation of a Bank of the South (Banco Sur), a southern rival to the International Monetary Fund (IMF), South America is demonstrating a desire for greater autonomy of action as well as separation from the U.S. and the traditional mechanisms of the international economy.

Even strong trade partners of the U.S., such as Chile, Colombia, and Mexico have signed dozens of free-trade agreements in all parts of the world and seek more agile and diverse paths for integration into the global economy. Many South Americans believe they can better solve political problems in a divided country like Bolivia without direct U.S. involvement. Brazil considers itself a rising power, meriting a place on the world stage on par with India or even Russia.

Latin Americans are making progress against the traditional asymmetry that dominated relations between the Northern and Southern Hemispheres during the 20th century. China's and India's entry into the Latin American market coupled with the steady presence of the European Union and a more activist Russia will ensure that the future field of potential international links remains far more diversified.

Other less friendly players, such as Iran, are warmly welcomed by Bolivia, Nicaragua, and Venezuela and actively courted by Brazil. Transnational bad actors from the violent Basque ETA separatists to terror groups Hezbollah and Hamas are also seeking to gain entry into the Western Hemisphere. The diplomatic leverage and economic influence the U.S. wields remains important, but it is undergoing relative decline in face of growing global competitiveness. The Obama Administration must make continued policy adjustments that fit these changing international realities.

### **Do Not Feed Excessive Expectations**

During the electoral campaign, President Obama spoke of a "new alliance with Latin America" and promised substantial increases in U.S. foreign aid.



These optimistic promises were welcomed by all who care about the future of the Western Hemisphere. The post-inaugural challenge will be to deliver on these promises.

Latin Americans have not forgotten that at the beginning of his term, President George W. Bush also promised to strengthen relations with Latin America, particularly with Mexico. But 9/11, the global war on terrorism, the war in Iraq, and other urgent challenges directed U.S. commitments in other directions, leaving dashed expectations in their wake.

It is important that the Obama Administration recognize that past policies for the region go back one or two decades and have been the result of considerable bipartisan efforts. U.S. policy toward Latin America has followed a relatively consistent, bipartisan track since the fall of the Berlin Wall when the U.S. ceased to view the region through the prism of anti-Communism.

From the Brady Plan for debt relief, democracy promotion under the National Endowment for Democracy umbrella, and the Enterprise for the Americas Initiative, all products of the Reagan–Bush era, through the North American Free Trade Agreement (NAFTA), the Summit of the Americas process, and Plan Colombia under President Clinton to bilateral free trade agreements, the Millennium Challenge Corporation (MCC), and the Merida Initiative of the past Administration, one Administration after the next has built on the work of its predecessors. Latin Americans need to be gently reminded of these costly and extensive U.S. policy initiatives of the past twenty years when they begin complaining about U.S. inattention to the region.

General consensus and bipartisan support have existed for the key pillars of policy: support for democratic governance and institution-building, market and free-trade-oriented development, structured financial assistance through the IMF, the World Bank, and the Inter-American Development Bank (IADB), as well as law enforcement and military cooperation against drugs, crime, and terrorism. These will remain the central pillars of sound international policy.

Moving ahead in the Western Hemisphere will require hard-headed pragmatism. While there was discussion of "bottom-up reform" before the inauguration, the probable reality is that the instruments available to the Obama White House to shape U.S. Latin American policy will remain two-way trade and Latin American access to the world's largest market. The new Administration also needs to encourage private capital formation and foreign direct investment in Latin America. It should also look for ways to stimulate the growth of the private sector and to promote reforms that liberate citizens in the region from the heavy hand of bureaucratic controls.

Policymakers in Washington should not lose sight of the importance of economic freedom. In country after country, as The Heritage Foundation and *The Wall Street Journal*'s annual *Index of Economic Freedom* clearly demonstrates, the greater the level of economic freedom, the better the chances to develop and prosper. Latin America's track record has been deteriorating in recent years.

# Do Not Disparage Bush's Achievements: Build on Them

"George Bush's policy in the Americas has been negligent toward our friends, ineffective with our adversaries, disinterested in the challenges that matter in people's lives, and incapable of advancing our interests in the region. As the Americas have changed, we have sat on the sideline, offering no compelling vision and creating a vacuum for dema-

<sup>2.</sup> Use of the *Index* as a guideline for economic development assistance was recommended back in 1989 by J. William Middendorf, II, in *Mandate for Leadership III: Policy Strategies for the 1990s*, Charles L. Heatherly and Burton Yale Pines, eds. (Washington, D.C.: The Heritage Foundation, 1989), pp. 676–678.



<sup>1.</sup> The Obama Administration has just begun to articulate its official agenda which can be followed at <a href="http://www.whitehouse.gov">http://www.whitehouse.gov</a>. Two key campaign documents on future directions for Latin America were candidate Obama's speech on "Renewing American Leadership in the Americas" delivered in Miami on May 23, 2008, at <a href="http://my.barackobama.com/page/community/post/samgrahamfelsen/gGCMCY">http://my.barackobama.com/page/community/post/samgrahamfelsen/gGCMCY</a> (January 28, 2009) and the campaign document "Renewing U.S. Leadership in the Americas" at <a href="http://obama.3cdn.net/85c9392c81570937d6\_lqomvygpq.pdf">http://obama.3cdn.net/85c9392c81570937d6\_lqomvygpq.pdf</a> (January 28, 2009).

## Backgrounder.

gogues to advance an anti-American agenda," read candidate Obama's Web site.

This was a useful theme for a political campaign. Now that President Obama has assumed office and has begun the selection of officials and ambassadors who will design and implement policy, it is time for a sober review of the Bush Administration, its accomplishments, and its shortcomings.

In eight years in office, the Bush Administration doubled foreign assistance budgets, created the Millennium Challenge Corporation, and launched the President's Emergency Plan for AIDS Relief (PEPFAR). The MCC has begun the disbursement of nearly \$1 billion to El Salvador, Honduras, Nicaragua, Paraguay, Guyana, and Peru. During the Bush presidency, Congress, with bipartisan support, passed free-trade agreements with Chile (2002), Central America and the Dominican Republic (CAFTA-DR, 2005), and Peru (2007). The Bush Administration also negotiated agreements with Colombia and Panama that now await congressional approval. It is vital that each Member of Congress push for their approval.

Plan Colombia, begun in the Clinton Administration and continued under Bush, achieved remarkable improvements in security and reductions in levels of violence. The streets of Bogota and Medellin are much safer. The reach of the Colombian government, from soldiers to social workers, now extends much deeper into the countryside. The continued projection of civilian and military power is needed to restore the capacity of the Colombian state and to win the final battles against the armed extremes of the paramilitary right and the Revolutionary Armed Forces of Colombia (FARC) on the left. In North America, the Security and Prosperity Partnership for North America advances the concept of working with Canada and Mexico to develop a close relationship with our most important trade partners, improving efficiency and competitiveness while enhancing security at American borders.

### Protecting U.S. Security Remains Job No. 1

A hydra of violence and insecurity troubles the Western Hemisphere. Recent surveys of public opinion indicate that security is becoming the primary concern for Latin Americans. Making an impact in fighting crime and drugs in Latin America will require a mix of the elements of hard power helicopters, aerial and maritime patrol craft, radars, and law enforcement technology—and soft power—computers, systems networks, and investigative and human rights training. It will also require close coordination of all elements of national power in the U.S. and abroad and a seamless web of cooperation with neighbors across a spectrum that runs from community policing, crime prevention, and demand reduction in Latin America and the U.S. to intelligence sharing, improved investigation and forensic skills, and improved capacity for seizures, take-downs, and arrests.

It will be important for President Obama and the new Administration to speak forthrightly about the United States' dangerous drug habits. Decreasing U.S. consumption is critical. Consumption of cocaine and other drugs fuels a bloody chain of violence and narco-terrorism running from the alleys and streets of U.S. cities through Mexico's Tijuana, Sinaloa, and Michoacan, through Guatemala's Peten to the hidden runways in Venezuela and cocaine labs and coca fields in Colombia, where FARC guards the trade, hold hundreds hostage, and siphons off massive revenue from the cocaine trade. The U.S. needs to impart fresh urgency to help President Felipe Calderon and Mexico win the horrific fight against the Mexican cartels. It is also imperative to continue efforts of Plan Colombia and build upon the Merida Initiative for Mexico, Central America, and the Caribbean.

To garner domestic support, President Obama should consider convening a bipartisan commission to map out a balanced drug strategy for the next four years. Such an exercise was conducted during the first Reagan Administration (1983) to deal with

<sup>3. &</sup>quot;Barack Obama and Joe Biden's Plan to Secure America and Restore our Standing: Latin America & the Caribbean," at <a href="http://origin.barackobama.com/issues/foreign\_policy/#onlatinamerica">http://origin.barackobama.com/issues/foreign\_policy/#onlatinamerica</a> (January 28, 2009).



the Central American crisis.<sup>4</sup> It helped to lay the basis for a bipartisan policy for Central America. When the study is completed, President Obama should invite the heads of state of the Western Hemisphere to review the policy and to develop a new hemispheric anti-drug compact and strategy.

The problem of transnational gangs (*maras*) is often seen abroad as originating in the U.S. and being aggravated by the process of criminal deportations from the U.S. Regardless of origin, the gangs are a shared challenge. Developing a comprehensive and effective response will find a wide and favorable audience in the region.

The U.S. Southern Command under the energetic and forward-looking leadership of Admiral James Stavridis has worked to enhance security partnerships in the Americas and to interweave civilian and military components into combined actions. Efforts "to demilitarize" U.S. foreign policy should not overlook these efforts.

## Building the Partnership: What the U.S. Should Do

Embrace Free Trade. Former Bolivian president Jorge Quiroga recently remarked that two key commodities, oil and cocaine, enter the U.S. duty free while the U.S. Congress debates duty-free entry of legal products from the U.S. into pro-American Colombia (which already has access to the U.S. market).

It is critical for policymakers on Capitol Hill to work with the congressional leadership to pass the pending Free Trade Agreements (FTAs). A full spectrum of the wisest voices—U.S. and Latin American presidents, former senior officials, both Democratic and Republican—and the Council on Foreign Relations, the Brookings Institution, the American Enterprise Institute, The Heritage Foundation, to

name a few, as well as mainstream media editorials are unanimous in urging swift passage of pending agreements with Colombia and Panama. <sup>5</sup> Colombia will certainly be willing to work with the Obama Administration to accommodate additional reasonable measures aimed at protecting labor and environmental standards.

Leadership also needs to be applied to progress on the Doha Round of trade talks and reduce agricultural subsidies at home, which will spur progress on a U.S.–Brazil FTA. President Obama should also quickly put an end to speculation that he will attempt a renegotiation of NAFTA with Canada and Mexico.

A question of principle arises regarding assistance to Bolivia and Nicaragua. The U.S. suspended Bolivia's trade benefits in 2008 following Bolivia's groundless expulsion of the U.S. ambassador and the cessation of counter-drug cooperation. In Nicaragua, Daniel Ortega and the Sandinistas are engaged in a concerted assault on the fragile fabric of democratic governance. This has caused a suspension of the MCC grants. The Obama Administration should make it clear that U.S. assistance and trade benefits will only be granted with a reasonable expectation of adherence to democratic principles and continued cooperation in key areas of mutual interests, such as anti-drug-trafficking cooperation.

Revitalize Democratic Governance and Promotion. On September 11, 2001, while the world watched al-Qaeda's unfolding assault on America in horror, Secretary of State Colin Powell was in Lima, Peru, with the region's foreign ministers. Before departing for his stricken home, the Secretary joined in signing the Inter-American Democratic Charter. The charter guarantees every citizen in the Americas the right to a democratic government. Seven years later, a significant minority of Latin

<sup>5.</sup> Some examples recommending approval include: Jose Miguel Insulza, Secretary General, Organization of American States (OAS), "Recognize and Build on Our Progress," *Americas Quarterly*, Fall 2008, pp 103–105, at <a href="http://as.americas-society.org/article.php?id=1332">http://as.americas-society.org/article.php?id=1332</a> (January 28, 2009); Council on Foreign Relations, "U.S.-Latin America Relations: A New Direction For A New Reality," Independent Task Force Report No. 60, pp. 17–19; "Rethinking U.S.-Latin Relations: A Hemispheric Partnership for A Turbulent World," Report of the Partnership for the Americas Commission, November 2008, p. 22; and "Democrats Support Colombia FTA," Latin Business Chronicle, April 21, 2008, at <a href="http://www.latinbusinesschronicle.com/app/article.aspx?id=2314">http://www.latinbusinesschronicle.com/app/article.aspx?id=2314</a> (January 28, 2009).



<sup>4.</sup> President Reagan created the National Bipartisan Commission on Central America, chaired by Henry Kissinger, to issue a report on Central American policy. It became an important blueprint for U.S. policy in the 1980s.

## Backgrounder.

American states have begun to abridge citizens' rights and turn to the streets to silence political debate, while the Organization of American States has sat by inertly without invoking that charter.

The United States is founded on sound principles. Americans should not be afraid to defend them. Constitutions exist to protect the rights of minorities as well as majorities. Democracy means more than finding ways to manipulate the electoral process in order to remain in executive office.

But the U.S. cannot be the only nation in the Americas ready to speak out in defense of the charter. The challenge is to encourage fellow democrats in the Americas to speak up in the halls of the OAS and elsewhere. It is incumbent on President Obama and his new Latin American team to find new strategies for winning the battle for pluralistic liberal democracy in the Western Hemisphere.

**Promote Energy Cooperation.** Much of the U.S. presidential campaign was conducted at a period when energy prices soared, siphoning off precious American dollars and leaving the U.S. vulnerable to energy blackmail by Venezuela's anti-American president, Hugo Chávez.

Even with currently lower oil prices, a sound comprehensive strategy will require expanding domestic oil and energy supplies, more nuclear power, economically sustainable alternative energy sources, and greater energy efficiency and conservation. The U.S. must work closely with Canada and Mexico, America's nearest and most reliable suppliers. Realistic steps to promote energy alternatives in both Americas will include elimination of the tax on sugar-based ethanol, collaborating to develop research in second-generation bio-fuels, and supporting a regionally integrated system of pipelines and liquefied natural gas facilities.

Earn Trust, Work with Pivotal Leaders. It is important to move quickly to develop a strong personal rapport with Latin America's current breed of genuinely democratic leaders. President Calderon in Mexico, Brazil's Luis Lula da Silva, Peru's Alan Garcia, Chile's Michelle Bachelet, and the Dominican Republic's Leonel Fernandez are among prominent leaders who share forward-looking attitudes on democracy, free-market growth, and poverty

alleviation. The Obama Administration needs to reach out to them early and often. Special attention needs to be given to Colombia's President Alvaro Uribe whose program of democratic security and efforts to build what has been absent for decades, a strong Colombian government, merits early consultation and continued support in the final stage of two remarkable presidential terms.

**Develop a Bold Education Initiative.** The Obama Administration needs a bold initiative capable of touching the lives of ordinary Latin Americans. Education is the key to permanently reducing poverty and making more equitable societies. The U.S. is well positioned to present a broad, multifaceted educational initiative. Support for elementary and secondary education is important and can include loans from the World Bank and the IADB. Rejuvenating programs at the higher education level could be a signature initiative for the incoming Administration. They can reach directly to future leaders and spur innovation in sciences and technology, areas where Latin America lags behind on the global scale. President Obama should consider creating a senior-level voluntary Western Hemispheric Education Council to energize and revitalize the gamut of education strategies. The challenge is also to develop a stronger synergy to promote coordination and cooperation between government efforts, nongovernmental organizations (NGOs), and civil society. Additional educational efforts should also advance English-language education and develop a basic program that identifies the fundamentals of democratic capitalism.

Revitalize Regular and Citizen-to-Citizen Diplomacy. While there is anti-Americanism in the Western Hemisphere, there remains an abundant hunger for the American brand. The new Administration, drawing on a commitment to public service and to the revitalization of a service ethic, should work to recapture and revitalize what is best in the U.S. President Obama and his team should work to develop a strategic communications plan to closely coordinate democracy promotion and public diplomacy, making sure the Departments of Defense and State and the National Endowment for Democracy carefully define a strategy, work together, and remain on message. 6



## Backgrounder

Restoring a special envoy for Latin America may signal fresh interest in the region but the envoy needs genuine access to the Oval Office and the ability to inject fresh discipline and energy into the Washington policy process.

Increasing the number of Peace Corps volunteers, as proposed, is a wise idea. So is making the government a clearinghouse and point of assistance for the large number of American NGOs and faithbased groups that are active in the Western Hemisphere. Finding ways to energize and engage the U.S. Hispanic population to work constructively with their home countries is another avenue that needs to be pursued.

**Exercise Caution with Cuba.** On May 23, 2008, Senator Obama declared that, "My policy toward Cuba will be guided by one word: Libertad. And the road to freedom for all Cubans must begin with justice for Cuba's political prisoners, the rights of free speech, a free press and freedom of assembly; and it must lead to elections that are free and fair."

It is important to keep clearly in focus the fact that Cuba, after 50 years under a single revolutionary, anti-American leader, remains a totalitarian state—an ideological dinosaur and island prison with a stronger kinship to the regimes of Stalin and Mao than to modern social democratic states. The island belongs not to the people but to an aging Raul Castro and his military comrades. Cosmetic economic changes have done little to alleviate dire economic conditions.

In Miami, candidate Obama proposed potential carrots for a relationship with Cuba that is often seen as all stick, and no carrot. While the desire to remove barriers that separate families and infringe on rights of free travel is commendable, it is impor-

tant to remember that Cuba's restrictive, bureaucratic regime, with its rigid controls and dual-currency system, is skilled at monopolizing as many of these fresh resources as possible in an effort to help perpetuate the regime's stranglehold on Cuban economic life. Waves of Canadian and European tourism have done little to open Cuba politically.

There is little evidence, as suggested in the rare interview Raul Castro recently granted to actor Sean Penn, that the Cuban political system is a negotiable item on any possible U.S.–Cuban agenda.<sup>8</sup> There *is* a good chance that the Cuban regime is already planning ways to eviscerate any fresh opening by the U.S. that does not fit with its visions of perpetuating Communist rule.

Don't Send an Ambassador to Venezuela. Noting the shortcomings of U.S. policy and the lack of a U.S. presence in the region during the campaign, Senator Obama stated that, "demagogues like Hugo Chávez have stepped into this vacuum. His predictable yet perilous mix of anti-American rhetoric, authoritarian government, and checkbook diplomacy offers the same false promise as the tried and failed ideologies of the past." This was an excellent analysis. Yet what Secretary of State-designate Hillary Clinton suggested before the U.S. Senate Foreign Relations Committee—that we "need to care less about what Hugo Chávez does and more about what we do"—does not go far in mapping out a strategy for dealing with a Latin American leader whom President Obama described just before taking the oath of office as an "obstacle to progress" and who makes anti-Americanism the cornerstone of his domestic and foreign policy.<sup>9</sup>

The challenge of dealing with Chávez is considerable. He is an outsized despot, a study in contra-

<sup>6.</sup> Tony Blankley, Helle Dale, and Oliver Horn, "Reforming U.S. Public Diplomacy for the 21st Century," Heritage Foundation *Backgrounder* No. 2211, November 20, 2008, at <a href="http://www.heritage.org/Research/PublicDiplomacy/upload/bg\_2211.pdf">http://www.heritage.org/Research/PublicDiplomacy/upload/bg\_2211.pdf</a>.

<sup>7.</sup> Senator Obama delivered his speech "Renewing U.S. Leadership in the Americas" in Miami on May 23, 2008. For the speech text, see <a href="http://my.barackobama.com/page/community/post/samgrahamfelsen/gGCMCY">http://my.barackobama.com/page/community/post/samgrahamfelsen/gGCMCY</a> (January 28, 2009).

<sup>8.</sup> Sean Penn, "Conversations with Chavez and Castro," *The Nation*, November 25, 2008, at http://www.thenation.com/doc/20081215/penn (January 28, 2009).

<sup>9.</sup> Testimony of Secretary of State-designate Hillary Clinton to the U.S. Senate Foreign Relations Committee, January 13, 2009, at <a href="http://www.state.gov/secretary/rm/2009a/01/115196.htm">http://www.state.gov/secretary/rm/2009a/01/115196.htm</a> (January 28, 2009). For commentary on President Obama's comments and Hugo Chavez's response, see Juan Forero, "Obama and Chavez Start Sparring Early," *The Washington Post*, January 19, 2009, at <a href="http://www.washingtonpost.com/wp-dyn/content/article/2009/01/18/AR2009011802325.html">http://www.washingtonpost.com/wp-dyn/content/article/2009/01/18/AR2009011802325.html</a> (January 28, 2009).

### Backgrounder

dictions in a country torn between an impulse to populist socialism and the preservation of political and economic pluralism. He enjoys a significant following among Venezuelan citizens and is lionized as Fidel's successor.

The battle for the political soul and future direction of Venezuela is for its people to determine. But the U.S. has a legitimate, if still undefined, role in working with the majority of Venezuelans who do not want a president for life, and bolstering democratic pluralism as a right.

The primary concern of the United States is dealing with a Latin American leader who routinely insults the U.S. and warmly embraces every rogue and tyrant from Fidel Castro and Robert Mugabe to Kim Jong II and Mahmoud Ahmadinejad. Chávez has forged a strong relationship with an increasingly threatening Iran and a resurgent Russia. Moreover, he intends to become the energizing axis for Latin America's socialist integration as well a pivotal player in a world that he hopes will freeze out capitalism and globalization, and weaken the U.S.

Chávez has all the subtlety of a perpetually burning American flag. Sending an ambassador to Caracas should be quietly buried on the White House's to-do lists. A U.S. ambassador should not return to Caracas without a comprehensive, toughminded strategy for dealing with Venezuela, one that focuses foremost on actions harmful to U.S. interests, such as drug trafficking, terrorism, Venezuela's support for the FARC insurgency, and fronting for Iranian sanctions evasions. There needs to be serious and satisfactory resolution of these issues before seeking *agrément* for another ambassadorial sitting duck. A one-on-one with Chavez at the upcoming Summit of the Americas in Trinidad and Tobago in April is a bad idea. Cuba's presence should not be welcomed either.

#### Conclusion

The Western Hemisphere will eagerly anticipate President Obama's participation at the Trinidad and Tobago Summit of the Americas in April. In Port of Spain, all eyes will be on our newly elected President and the vision he puts forward for the future of hemispheric relations. The President should be realistic and present only proposals that can and will be funded by the U.S. Congress and supported by the U.S. electorate. He should also make clear that the fundamental principles of the U.S.'s Latin America policy are defending democracy and liberty, advancing democratic capitalism, combating poverty and exclusion, and working together with our neighbors for a safer Western Hemisphere.

—Ray Walser, Ph.D., is Senior Policy Analyst for Latin America in the Douglas and Sarah Allison Center for Foreign Policy Studies, a division of the Kathryn and Shelby Cullom Davis Institute for International Studies, at The Heritage Foundation.

