

The American Hemisphere

North–South Divide

DEEPAK BHOJWANI

Having lost political and economic ground in Central and South America over the years because of its policies of political interference, the United States is now trying to change tack. The end of the embargo of Cuba is one example of the new policy.

On 10–11 April 2015, the heads of state and government of the 35 nations of North, South, Central America and the Caribbean met at the seventh summit of the Americas. The summit has been a triannual event since 1994. The theme this time was “Prosperity with Equity: The Challenge of Cooperation in the Americas.”

The Wedge

Cuba is wedged between the North and South American continents in geographical and political terms. Expelled in 1962 from the Organization of American States (OAS) at the behest of the United States (us), and throttled economically by a us embargo since 1961, the communist island nation has mobilised growing support. At the sixth summit in Cartagena, Colombia in 2012, several countries claimed they would not attend the next one (in Panama) if Cuba was not invited. That summit ended without a political declaration because of the controversy. us President Barack Obama has been in favour of relaxing, if not abolishing, the embargo, but will require approval of the us Congress.

Sometime in 2014, the us administration decided to open a dialogue with Cuba. Discreet us–Cuban diplomacy was abetted by the Vatican and Canada. On 17 December, Presidents Barack Obama and Raúl Castro, after a telephone conversation, announced their intention to normalise relations. They met in Panama. Prior meetings between delegations of the two countries laid the ground for resumption of diplomatic relations, suspended since 1960, and the reopening of embassies in both countries. The current Interests Section of the us, with about 50 diplomats, is bigger than any other diplomatic mission in Havana, but functions under severe constraints.

Cuba has extracted a price—at least diplomatically—before letting the us

bury a five-decade-old policy that Obama admitted has not worked. During his intervention at the summit, Raúl Castro condemned the embargo (Cuba calls it a blockade) and other measures taken by the us to strangulate Cuba economically and isolate it politically. After his 40-minute diatribe, he praised Obama, calling him an “honest man.” The stage was set for the subsequent bilateral meeting.

On 14 April, three days later, Obama announced deletion of Cuba’s name from a us list of states sponsoring terror. Cuba was listed since 1982 along with Sudan, Syria and Iran. This was a Cuban precondition for the reopening of embassies. The us Congress has 45 days to vote to rescind the order.

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Although the Cuba–us rapprochement overshadowed the summit, there were other notable developments. On 9 March, Obama passed an executive order declaring the situation in Venezuela “an extraordinary threat to the national security and foreign policy of the United States,” after the government of President Nicolás Maduro imprisoned prominent opposition activists and the opposition mayor of Caracas. The us levied sanctions on seven prominent Venezuelan officials, “responsible for the persecution of political opponents, curtailment of press freedoms, use of violence and arbitrary arrest and detention.” Confronted with strong reaction from Cuba and other Latin American governments, Obama backtracked. He admitted Venezuela did not threaten us security, but refused to rescind the sanctions order, even after a private meeting with Maduro.

Venezuela gathered support for a condemnation of the sanctions. The us opposed and the summit ended without a declaration. Consensus was impossible on six of the 48 paragraphs of the draft declaration. It was left to host President Juan Carlos Varela of Panama to draft a report of the meeting and announce it to the media. Non-contentious issues such as cooperation on health, education, environment, organised crime, etc, passed muster.

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Obama's meeting with Brazil's President Dilma Rousseff was more successful. She is expected to visit the us in June this year, having cancelled a planned visit in 2013 after discovering that the us had spied on her office. Rousseff is under fire domestically for her economic policies. A major corruption scandal involving ruling party and opposition politicians has shaken her government. A rapprochement with the us should not hurt.

Diplomatic Tightrope

us policy in the hemisphere has matured considerably, largely because Latin America has come of age in this century. There is a feeling that Latin Americans need to find their own solutions to their problems. Former Colombian President, and current Secretary General of the Union of South American Nations, Ernesto Samper, says:

In a globalized world like the present one, you can't ask for global rules for the economy and maintain unilateral rules for politics. No country has the right to judge the conduct of another and even less to impose sanctions and penalties on their own.

The us is losing ground politically and economically within the region to a resurgent Russia, and more so to China. The latter are providing strategic assistance to key anti-us regimes like Venezuela, Bolivia, Ecuador, Nicaragua and Argentina. While Russia pursues defence alliances, China has provided over \$100 billion in project financing, loans for oil, etc. China has already overtaken the European Union as the second largest trading partner of Latin America. It may not challenge the us's status as the predominant power in the region, but can provide an alternative to regimes which oppose the superpower.

The us has crafted a sophisticated trade strategy that focuses on market-friendly economies such as Mexico, Colombia, Peru, Chile and most of Central America. It is also wooing the Caribbean, promising alternatives to discounted Venezuelan crude under the PetroCaribe scheme. It is working quietly with several Caribbean and Central American governments to station men and equipment in their territory. This helps counter

narco-traffic, organised crime, illegal immigration and nascent terrorist groups, but also to maintain a strategic presence.

President Obama has shown considerable maturity and political acumen. The us could be emerging from a diplomatic crisis. It has not been able to post ambassadors for years in four Latin American countries—Venezuela, Ecuador, Bolivia and Nicaragua. Expulsions of us diplomats and functionaries in these countries have been commonplace.

us engagement in the region is valuable for the local communities, the economies as well as civil society. Unfortunately, us postures on human rights, narcotics cultivation and legalisation, and other issues put it at odds with several regimes. Its involvement with dictators and coups in the past, revelations of spying even on its allies, have alienated it from even moderate regimes. It needs to reassure the region that it will be more of a partner than a referee.

Easing of tensions with Cuba will yield economic dividends in an economy that has been locked up but has much to offer, including natural resources. The us image in the region will also improve, enabling normalisation of relations with several other countries, and enable Cuba to make an orderly transition to a 21st century economy.

Though a latecomer to the region among the emerging powers, India has a stake in Latin America and the Caribbean. India's official and business establishments have recalibrated their engagement with most countries of the region. Several ministerial joint commission meetings and consultations between senior officials have been held over the past year. India is ready to negotiate free trade agreements with Peru, Colombia and Mexico. Indian business is aggressively investing in Latin American industry, energy, even agriculture. India's undeniable prowess in IT, science and technology, the entertainment industry, and its cultural outreach, have been successfully leveraged to open new areas of cooperation.

While India may not have pockets as deep as China, nor a military industry as sophisticated as Russia, nor even the historic connections of Europe, it enjoys a positive image. India's relations with the us are being consolidated across the board. Both share common interests in Latin America—energy for instance. The Government of India needs to build on this, as well as the inherent economic complementarity, to establish itself as a significant player in the Western hemisphere.

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