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SPAIN'S POLICY AND STRATEGIES TOWARDS LATIN AMERICA¹

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Executive Summary

This paper analyzes Spanish policy towards Latin America, highlighting the existence of a tendency to put relations with the region as a whole ahead of bilateral relations. This means almost equal treatment for all countries, rather than positive or negative discrimination based on common interests or on how much the different governments agree on policy issues. The Ibero-American summits are, in some senses, the highest expression of this tendency.

In general, there is consensus among most of Spain's political forces that Latin America is very important to Spain and to Spanish foreign policy. However, what should be a starting point (common history, culture and languages) has become an end in itself, making it difficult to discuss specific interests. However, these interests exist and manifest themselves in different ways, which explains the high density of the relations between Spain and Latin America.

The existing consensus means that, despite the relatively small differences between the two main national parties (the Popular Party [PP] and the Socialist Party [PSOE]), policy towards the region is characterized more by continuity than by breaks with the past. This is not to deny strong disagreements on some issues, such as the current policy towards Cuba and Venezuela, which has intensified as a result of the ongoing tension in the Spanish political scene.

Introduction

Traditionally, relations with Latin America have been considered a high priority. This assessment has been based on the existence of an 'Ibero-American' community of interests (history, language, culture and even religion), which, in its most ambitious form, includes the Luso-Brazilian axis in an 'Ibero-American Community of Nations'. More than once in the past 200 years of common history, Spanish foreign policy towards Latin America has been heavily Euro-centric, for example when policy was based on the concepts of 'La Hispanidad' (the Hispanic World) and 'Cultura Hispánica' (Hispanic Culture). Things began to change with the Spanish 'transition' to democracy, when repeated attempts were made, more or less successfully, to give the impression of egalitarian relations. However, instead of considering the Ibero-American community to be the starting point for a fruitful relationship, it was presented as a destination –as an end in itself.

This was the basis for the consensus among Spanish political parties on the scope of Spain's action in Latin America, and it was systematically accepted as state policy. In a similar way, when the media refer to the region (and often they simply fail to do so at all) they take a similar attitude. An uncritical consensus was established which simply accepted the existence of a community of interests, instead of encouraging in-depth discussion aimed at identifying Spain's specific interests and goals in Latin America, and then tackling the deeper issue of why it is essential for Spain to be actively involved in the region. This consensus was shared by the both Popular Party (PP) and the Socialist Party (PSOE), as well as by other nationalist and regional parties, such the Catalan party *Convergència i Unió* (CiU) and *Coalición Canaria* (CC). Meanwhile, due to its disagreements with the national government, the Basque Nationalist Party (PNV) had a more erratic policy that was, nonetheless, generally in line with the government in Madrid. The ideological leanings of the United Left (IU), which includes the Spanish Communist Party (PCE), led this group to

focus on denouncing 'US imperialism' rather than on developing alternative proposals to the government line.

The PP and PSOE electoral platforms reveal more similarities than differences, with both parties sharing a global vision of the region and of the general thrust of Spanish policy. This global vision is not, nor has ever been, exclusive to government policy; rather, it is shared by political parties, the media and academic circles. Before the March 14, 2004 elections, both Jorge Moragas (of the PP), and Miguel Ángel Moratinos (the current PSOE Foreign Minister) expressed similar assessments of the importance of Latin America. While Moragas said that 'our entire foreign policy is impregnated with Ibero-America', Moratinos affirmed that 'Ibero-America... will continue to be the natural sphere of our foreign policy' and that 'we must recover Ibero-America as a strategic reference point for our external action, a reference point that is complementary to other options, but differentiated from them, and as much as possible, autonomous of them.'

Today, as a result of political tension and the existing divide between the two main parties (PP and PSOE) at almost all levels, including the fight against terrorism, we find that foreign policy consensus has been replaced by discord and that Latin America has become a subject of internal political controversy. In our case, Spanish and European policies towards Cuba and Venezuela are at the heart of the conflict, although other issues are now involved that had not previously been controversial, such as the Ibero-American summits. Despite the differences between the PP and the PSOE on Latin America, Spanish policy has generally maintained a constant course and apart from the specific tones and approaches typical of each political tradition, changes in government have brought few changes –though the analysts

closest to the particular positions of each party would claim the contrary.

This paper sets out to describe the main features of Spanish policy towards Latin America –and, specifically, the approach taken by the administration of José Luis Rodríguez Zapatero–, essentially arguing that the attempt to adopt a global approach to Latin America could hinder bilateral relations. After the current government's hard work at the Ibero-American Summit in Salamanca, its policy must establish a framework for action, especially considering how much the PP is irritated by current relations with Cuba and Venezuela. The EU and the United States play a very important role in defining this policy. The paper also speculates on the possibility of greater Hispano-Canadian dialogue in this area.

Latin American policy as a global policy

As we can see, Spanish policy has tended to take a global view of Latin America, emphasizing a multilateral rather than a bilateral approach. This does not mean that bilateral relations have been inexistent or have not been developed, but rather that, in an attempt to deal with the region as a whole, they have not been developed systematically. It has been deemed more important to have good, acceptable relations with the entire group than solid, stable links with the biggest countries in the region. However, given the interests that have been created, it has become very complicated under current circumstances to change this policy without causing resentment in the countries that would be negatively affected. The bilateral policies that have been developed follow the same pattern, rather than taking into account the reality and diversity of each country. This is clear in the sixteen bilateral peace and cooperation treaties signed between 1988 and 1995. The same can be said of the strategic association agreements. The government has indicated the need to establish strategic associations with the biggest countries in the region and which have the greatest capacity for regional

leadership: Brazil and Mexico, plus Argentina and Chile. All in all, the problem resides not in signing strategic associations, but rather in their specific content, and in the fact that if there are finally as many strategic associations as Ibero-American countries, these associations will no longer be strategic. Strategic associations should not be with an entire region, but with specific countries.

In this paper, a global or comprehensive Latin America strategy refers to Spain's policy of treating the region as a whole. It is a positive part of Spain's foreign policy, which takes an interest in all of Latin America, not just in parts of it or in the biggest and most important countries, as is generally the case with most European Union (EU) member states. This global approach does not take into account the region's diversity, although it has traditionally been well received by governments and by Latin American public opinion, and has strengthened Spain's presence in Latin America in the past two decades. However, despite its value, this global bias could begin to have negative effects on bilateral relations with the countries in the region, especially if certain bilateral tensions intensify and it becomes necessary to take sides. What stance should Spain take in the conflict between Mexico and Venezuela, beyond offering its services to mediate in the crisis?

The fact that the two main parties have similar visions has meant continuity rather than a break with the past. Among the many aspects of continuity in Latin America policy, one of the clearest is how each Spanish Prime Minister makes a solemn declaration to the effect that relations with Latin America are a priority –practically the *highest* priority– but fails to really explain what this means. Continuity is most obvious at the Ministry of Foreign Affairs and Cooperation

(MEAC). At present, the ministry has three secretariats for: (1) Foreign Affairs and Ibero-America; (2) the EU; and (3) International Cooperation, which is in charge of official development assistance (ODA) and the Master Plan for Cooperation (*Plan Director de Cooperación*). Thus, a secretariat for Ibero-American affairs has been maintained, though the rest of its content has been changed since the last government. An Ibero-American affairs office, which manages relations with the region, is attached to it. The main change made by the new government was to create the Secretariat of State for International Cooperation –previously the Secretariat for International Cooperation and for Ibero-America– since the main destination of Spanish cooperation and ODA was considered to be Latin America. The Socialist administration considered it appropriate to split the management of the two areas and made the Secretariat of State responsible for Ibero-American affairs also responsible for the political issues dealt with by the MAEC. Regarding the continuation of policy, it is striking how each government insists on retaining the term 'Ibero-America' in the various offices of the MAEC, rather than 'Latin America', which would significantly help improve Spain's image in the region.

Both the consensus on Spanish foreign policy and the continuity of policy, above and beyond specific points of dispute, are based on the shared premise that Latin America is fundamental for Spanish foreign policy and Spain's role in the world. It is unquestionable that Spain's weight in the EU –and not only in the EU– largely depends on the Ibero-American component of its foreign policy. The two identities are not mutually exclusive; rather, they mutually support each other. Having European ties and a European identity strengthens Spain's role in Latin America, while having Latin American ties and a Latin American identity strengthens Spain's role in the EU. The tighter its ties with Ibero-America, the more Spain will be listened to in Brussels, in Washington and in multilateral organizations, starting with the UN.

Relations with Latin America are typically very dense, with autonomous communities and municipalities also taking action. Since these relations are not limited to diplomacy or the economy, nearly all 'Ibero-American' associations have mechanisms for interaction and mutual exchange that strengthen Spain's presence and global policy towards the region. However, in recent years there has been a clear lack of coordination between the MAEC and certain autonomous governments and municipalities. Efforts must be made to coordinate foreign action in Latin America and make it more efficient.

Latin America as a priority

The two main parties and their representatives in the country's various national governments, in parliament and at other government levels, all insist that Latin America is a priority for Spain – perhaps even the top priority–. This is expressed in several ways, starting with the fact that Spain's network of embassies covers all Latin American countries, albeit with clearly insufficient resources.

However, since a number of contradictory factors come into play, we must ask ourselves to what extent the rhetoric matches the reality and how far we can insist on the 'Latin American priority'. To make Latin American policy more coherent, we must first clarify foreign policy priorities and the role of Latin America, given the contradictions between the official affirmation of an 'Ibero-American priority' and the objective facts. The EU and the US play a more important role than Latin America, as do the Mediterranean and North Africa. The Far East (China and India) is also relevant, as proved by Hu Jintao's recent trip and the signing of a strategic agreement. Another paradox that casts doubt on a supposed Latin America priority is that the only parliamentary committee on this region is

in the Senate's Ibero-American Affairs Committee, and not in the Congress of Deputies, which, apart from the Foreign Affairs Committee, lacks any structure to deal with one of the theoretically most important components of the foreign policy agenda.

This lack of priority was evident when Spanish troops were sent to Haiti. Despite the requests by the presidents of Chile and Brazil, it was initially decided that a 'decaffeinated' contingent would be sent to join the multinational force, not directly under Brazilian command. However, the profile and number of troops were increased when consideration was given to sending a Spanish-Moroccan combat unit under Spanish command. Although Spain had previously taken part in other peace missions in Central America, such as Minugua, Onuca and Onusal, this was the first time that the initiative and command of the mission were in Latin American hands.

Meanwhile, Spanish public opinion feels that Europe is the geographical and geopolitical area that is most important for Spain's international relations. According to the Barometer of the Elcano Royal Institute (BRIE, December 2004), 46% of Spaniards feel that Europe is their top priority, while 66% feel that Europe is either their first or second priority. Latin America is in second place: 12% feel it is their top priority, while 41% consider it one of the top two.

Although Latin America apparently plays an essential role in the Spanish economy, its importance to Spain can be questioned from the perspective of foreign trade. While the sum of imports and exports between Spain and Latin America totalled €13.78 billion in 2004, the total for Portugal was €1.00 billion. Spanish exports to Portugal accounted for 9.7% of total exports, while only 3.3% of all sales were to Latin America. On the import side the situation is a little better, with Latin America accounting for 3.6%, compared with Portugal's 3.3%. The figures speak for themselves and it would be easy to

come to the conclusion that although Spanish economic interests in Latin America are important, they are minor compared to those in other regions, starting with Europe. However, Spanish investment proves the contrary, especially in terms of the importance of the region to big Spanish companies. Spain has invested more in Latin America over the last decade than any other country in the world except the United States. Spain accounted for €80.4 billion of the €61.7 billion total foreign direct investment (FDI) from the European Union in Latin America between 1992 and 2001, compared with €7.7 billion from the US. In 2001, Latin America received 20.97% of total Spanish FDI, while Portugal received only 2.37%; although this situation was reversed in 2003, when Latin America received 5.44% and Portugal received 8.98%.

Latin America's importance is even clearer if we consider the spectacular capitalization of the IBEX-35 (Spain's main stock market index) by the six biggest Spanish companies: Telefónica, Santander, BBVA, Endesa, Iberdrola and Repsol. Thanks to their investments in Latin America, the capitalization of these companies rose significantly from 1995 to 2004. According to Madrid Stock Exchange figures, Banco Santander increased its capitalization at a cumulative annual rate of 28.8%, while BBVA rose 24.9%, Telefónica 24.6%, Repsol 14% and Endesa 6%. These six companies hold assets equivalent to 1.3 times Spanish GDP, while 42% of the business done by these six 'Spanish multinationals' was generated outside the Spanish market. In light of the investment channelled to the region and the fact that the companies present there have a huge weight in the Spanish economy, it is likely that there will be increased trade between Spain and many Latin American countries.

The Latin American policy of the Rodríguez Zapatero government

The unexpected change of government in Spain in 2004, after the March 11 terrorist attacks on Madrid, made it at least theoretically possible for the new administration to work in harmony with the governments involved in the 'shift to the left' that came about (or could soon come about) in countries such as Brazil, Chile and Uruguay, and even with more populist governments, such as those in Argentina, Panama, Paraguay and Venezuela. This occurred when the controversy over the war in Iraq was at its height and there were many voices in the region critical of how the Aznar government had aligned itself with the Bush administration, although some circles backed the war or felt it was beneficial to both Latin American and Spanish interests. Greater harmony with left-leaning governments has not, however, prevented the existence of excellent relations with other governments further to the right. The relationship between Rodríguez Zapatero and President Uribe of Colombia is one of the best examples of this. The new Foreign Minister, Miguel Ángel Moratinos, has insisted on the need for a higher profile and a more intense policy in the region, although he has not done much to clarify what this means.

Spanish policy towards Latin America must take into account not only Latin America's 'shift to the left' but also how the region has been 'forgotten' since 9-11, not only by US policy makers, but also by the EU. This is paradoxically due to the relatively low level of conflict in Latin America, where there is little threat of international Islamist terrorism (although this is always a potential threat, despite the regional leaders' reluctance to recognize the fact). Furthermore, there is a lack of serious ethnic, national or religious conflict in the region, compared to many of the world's hotspots. For Latin America, neither the behaviour of the second Bush administration nor the enlargement of the EU to 25 members was good news. With the

exceptions of Colombia, Cuba and Venezuela, Latin America is Washington's lowest strategic priority, despite the growing role of Hispanics in the US. However, the appointment of the new Assistant Secretary for Western Hemisphere Affairs, the career diplomat Thomas Shannon, has been well received in Latin America, following the much more ideologically charged tenures of Otto Reich and Roger Noriega, who were more closely linked to the Cuban lobby.

The participation of Cuba in the Ibero-American Summits is the subject of an interesting debate with two clearly opposed sides. First, there are those who see Cuba's presence as an indicator of the success of the summits as a special forum, different to the OAS (Organization of American States) or the Summits of the Americas, where the Castro dictatorship does not participate. The argument used since the early 1990s, when the summits began, is that they are encouraging a transition towards democracy in Cuba. However, in light of the fact that little, if any, progress has been made, excluding Cuba has become the preferred option. Nonetheless, this is impossible at present, given the opposition of Cuba itself, and also of Venezuela and Argentina, and sometimes of Mexico, Brazil and Uruguay. This could lead to the system's breakdown and perhaps an eventual end to the summits. This is a risk that no Spanish government of any political stripe would be willing to run. Even the suggestion that Cuba should be expelled from the Ibero-American system would mean the system's probable demise.

Cooperation and ODA have been traditional cornerstones of Spain's Latin American policy and have been characterized by their global approach. The latest administrations, regardless of their political leaning, have questioned the use of national income as the basic criteria for cooperation development and have

insisted on the need to tackle inequalities within the Latin American republics themselves. Their intention, therefore, is to cooperate with the so-called middle-income countries that make up most of the region. So far, most of Spain's ODA has been directed at the Andean nations and Central America, especially Nicaragua, Peru, Bolivia, Honduras and the Dominican Republic. The Master Plan for Spanish Cooperation (2005-08) includes a significant budget increase for 2005, with the promise of further increases in the following years. According to the government's plans, the resources available for cooperation will double over four years. The Plan establishes that at least 40% of Spanish ODA will go to Latin America, thereby maintaining the priority the region has enjoyed in previous years. In 1998-2003, net Spanish ODA to Latin America took up 46% of available resources. However, there is still a long way to go in this respect, starting with the establishment of clear expenditure priorities. At present, over half the expenditure is concentrated in infrastructure and social services. As regards its nature, the proportion of multilateral to bilateral ODA in 2004 was of 44/56, with a significant increase in the multilateral component over the past few years. In the latter case, 58.2% is channelled through the EU, 35.4% through international financial bodies and the remaining 6.5% through non-financial international bodies. In 2004, 27.3% of bilateral cooperation was carried out through NGOs, with Spain being one of the OCDE countries that most channels its resources through these bodies.

The Latin America policy of the Rodríguez Zapatero government focused on preparing for the Ibero-American summit in Salamanca, an activity that was finally coordinated directly by Deputy Prime Minister Fernández de la Vega. However, the lack of consensus between the PP and the PSOE was most evident in the cases of Cuba and Venezuela. Regarding Cuba, Spain encouraged a change in the joint EU position, in light of the lack of specific results obtained by the policy of

pressuring the Castro regime. Despite expectations, the search for channels through which to engage in dialogue with the Cuban government produced no concrete results either. While the Spanish government rightly argues that there have been no substantial changes in its Cuban policy (and let us not forget that Aznar invited Castro to Madrid's Moncloa Palace), the opposition insists that the Cuban opposition has been abandoned. The controversy over Venezuela broke out after the announcement of arms sales to the Chávez government (ships and planes), leading the PP to condemn the alleged complicity with pro-Chavez powers. On this point, there is a conflict between the need to support the Spanish defence industry (a position defended by the Minister of Defence, José Bono) and the need to support Venezuelan democracy in its struggle against the populist tendencies of the Venezuelan government (a position defended by the PP). Under other circumstances, nothing more would have come of this, but in the current climate of political tension no holds are barred in the efforts to create conflict between the government and the opposition.

It must also be borne in mind that one of the government's top priorities was to have all Latin American presidents present at the Salamanca Summit. For this to happen, it was clearly impossible to put too much pressure on two of the most controversial governments in the region. Rather, a kind of carrot and stick policy was employed. This was clear in the way the Spanish government negotiated with the Argentine government to renegotiate public service rates. Rodríguez Zapatero's support of President Kirchner is making it possible to 'ease' the position of some Spanish companies in their disputes with the Argentine administration.

In its section on Spain, the latest Latin Barometer sponsored by the Elcano Royal Institute reflects the broad public support

for Prime Minister Rodríguez Zapatero in the region. This is due in large part to his order to withdraw Spanish troops from Iraq immediately upon taking office, in sharp contrast to former Prime Minister Aznar's policy of tightening links with the United States. To some degree, Rodríguez Zapatero's positive image is inversely related to Bush's negative image. In any case, despite the form it sometimes took, Aznar's policy remained within the traditional bounds of Spanish policy.

One of the constant factors of this policy has been to consider the United States the main regional player, making it necessary to establish some kind of coordination between Madrid and Washington in creating policies for the region. Although Aznar tried to take this policy somewhat further, this is something that had been going on since the days of Prime Minister Felipe González, when the Central American peace negotiations were held. Despite having withdrawn troops from Iraq, the Zapatero government clearly considers Latin America to be a point of contact with the United States and this is one of the reasons for the Spanish presence in the UN contingent in Haiti. Also, the presence of the new US ambassador in Madrid, Eduardo Aguirre, has eased bilateral tensions.

Canada deserves a special mention. Apart from making declarations, little has been done to achieve a greater coordination between the two countries, especially considering Canada's participation in the OAS and Spain's participation in the Ibero-American summits, as well as the close relations between the secretary generals of the two organizations, José Miguel Insulza and Enrique Iglesias. There is clearly room for greater policy coordination by the two countries, including the defence of democracy in the region. (Significantly, Canada was a driving force behind the OAS Democratic Charter.) Closer ties could also be developed around the issue of Cuba and what attitude to take in an eventual transition to democracy in

the country. Both countries are present in Cuba and have taken a similar stance regarding the Castro dictatorship, consisting of supporting democratization and human rights.

Relations between Spain and Canada – both of which are members of NATO– are currently satisfactory, having overcome the halibut crisis that broke out in the Atlantic fisheries 10 years ago. The good state of these relations is evident not only in the political field but also in the economic, scientific and cultural spheres. Nevertheless, beyond certain specific common interests, such as opposition to the Helms-Burton law, relations as regards Latin America are still only superficial.

The Ibero-American summits

The global approach taken by all democratic Spanish governments has been supported by the principle that Spain is a member of the Ibero-American Community of Nations, a supranational group theoretically made up of fraternal, equal nations with a shared culture, history and languages (Spanish and Portuguese). This was most clearly expressed in 1990 when, in the context of the 500th anniversary of the discovery of the Americas, Spain and Mexico made the joint decision to develop the Ibero-American Summits System, an initiative that Brazil later joined. The intention was to correct the asymmetry in diplomatic and cultural relations characterized during the Franco regime by the concepts of ‘Hispanidad’ (the Hispanic World) and ‘Madre Patria’ (Mother Country). However, the imbalance remained as Spain took on a leading role in the Ibero-American Community. In the early 1980s, the Unión de Centro Democrático (UCD) governments, led by Adolfo Suárez and Leopoldo Calvo Sotelo, wanted to coordinate an Ibero-American Summit of Heads of State and Government leaders on the occasion of the 500th anniversary

celebrations. This proposal was energetically taken up by Felipe González when he took office in 1982.

The Ibero-American experience relied heavily on Spain taking a leading role and the first summit was held in Mexico in 1991. The international climate at the time was different to today’s, favouring multilateralism after the fall of the Berlin Wall, the collapse of the Soviet block and the end of the Cold War. Furthermore, in the early 1990s Latin America was in a transitional period in which all the countries in the region, except Cuba, ended up with democratic governments. This climate led to Cuba’s inclusion in the summits, the idea being that this was the best way to facilitate the country’s transition to democracy.

The Ibero-American summits are an essential part of Spain’s policy towards Latin America. From a purely theoretical perspective, the Ibero-American Community is now enjoying nearly ideal conditions. As Yago Pico de Coaña has said: “There are no border wars; the continent is denuclearized and through its Ibero-American Summits it has established principles that ought to oblige heads of state and government leaders to respect and enforce standards closely related to the international agenda... Ibero-America supports... free trade; debt reduction; the lowering of trade barriers to developing countries to enable better market access; the International Criminal Court; the elimination of anti-personnel mines; sustainable development; the environment; shared responsibility on drug-related issues, which means fighting money laundering, drug production, trafficking, consumption and the exportation of precursors; the fight against terrorism and transnational delinquency in all its forms; cultural diversity; and the principles of the UN Charter.” However, the same author adds that “the Ibero-American Community must make greater efforts to successfully and seriously deal with the problems that burden us: corruption, impunity, governability, competitiveness,

fairness and injustice stemming from a lack of a minimally objective application of justice.” Given the great gap between declarations and reality, more than one voice has been heard questioning the effectiveness and validity of the system, and the need for reform has often been expressed.

From the start, the Ibero-American system underwent a process of institutionalization that necessitated its periodic renovation. In the first stage (1991-95), the summits focused on meetings of heads of government, sectoral meetings and a five-country coordinating committee. The second stage (1995-99) saw the approval of the Bariloche Convention, also known as the Cooperation Convention. The meetings of the national coordinators and cooperation managers were also institutionalized. The third stage (1999-2003) was characterized by the establishment of a more permanent coordinating body and at the ninth summit in Havana in 1999, the Protocol to the Cooperation Convention was signed in the framework of the Ibero-American Conference, thereby creating the Secretariat for Ibero-American Cooperation (SECIB).

The fourth stage began in 2003, when the 13th summit, held in Santa Cruz de la Sierra, approved the creation of the Ibero-American General Secretariat (SEGIB), a unilateral initiative of the Aznar government, presented in 2002 at the Bávaro Summit in the Dominican Republic. In accordance with this proposal, the SEGIB would provide content and continuity to the meetings of heads of state and government leaders. Despite the method used to present the initiative (later approved at the following summit in Santa Cruz de la Sierra in 2003), it moved forward due to the general awareness that the system needed a new boost and also because it was a Spanish initiative. Until the Salamanca summit,

reform of the Ibero-American system was the top priority on the Spanish agenda for Latin America, although the priority was shared by many of the governments in the region. Certain issues were put aside in the attempt to have all the Latin America presidents come to Salamanca.

The creation of the SEGIB has led to debate on the system’s content. What is the purpose of the SEGIB? What issues can or should be discussed? To what extent will the approved regulations (very different to the original version) actually limit the work that gets done, since much of the original content has been removed? Should the summits be a space for reaching agreements, for cooperation or for integration? Having resolved the issue of who should be the first Secretary General (Enrique Iglesias is a Latin American born in Asturias, Spain), the question remains as to the political responsibilities of the Secretariat, which is defined as the voice of Ibero-America in multilateral bodies, despite the existing limitations that prevent it from going beyond the status quo. In any case, the SEGIB’s first year will be crucial and we shall see how broadly Iglesias interprets his scope for action, as well as the roadblocks that might be set up by the Ibero-American governments to which the SEGIB is responsible.

Therefore, a number of significant questions remain unanswered: will the Summits and the SEGIB make it possible to achieve greater political consensus among Ibero-American countries, as the Spanish government desires? Will we remain within the bounds of the politically correct, touching on issues that any government, regardless of its political stripe, can deal with, such as social inequality, poverty, hunger in the region and education? Or will we move on to more sensitive issues such as the existence of authoritarian practices, the emergence of populist agendas or a deeper discussion of the merits of participative and representative democracy?

One question that has received less attention this time than in the past (though it is not a priority issue) is how often the summits should be held. There is a certain consensus that an annual summit would be the best option, enabling even small countries to hold their own event. However, it would be much better to hold a summit every two years, considering the organizational effort involved and the limited results obtained at preparatory ministerial meetings, since many do not even attend personally but instead send third-level civil servants. It is a matter for the new Secretary General to deal with, perhaps allowing him to distribute responsibility more broadly among member states and even to establish the norm that each organizing country must cover the costs of holding its own summit.

However, the deeper question remains: are the summits merely an instrument of Spanish policy or, on the contrary, is Spain's leading role the result of its position, similar to the role of the United States in the OAS? Whatever the answer may be, the summits will only be useful to Spain –paradoxical though it may seem– if Latin American countries (especially the biggest ones) adopt them as their own. If, on the contrary, they continue to be seen as simply an instrument of Spanish policy, they will have little scope for action beyond the SEGIB and the annual meetings. For this reason, Spain's contribution of 80% of the payments made to SECIB (US\$2,300,000 in 2005), is a precedent that should be a cause for concern. Financing the SEGIB and its administrative structure is the key to the future of the summit system. Another cause for concern in terms of the system's functioning is the progressively decreasing returns from the preparatory ministerial meetings.

Salamanca was in many ways positive for the organization of the summits and if these positive aspects can be maintained in

the future it would be a step in the right direction. One concern of the Spanish government was to reduce the harsh rhetoric. To do so, the final declaration was shortened considerably and the three plenary sessions of the Heads of State and Government leaders were held behind closed doors. This format favoured open discussion among the leaders and made it possible to deal with issues that otherwise could not have been tackled. The summit was preceded by two meetings, one of business people and the other of 'civil society' representatives. The meetings were aimed at diversifying the issues being dealt with, rather than at strictly adhering to the government agendas, making it possible for these groups to present specific proposals. However, media coverage focused on the final declaration and the points that referred to the 'blockade/embargo' of Cuba and to the request for the extradition of Cuban terrorist Posada Carriles.

Spain, the EU and Latin America

An essential part of Spanish policy towards Latin America involves the EU, particularly since the 'Europeanization' of Spain's foreign policy priorities. For this reason, Spain must clearly act on both the European and Ibero-American components of its double identity. For quite some time, especially while Manuel Marín and Abel Matutes were European Commissioners, Spain efficiently took advantage of the EU's Latin American policy. However, in recent years several opportunities have been wasted that would have enabled Spain to strengthen its role in the region. These include Spain's participation in the group of countries friendly with the Secretary General of the OAS for Venezuela, as well as everything the EU has done in relation to the Colombia Plan. It is true that the group of countries friendly to Venezuela, which includes Portugal, was doomed to inactivity from the start. However, the Spanish authorities never gave it a sufficiently high profile or seriously considered leading the process and mobilizing the EU to help.

Spain is generally considered a bridge between Europe and Latin America, though it is clear that on numerous occasions, Europe has served more to excuse Spain from taking action than to spur on the country's Latin American policy. This has happened frequently, for example on issues such as agricultural protectionism, the CAP (Common Agricultural Policy) and immigration, and could also occur with the new weight of eastern Europe in the 25-member EU: instead of taking positions that support Latin American proposals, Spain often takes refuge in the rigidity of EU standards and in the difficulty involved in changing them. Lately, European concerns have focused on the enlargement to 25 members, the concern over how this will affect EU-Latin American relations and whether or not Spain can continue to defend Latin American interests as it has in the past. To give top priority to Latin America in the 25-member EU, it would be necessary to strengthen our cooperation with Portugal in this area.

The EU-LAC (Latin America and the Caribbean) summit to be held next May in Vienna and the negotiations with Mercosur (mostly with the Andean Community of Nations [CAN] and with Central America) clearly reveal Latin America's secondary role in the EU scheme of things. Work prior to the next summit is considerably behind schedule and the agenda is still unclear. Then there is the overlap between the Ibero-American summits and the EU-LAC summits, which should lead to the consideration of coordinating the agendas of the two events.

Spain should play a more active role in European policy towards Latin America. This implies in some way adding Spanish content to the EU agenda for the region, while Europeanizing the Spanish agenda. The change in the common policy towards Cuba proves the leadership capacity that Spain can have in this area, as well as the

fact that countries such as Germany and the United Kingdom can accept this without great difficulty. But in order for other EU members to see Spain as a country of reference in this area, Spain's Latin America policy must once again become a state policy, free of the uncertainties and shifts that come with each change of government.

Conclusions

Latin America is important for Spain for many reasons, regardless of whether or not it is the top foreign policy priority. In this regard, Spain's acceptance of its double (European and Ibero-American) identity has enabled it in recent years to increase its profile and influence, not only in Europe and Latin America, but also in other parts of the world. The importance of Spanish investment in the region is a new addition to the traditional values of history, culture, language and religion, which have governed relations over the past two centuries. In very few years Spain has become the second largest investor in the region and in some countries, such as Argentina, it is the biggest, making Spain the main non-American player in Latin America. Added to this is the growing importance of language, which is increasingly revealing itself to be both of cultural and economic value.

Spanish foreign direct investment is concentrated in only a few countries (mainly Brazil, Mexico, Chile and Argentina, but also Peru, Colombia and Venezuela), but the global bias of Spain's Latin American policy has led to equal treatment for all the countries in the region. It comes down to the difference between the behaviour of companies, which prioritize, and the government, which does not. This increases the lack of coordination between the public and private sectors, although the *Observatorio Empresarial de América Latina* (Latin American Business Observatory), a recent initiative from the Prime Minister's Office, is tending to correct this situation.

The lack of resources available to Spanish diplomacy limits its scope of action, though what action is taken tends to be amplified by the reception that Spain receives in most countries in the region. Spain's political will to be present in Latin America is compatible with the EU's common foreign policy, which in certain circumstances sets limits on Spain's actions. However, Spain should take the initiative to lead European policy as a whole in the region. Coordination with the United States is also important, especially at such a turbulent time in Latin American politics, when there is a renewed threat of populism and bilateral tensions are on the rise in most countries in the region. At the same time, relations with Canada should be strengthened, since there is ample scope for more coordinated action on the part of both countries, not only within multilateral bodies, but also in certain countries in the region.

About the Author

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