

THE NEW CUBA MOMENT: CAN LATIN AMERICAN STATES HELP SPARK REFORM?

FEDERICO MERKE | SEPTEMBER 21, 2015

The opening of diplomatic relations between the United States and Cuba, a momentous change in Latin American regional affairs, raises the question of whether and how the United States will be able to use its new position vis-à-vis Cuba to support political reform and opening there. A potentially critical, yet still largely unexplored, dimension of this question is whether the major Latin American powers can play a bridging role, taking advantage of their efforts in recent years to include Cuba in different regional forums and organizations to provide a pro-reform push at this important new moment. Their willingness and ability to do so is a test of their broader commitment to supporting democracy and human rights throughout the hemisphere.

LATIN AMERICAN ENGAGEMENT— AND DIVERGENCE

Latin American states have been deepening their engagement with Cuba in recent years.¹ In 2004, Fidel Castro and Hugo Chávez signed the Cuba-Venezuela Agreement, which subsequently became the Bolivarian Alliance for the Peoples of Our America, commonly known as ALBA. In November 2008, Cuba was admitted to the Rio Group, an ad hoc Latin American regional organization. Also in 2008, Cuba signed a free trade agreement with the Caribbean Community. In 2009, the Organization of American States (OAS) voted to lift Cuba's suspension from the group, paving the way for a readmission and a process of dialogue in line with OAS principles. In December 2011, a new regional bloc was

established, the Community of Latin American and Caribbean States (CELAC). Cuba joined the group and hosted the third CELAC meeting in 2014. In 2012, Latin American and Caribbean heads of state voted to invite Cuba to the Summit of the Americas, which took place in Panamá in April 2015.

As a result of these initiatives, Cuba has gained a seat at many different regional tables, a say at the Summit of the Americas, and a possible readmission to the OAS. And yet, after all these initiatives, the region has not been able to devise a common strategy for assisting Cuba's reforms. There are several reasons for this.

Latin America is not a collective actor. It has a variable geometry of overlapping and contrasting regional arrangements

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pulling in different directions. The region still lacks the needed instruments to implement a common approach to Cuba.

The OAS has always been a forum affected by internal tensions over Cuba. Below the OAS, Latin America's subregional arrangements are ill-suited to dealing with Cuba. The Southern Common Market (Mercosur) has signed several instruments of trade and cooperation with Cuba. The bloc, however, looks too "Southern" and leaves many players excluded. The Union of South American Nations might offer a more legitimate venue, but it has lost momentum. It has the additional problem of leaving Mexico and Central America out of the game. The Community of Latin American and Caribbean States is the newest version of Latin American regionalism. CELAC is a fledgling, but it represents a significant effort to find a shared regional voice and to do so without the involvement of the United States or Canada.²

Perhaps even more important than the lack of a clear original forum for pro-reform engagement is the fact that different Latin American states have very different interests and intentions vis-à-vis Cuba. Indeed, the limits to regional cooperation reflect the diversity of foreign policy positions among Latin American states. Some are interested in encouraging reforms, but others are committed to helping the Castro regime survive the various pressures against it intact.

The change in U.S. policy toward Cuba is likely to widen these divisions and pose a challenge to Latin American powers' foreign policy aspirations. Latin American states were united in their opposition to the U.S. embargo; now that U.S. policy has entered a new phase, they will react in very different ways.

This reflects the deeper reality that over the past ten years, democracy in the region has become a contested concept. Different actors have put forward contrasting visions of democracy that challenge the dominant, Western version of liberal democracy. As a result, while the region has taken important steps toward the promotion of democracy and human rights, it has stopped short of setting up a clear and effective road map based on the power of a regional authority with the capacity to change the course of events. The U.S.

shift in policy toward Cuba is likely to spark a new debate over democracy support among Latin American states—one that the United States will need to understand and take fully into account.

TROUBLED REGIONAL POWERS

A quick look at five of the most important Latin American regional powers highlights the difference of views among them and also reveals that each will struggle to exert a powerful influence over events in Cuba. For varied reasons, none of these powers is in a strong position to play an effective pro-reform role in the new context of U.S.-Cuban relations. As commodity prices tumble and economic growth stalls across the region, each country has been absorbed by a variety of domestic challenges.

Venezuela: Once In, Now Out

Venezuela is, obviously, a key player in policy toward Cuba. Starting in 1999, Venezuela gave unconditional support to the Castro regime, support that has continued in the post-Chávez era. Economically, Cuba depends on Venezuela as its main trade partner and cash cow. Venezuela provides cheap oil supplies to Cuba in return for teachers, doctors, and intelligence advisers.³ Politically, Caracas relies on Havana as its intimate political adviser and bulwark of anti-imperialist socialism.

The rapprochement between the United States and Cuba puts Caracas in an awkward position. Furthermore, the abrupt fall in global oil prices, together with economic mismanagement, has pushed Venezuela's economy into a deep recession. Add to this a deepening political crisis and the result is a government unable to continue bankrolling socialist friends across the region, including Cuba. The evidence suggests that President Nicolás Maduro was never fully informed of the state of negotiations between the United States and Cuba—a telling indicator of the state of Cuban-Venezuelan relations.⁴ To the extent that the change in U.S. policy threatens one of the core sources of legitimation of the Venezuelan regime, tensions between Caracas and the administration of U.S. President Barack Obama may well increase.

Brazil: Beset by Internal Problems

Brazil's policy toward Cuba has been more economic than political, under both former president Luiz Inácio Lula da Silva, and current president Dilma Rousseff.

Brazil's inroads into the Cuban market were facilitated by Cuba's decision to support state-backed projects.⁵ Brazil has provided cheap credit for a \$1 billion project to build a deepwater seaport to the west of the capital. The port is in the heart of a special economic development zone and has been equipped to handle "post-Panamax" vessels—the larger cargo ships that will be able to pass through an expanded Panama Canal starting in 2016.

Brazil is securing a key place in the economic zone. This started in 2003, when Lula launched the Brazilian-Cuban alliance. In 2011, the Brazilian Trade and Investment Promotion Agency opened a business support center in Havana. Brazil has since become an important trade partner for Cuba. Between 2009 and 2013, Brazil's trade with Cuba grew 89 percent.⁶

And yet Brazil has been losing altitude in its foreign policy. A deep recession (Brazil's GDP is forecast to shrink by 1.3 percent in 2015—the worst fall in twenty-five years), together with a massive corruption scandal involving the state-owned oil giant Petrobras that has implicated some of the country's top government and business leaders, has put the domestic before the international.⁷ Rousseff's approval ratings have fallen to a dismal 9 percent,⁸ and the president faces a rebellion by parties in her coalition that have called for her impeachment.

As a result of all this, the prospects for Brazil leading new cooperation initiatives with Cuba are slim.

Mexico: Too Tight With Washington

Mexico, which for many decades has played the role of a diplomatic bridge between Washington and Havana, also faces a troubled domestic front due to the escalation of organized-crime-related violence.

Most important, however, is how Cuban officials perceived the triumph of Enrique Peña Nieto in the 2012 Mexican presidential election as the victory of a man determined to bring back the Washington Consensus—a collection of economic reforms, including privatization and open trade, advanced by the World Bank, International Monetary Fund, and U.S. Treasury Department in the 1990s—as the dominant ideology in the region. From Cuba's perspective, Mexico is still too closely aligned with Washington to serve as a diplomatic partner.

Peña Nieto acknowledges this and has therefore opted to put aside discussions on democracy and human rights (preferring them to be discussed at the United Nations) and to concentrate instead on Mexican trade and investment opportunities in Cuba.

Argentina: Havana Not a Priority

Cuba's place in Argentine foreign policy has exhibited more domestic salience than the actual geopolitical or economic interests involved would suggest. Cuba has been, and will continue to be, a symbol of resistance to U.S. influence.

President Cristina Fernández de Kirchner will step down from office in December 2015 after October elections. Foreign policy in Argentina is not a prominent issue during electoral periods. While Kirchner may have done enough to avoid a crisis before she steps down, her successor will need to focus on tough domestic choices. The economy is not in good shape, and outward foreign investment is limited.

Cuba will not be a priority, and Argentina will not have the instruments, ideas, or funds to advance an upgraded policy toward Havana.

Colombia: A Renewed Diplomatic Dialogue

One of the main thrusts of Colombia's foreign policy has long been gathering hemispheric support to end more than five decades of armed conflict with the Revolutionary Armed Forces of Colombia (FARC). Cuba has long supported the FARC, which is on U.S. and European lists of terrorist organizations,

and has been committed over the past three years to bringing Colombia and the FARC to the table for negotiations.

As a “guarantor” of peace, together with Norway, Cuba has tried to demonstrate it can play a constructive role in the hemisphere. As a result, after a long period of strained relations, Colombia and Cuba have now shown a renewed diplomatic dialogue fueled by cultural exchanges and scientific and technical cooperation. In December 2014, Colombian President Juan Manuel Santos praised the United States and Cuba for normalizing relations, suggesting this would “positively affect the entire hemisphere.”⁹

Colombia has made its contribution in bringing Cuba in, although enhanced bilateral cooperation will be a function of how peace talks conclude.

LOOKING FORWARD

Latin America has made important progress in engaging Cuba over the past ten years. However, in the new context of U.S.-Cuban normalization, it is not clear that Latin American states are well positioned to play a stronger pro-reform role—or if they will even want to do so. Weak regional forums and domestic economies pose challenges for Latin American engagement with Cuba. To take advantage of the new context and build on the momentum for change, Latin American states interested in helping advance reform in Cuba need to do four things.

First, their strategy should be one of incremental engagement and responsiveness to Cuban needs. Latin America needs to develop a more realistic understanding of Cuba’s aspirations and worldview, namely economic reform and a more diversified foreign policy toward the Global South. This means moving beyond romantic assumptions that have traditionally framed the relationship and designing a constructive agenda to assist Cuba’s reforms—something that is still strikingly absent from Latin American approaches toward Cuba.

Latin America must take into account that Cuba is openly trying alternatives in the foreign realm and has already reached out to regional bodies, including the European Union and the African Union, and to a number of countries, among them China, Russia, and Vietnam.¹⁰ Evidence suggests that Latin American forums now “appear less attractive than certain Asian state-centred trajectories, especially those in Vietnam and China,” according to Monica Hirst, a Brazilian-U.S. expert in international affairs based in Buenos Aires.¹¹ This means that Latin America cannot axiomatically rely on cultural or ideological ties to lend support for Cuba’s reforms. It must develop creative ideas and smart instruments to become attractive to a post-embargo Cuba.

Second, the United States and other Western states should not push Latin America into an explicit narrative of transition. Cuba will continue to resist the logic of democratization. The Cuban elite has realized that controlled self-transformation might be the only way to avoid regime breakdown. Well implemented, this type of reformism can maintain the regime in place for a long period. Negotiated transitions take place when top-down reform is no longer feasible and bottom-up insurrection is still weak.

This is not the case of Cuba, a country with still-high levels of strict political control. Thus, as Monica Hirst cautions, “Any sort of lecturing from governments or organisations in the region regarding the appropriate political route for Cuba would be considered misplaced by the Havana regime.”¹² Latin American states anyway tend to eschew the overt language of democracy promotion. The United States may now have shifted toward this Latin American position somewhat, but Washington will still need to take on board such sensitivities if it wants to work with the region’s powers on Cuba.

Third, Latin America should instead focus on development—and this should be the area where the United States aims for Latin American support. This means leaving CELAC for high-level meetings and pooling regional resources in the Economic Commission for Latin America and the Caribbean

(ECLAC) and CAF-Development Bank of Latin America. While ECLAC's comparative advantage has been the provision of evidence-based critical thinking to understand and to promote development, CAF promotes development through credit operations, non-reimbursable resources, and technical and financial assistance to the public and private sectors.

Both institutions have already shown interest in Cuba's domestic reforms. In April 2015, Alicia Bárcena, ECLAC's secretary, visited Cuba and met with Cuban senior officers. Bárcena also attended a seminar on economic development in Latin America and Cuba that was jointly organized by CAF-Development Bank of Latin America and the University of Havana. These two institutions signed an agreement for scientific cooperation on sustainable development. CAF President Enrique García Rodríguez suggested that, if Cuba were interested, CAF might provide technical assistance rather than loans.¹³ A troika formed by CELAC, ECLAC, and CAF could be an attractive scheme to provide a renewed framework for political dialogue and improved economic and technical cooperation.

Fourth, both the United States and Latin American states should recognize the need to work with each other even when they may not agree on all aspects of engaging with Cuba. In a new tripartite game involving Cuba, the United States, and Latin America, Cuba will need to flesh out a new narrative less oriented toward geopolitics and more focused on geoeconomics. Washington, for its part, will need to engage more thoughtfully with Latin American states in order to harness their long-standing partnerships with Cuba—the U.S. government will not get far trying to promote reform on its own. And Latin American states will need to show that their engagement with Cuba is serious and can help reforms.

In this regard, some Latin American states will be more eager than others to work with Washington. Some will feel threatened by the change in U.S. policy, others enthusiastic and vindicated. Latin American states have, of course, long called for a less confrontational U.S. position toward Cuba.

Now that this has finally come about and they are no longer able simply to contrast their policies with those of the United States, Latin American states will need to prove they have a vision for supporting reforms in Cuba, beyond simply engaging with the regime.

Some powers in the region clearly will not attach any priority to encouraging reform in Cuba. Others say they are committed to supporting such reform and will now need to decide whether they are willing to back their rhetoric with substance. The new phase in relations with Cuba represents an intriguing test case for cooperation on political reform issues between Western and rising democracies.

NOTES

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