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## Squaring the Circle? Transatlantic Relations and New Latin American Regionalism in a Changing Global Environment

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### Introduction

Despite repeated warnings from analysts about the progressive shift of international dynamics from the Atlantic to the Pacific, the Atlantic Basin continues to be central to globalization and it shows signs of revitalization in the economic and political spheres. North America, Western Europe, Latin America, and Western Africa constitute the primary points — not necessarily homogenous — of a square that has yet to structure itself as such and which has differing dynamics. However, numerous experiences and processes of transoceanic relations are currently developing, while new initiatives, primarily in the South, are modifying the political landscape of the Atlantic. Within this framework, the Atlantic space presents immense potential for cooperation, but simultaneously poses difficult economic, political, social, and environmental challenges that require common solutions.<sup>1</sup>

Transatlantic relations have historically tended to revolve around relations between North America (particularly the United States, but also Canada) and what is currently the European Union, generally related to security issues. This bilateral relationship has tended to expand in a triangular direction among North America, the EU, and Latin America due to shared cultural, economic, and political linkages,<sup>2</sup> but also as a function of clearly defined asymmetrical power relationships. However, the emergence of China and the growing appeal of the Pacific Basin are generating complexities and new linkages in the geopolitics of the Atlantic space.

In this context, this chapter analyzes the role that Latin America and the Caribbean (LAC) can play in the evolution of Atlantic relationships, both through its most prominent actors and through new regional dynamics.

### Transatlantic Relations: New Linkages and New Agendas in a Changing Global Environment?

#### *Transformations and Restructuring in the International System*

Since the 16<sup>th</sup> century with the arrival of Europeans on the American coasts and throughout the subsequent centuries, the Atlantic Ocean has been prominent in, if not central to, the international landscape. European colonization of the Americas and Africa involved a dramatic transformation of the societies and territories of these three continents and generated ties that persist today, despite a continuous process of changes and transformations. Significant structural changes in international relations throughout the centuries have generated a series of transformations in power relationships and new alliances along various axes in the Atlantic Basin (East-West, North-South, etc.). In spite of these transformations, the Atlantic Ocean has rarely been perceived as an integrated space whose different regions are interconnected, predominating instead “a fragmented vision of different Atlantic spaces in which the traditional powers struggle for influence.”<sup>3</sup>

<sup>1</sup> Anna Ayuso and Elina Viilup, “Introducción: Una Nueva Mirada Hacia el Atlántico,” *Revista CIDOB d’Afers Internacionals*, no. 102-103 (September 2013), 7.

<sup>2</sup> See “Las Relaciones Triangulares: Estados Unidos, Unión Europea y América Latina,” *Pensamiento Iberoamericano*, no. 8 (January 2011).

<sup>3</sup> Ayuso and Viilup, 9.

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In the second half of the 20<sup>th</sup> century, the emergence of the United States as a superpower in a strategic alliance with Western Europe and in confrontation with the Soviet bloc dominated Atlantic dynamics. The United States solidified its role as the hegemonic power in the Western Hemisphere; at the same time, European powers lost the majority of their colonies while simultaneously undertaking one of the greatest experiments in regional economic and political integration — the creation of the European Union (EU). By the beginning of the 21<sup>st</sup> century, however, the relatively stable and predictable bipolarity of the Cold War had given way to a global redistribution of power, which created the impetus for restructuring the international system. This restructuring was initially characterized by U.S. unipolarity but has gradually shifted to multipolarity,<sup>4</sup> especially in economics and trade, as new actors have entered the scene, some of them emerging powers and others non-state actors.<sup>5</sup>

Global growth in the last decade has increasingly been centered in the Pacific in terms of economics and trade, but also in terms of demographics. China has become the primary actor in Asia, while countries like India have also shown strong economic growth. This progressive shift of power toward the South and the Pacific was accentuated by the effects of the financial crisis of 2008, which weakened the economies of the United States and its traditional European partners, while also contributing to the emergence of new alliances and blocs that go beyond the North Atlantic and which are transregional in nature, such as the G20, the BRICS, IBSA (the India-Brazil-South Africa Dialogue Forum), MIKTA (Mexico, Indonesia, the Republic of Korea, Turkey, and Australia), or the Cairns Group.<sup>6</sup> The influence of such groupings and their member countries reflect the emergence and development of economies outside of the Western world and foster a new geopolitical landscape in the global system.

As a result, interactions between different shores of the Atlantic have evolved, adjusting to the prevailing tendencies toward the restructuring of the international system. It is therefore important to take a fresh look at relations around the Atlantic and identify its continuities and changes as part of evolving global trends.

### ***The Atlantic Dynamic***

In contrast to the traditional concept of an Atlantic Community, primarily characterized by inter-oceanic relations in the North Atlantic and dominated by security concerns, we are witnessing a proliferation of initiatives among various Atlantic actors, north and south. However, the North Atlantic community continues to have the most developed relations in economic and political terms, as evidenced by continuing security linkages through NATO and the recent negotiations around the strategic Transatlantic Trade and Investment Partnership (TTIP). Of course, the creation of a transatlantic marketplace via TTIP as an economically dynamic space is taking on a series of geopolitical considerations that would, among

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<sup>4</sup> Fareed Zakaria, *The Post-American World* (New York, NY: Norton, 2008).

<sup>5</sup> Andrés Serbín, “Actores No Estatales y Política Transnacional,” in Legler, Santa Cruz, and Zamudio (eds.), *Introducción a Las Relaciones Internacionales: América Latina y la Política Global* (Mexico City, Mexico: Oxford University Press, 2013), 172-182.

<sup>6</sup> The Cairns Group is a coalition of agricultural countries that primarily exercises influence at the WTO (Argentina, Australia, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Guatemala, Indonesia, Malaysia, New Zealand, Pakistan, Paraguay, Peru, Philippines, South Africa, Thailand, Uruguay, and Vietnam).

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other things, contribute to containing China, eventually isolating Russia, and reactivating the Atlantic as the driving force of globalization.

At least four areas reflect a new emerging dynamic and a transoceanic agenda in the Atlantic space.<sup>7</sup> First, security has become a central factor in regional governance, particularly in the North Atlantic. In addition to NATO's continued importance, there are growing conceptual and doctrinal convergences with regards to the notion of human security, which is reflected in strategic documents and positions such as the 2003 European Security Strategy (titled "A Secure Europe in a Better World") and the Declaration on Security in the Americas, put forth by the Organization of American States in 2003, which introduced the concept of multidimensional security. These guidelines have been likewise reflected in interregional dialogue, particularly within the framework of the Euro-Latin American Charter for Peace and Security, approved in 2009 by the Euro-Latin American Parliamentary Assembly. The growing presence of the United States and Brazil in Africa<sup>8</sup> as well as the development of bilateral ties between other Latin American countries (particularly Cuba, Venezuela, and Argentina) and African countries also reflects similar views of the security dynamics in the maritime space in the South Atlantic — especially with regards to piracy and its impacts on sea lanes of communication, drug trafficking, the arms trade, proliferation of small arms and light weapons, environmental risks, illegal fishing, human trafficking, and terrorist activities. New security risks have begun to require the attention of the main actors in the Atlantic Basin.<sup>9</sup>

A second area is related to trade negotiations, which have undergone significant changes in recent years. The Atlantic space continues to be the world's economic engine, with roughly half of global production, as well as the largest market in terms of foreign direct investment (FDI). The United States remains the primary axis of trade through its links in the North Atlantic and the Americas. However, its trade flows are growing more slowly and have been affected by the financial crisis of 2008. The relative importance of the Atlantic for its different regions varies. The EU depends less on Atlantic trade because its intraregional trade dominates. Latin America, by contrast, is the most dependent region on Atlantic trade, which represents more than half of its total trade volume, whereas its intraregional trade is less than 30 percent. Moreover, with the Doha Round stalled, the free trade agreements (FTAs) across the Atlantic take on particular importance as instruments to stimulate the flow of goods and services in the Atlantic space, including the recently completed EU-Canada Comprehensive Economic and

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<sup>7</sup> See *A New Atlantic Community: Generating Growth, Human Development, and Security in the Atlantic Hemisphere*, (Washington, DC: SAIS Center for Transatlantic Relations, 2014).

<sup>8</sup> Africa was a low priority on the U.S. security agenda until recently, but in 2010, the United States established institutional partnerships with leading countries on the continent. The 2011 National Military Strategy of the United States of America considers protecting "Global Commons and Globally Connected Domains" to be fundamental to security, in addition to protecting maritime trade (Seabra 2013). In the case of Brazil, President Luiz Inácio Lula da Silva emphasized the revitalization of relations with Africa as a foreign policy priority. The goal of his agenda was to establish or consolidate cooperation with South America and build alliances with other regions in order to position Brazil as a global actor. Alliances with African countries were fundamental to certain national objectives, such as trade negotiations or securing a non-permanent seat on the UN Security Council. Brazil's 2008 National Strategy of Defense established that Brazil's defense concerns included the South Atlantic, with specific priority given to South America and Africa, primarily West Africa and Portuguese-speaking Africa (Ayuso and Viilup).

<sup>9</sup> Pedro Seabra, "Dinámicas de Seguridad en el Atlántico del Sur: Brasil y Estados Unidos en África," *Revista CIDOB d'Afers Internacionals*, no. 102-103 (September 2013), 199-218.

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Trade Agreement, as well as TTIP and the EU-Mercosur Association Agreement (both still under negotiation).<sup>10</sup>

It is in the area of trade that the primacy of the transatlantic relationship is in question because of the exponential growth of China's economy and trade. The increasing participation of China in trade linked to Atlantic actors has led to a relative reduction of Atlantic trade in favor of the Pacific.<sup>11</sup> Slower economic growth in the Atlantic and increasing competition from China is thus posing challenges for the Atlantic space.

In this context, the prospect of a major trade agreement between the United States and EU in the form of TTIP presents itself as an attempt to reinvigorate the decline of transatlantic trade relative to other actors. A transatlantic marketplace would thus contain a geopolitical dimension that, according to many, is more important than "the theoretical benefits in terms of growth, employment, and prosperity."<sup>12</sup> This initiative, combined with other existing FTAs in the region and those under negotiation, would open the door to a deeper pan-Atlantic trade agenda, but eventually could also affect multilateral negotiations and rules associated with the WTO.

Thirdly, the Atlantic has become a strategic space in the field of energy. The revolution in oil and gas due to new technologies for exploration and extraction, combined with the pressure to reduce emissions, offer new perspectives and opportunities for actors in the Atlantic Basin, enabling the Atlantic to rival the Middle East in terms of supplying energy. The current trends point to a shift in the center of gravity in the energy economy to the Atlantic Basin, which will probably become a net exporter of multiple energy sources to the Indian and Pacific Oceans. Many new fossil energy reserves are being discovered in the South Atlantic, in countries such as Brazil, Argentina, and South Africa, which are joining traditional exporters such as Mexico, Venezuela, Angola, and Nigeria. The South Atlantic, as an energy supplier, will play a crucial role on political and security issues in the future.<sup>13</sup> The extent of this role will, of course, depend on future energy prices and potential developments in new energy sources.

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<sup>10</sup> Lorena Ruano, "El Comercio en la Cuenca del Atlántico, 2002-2012: Una Visión Panorámica," *Revista CIDOB d'Afers Internacionals*, no. 102-103 (September 2013), 101-123.

<sup>11</sup> On both shores of the Atlantic, China is projecting itself as an external actor with greater influence, especially in the South - See Adriana Erthal Abdenur and Daniel Marcondes de Souza Neto, "La Creciente Influencia de China en el Atlántico Sur," *Revista CIDOB d'Afers Internacionals*, 102-103 (September 2013), 169-197. In the last ten years, China has developed regional policies and has strengthened its relations with the main political actors in the South Atlantic. In Latin America, the proliferation of left and center-left governments (such as in Argentina, Brazil, Bolivia, Ecuador, and Venezuela) has benefited from China's growing economic presence political relationships in the region. At the same time, China's influence in Latin America and Africa is generating a new competitive dynamic and is continuing to erode the historical influence of the West in the area, including U.S. hegemony. See Ayuso and Viilup, 15).

<sup>12</sup> Serge Halimi, "As Potências Redesenham O Mundo," *Le Monde Diplomatique Brasil*, June 3, 2014, <http://www.diplomatique.org.br/artigo.php?id=1660>.

<sup>13</sup> Paul Isbell, *Energy and the Atlantic: The Shifting Energy Landscape of the Atlantic Basin* (Washington, DC: The German Marshall Fund of the United States, 2013), <http://www.gmfus.org/archives/energy-and-the-atlantic-the-shifting-energy-landscape-of-the-atlantic-basin/>; see also Marcel Fortuna Biato, "Políticas Nucleares y Régimenes de No Proliferación," *Pensamiento Iberoamericano*, no. 8 (January 2011), 151-173, in which he analyzes the policies of the United States, European Union, and Latin America, with special emphasis on Brazil's position.

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Managing maritime resources is also taking on increasing relevance in the Atlantic.<sup>14</sup> The threats posed by climate change, such as the degradation of marine and coastal ecosystems, contamination, and decreased biodiversity, are shared with all oceans of the world. The Atlantic faces unique challenges in a few areas, such as the sustainable management of fisheries, since they are the most overexploited ones in the world. Moreover, the increase in water temperatures is already creating changes in marine organism distribution. It is also pushing warmer water toward the poles, which is altering the course and strength of the Gulf Stream and the North Atlantic Current to the detriment of fisheries, ecosystems, and coastal waters as well as the recycling of nutrients.<sup>15</sup>

Fourth and finally, it is important to consider the shared values around the Atlantic — such as democracy and human rights — which have an impact on norms in the transatlantic relationship and on a global level, though not uniformly. The most marked confluence of values is in the U.S.-EU-Latin America triangle, especially with the recent consolidation of democratic systems in Latin America.<sup>16</sup>

#### ***The South Atlantic Dynamic and South-South Cooperation***

Although the strategic relationship between the United States and Europe continues to dominate, there are growing questions in both the North and South about the concept of a restricted Atlantic Community. The most innovative initiatives, which could lay the groundwork for an alternative and broader Atlanticism, come primarily from the South. Emerging powers such as South Africa and Brazil see their increasing role in Africa and South America, respectively, as a way to increase their influence and gain greater weight in global affairs and multilateral institutions.<sup>17</sup>

South-South cooperation has taken on a new dynamism enabled by the greater degree of autonomy that the current multipolar context allows for emerging powers.<sup>18</sup> Growing South Atlantic ties could lead to closer linkages in the coming years through institutions such as the Zone of Peace and Security of the South Atlantic (ZOPACAS). But South-South cooperation in the Atlantic remains relatively modest and is dominated by a few countries, especially Brazil — which sees South-South cooperation as part of a broader strategy to increase its global influence — with regards to its engagement in Africa.<sup>19</sup> Cuba and Venezuela also have a certain interest in Africa, but their ability to influence other Latin American nations in deepening relations with that continent is much more restricted.

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<sup>14</sup> Ayuso and Viilup, 18.

<sup>15</sup> Daniel Hamilton, "Hacia una Agenda de Gobernanza Hacia el Hemisferio Atlántico Emergente," *Revista CIDOB d'Afers Internacionals*, no. 102-103 (September 2013), 51-71.

<sup>16</sup> Juan Ruiz Tovar, "La Política Europea de Obama y las Relaciones Transatlánticas," *Revista CIDOB d'Afers Internacionals*, no. 102-103 (September 2013), 219-242.

<sup>17</sup> Dorval Brunelle, "Comunidad Atlántica: Asimetrías y Convergencias," *Revista CIDOB d'Afers Internacionals*, no. 102-103 (September 2013), 29-49.

<sup>18</sup> Gladys Lechini, "La Cooperación Sur-Sur y la Búsqueda de Autonomía en América Latina: Mito o Realidad?" *Relaciones Internacionales*, no. 12 (October 2009), 55-81.

<sup>19</sup> Christina Stolte, "Brazil in Africa: Just Another BRICS Country Seeking Resources," *Chatham House Briefing Paper*, no. 1 (November 2012).

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On the African side, clear leaders and interlocutors have not emerged despite the growing weight of South Africa, Angola, and Nigeria. South Africa aspires to play a leadership role in the south of the continent and it has pushed regional projects such as the New Economic Partnership for African Development (NEPAD), but it has less weight than Brazil and there are few obvious partners of similar influence that share South Africa's internationalist agenda.

The current South Atlantic dynamic is similar in its diversity and heterogeneity to the integration and political dialogue initiatives in South America. Each entity is championed by one state or a few states without a high degree of support from the remaining partners. Thus, the South Atlantic finds itself at a historic crossroads. In order to escape its international marginalization and become a relevant axis in the global and transatlantic system, its countries need to define a clearer project and find ways to combine their efforts. Of course, such an endeavor would not be exclusive because the countries of Africa and LAC have multiple identities and interests. What remains to be seen is if there is a collective will that is greater than the regional interests on both sides of the South Atlantic. That will depend on whether South-South cooperation can play a prominent role through initiatives of mutual interest and benefit.<sup>20</sup>

However, there is currently no pan-Atlantic cooperation mechanism comparable to the Asia-Pacific Economic Cooperation (APEC) forum and other groupings in the Pacific Basin. Atlantic interregional integration dynamics are fragmented, with the North Atlantic being the predominant transatlantic relationship.<sup>21</sup> The presence of the United States and its NATO allies in the South Atlantic is seen with mistrust by countries in that region, which seek to protect their maritime natural resources and prevent or eliminate neocolonial endeavors. However, recent initiatives could help to overcome this obstacle. Multiple trans-regional linkages are growing in importance, such as between the EU and the Community of Latin American and Caribbean States (CELAC). These initiatives are not limited to ties between governments; different Atlantic communities come together through parliamentary initiatives such as the Euro-Latin American Parliamentary Assembly (EuroLat), relationships between local governments, research projects among universities, and other platforms such as Atlantic Dialogues, organized annually by the German Marshall Fund of the United States and the OCP Policy Center in Morocco.<sup>22</sup>

Nevertheless, in spite of recent changes in the international system and the emergence of new actors, the tendency is to focus the analysis on emerging governance initiatives in relation to the North Atlantic dynamic. The growing role of Latin America, which has led to a triangular

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<sup>20</sup> Christian Freres, "Cooperación Sur-Sur: Un Elemento Clave para el Despegue del Atlántico Sur," *Revista CIDOB d'Afers Internacionals*, no. 102-103 (September 2013), 125-146.

<sup>21</sup> With regards to this point, Dorval Brunelle argues that the growth of the North Atlantic community toward the South is blocked in the economic and political spheres for security reasons.

<sup>22</sup> Ayuso and Viilup, 17.

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perception of the Atlantic dynamic by several analysts,<sup>23</sup> requires a revision of the emerging regional governance structures and their potential role in the future configuration of the transatlantic space. Therefore, it is essential to address the development of new forms of regionalism in Latin America and the Caribbean and their pan-Atlantic impacts in light of the reconfiguration of regional power relationships, with an eye to whether or not they could make the region a relevant interlocutor for the construction of an Atlantic space that goes beyond the region's frequently subordinate and asymmetric relationship with the United States and EU.

### **New Latin American Regionalism and Its Impact on Hemispheric and Transatlantic Relations**

#### ***The New Latin American Regionalism***

Since the 1950s, the evolution of Latin American regionalism has been characterized by three distinct stages. The first phase, between the 1960s and 1980s, was built around the aspiration for greater regional autonomy through the creation of regional markets and regional strategies of industrialization and import substitution. A second phase took shape at the end of the 1980s and the beginning of the 1990s as a neoliberal approach was introduced into regional processes focused on trade liberalization, economic opening, and the elimination of trade barriers, which was strongly influenced by the so-called "Washington Consensus" and by the Economic Commission of Latin America and the Caribbean's (ECLAC) concept of "open regionalism." Trade, investment, and economic issues became dominant in the new regional agenda. However, after the collapse of negotiations on the Free Trade Area of the Americas (FTAA) after the Summit of the Americas in Mar del Plata in 2005, new modalities of regional political cooperation as well as social and economic integration began to emerge. These new forms of regionalism are referred to as "post-liberal" or "post-hegemonic"<sup>24</sup> with reference to new organizations such as UNASUR, ALBA, and CELAC, which exclude the United States and Canada.

In the current stage, the profound changes that the international system has undergone have been reflected in the region. After the end of the Cold War and especially after September 11, 2001, the United States has reoriented its strategic priorities and has generally paid less

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<sup>23</sup> For some analysts, this perception reached the point at the beginning of this decade where they were arguing that the future of transatlantic relations depends in large part on the role that the strategic quartet of Brazil, Spain, Mexico, and the United States plays in a new Atlantic space. See, for example, Susanne Grätius, "El Triángulo Atlántico: Arquitecturas Multilaterales y Reajuste de Poder Entre Viejas y Nuevas Oportunidades," *Pensamiento Iberoamericano*, no. 8 (January 2011), 3-21. She refers to this new Atlantic space as "Transiberoamericano."

<sup>24</sup> Several authors propose the emergence of a new cycle of Latin American regionalism emerging from the crisis of open regionalism that will be determined more by political variables than economic ones. As such, the emergence of these new political initiatives have led some to speak of a new regionalism, emphasizing more political and social agendas instead of strictly liberalizing ones. "Post-liberal regionalism" is used by José Antonio Sanahuja, "La Construcción de Una Región: Sudamérica y el Regionalismo Posliberal," in Cienfuegos and Sanahuja (eds.), *Una Región en Construcción: UNASUR y La Integración en América del Sur* (Barcelona: Fundación CIDOB, 2010); Pedro da Motta Veiga and Sandra Ríos, "O Regionalismo Pós-liberal na América do Sul: Orígens, Iniciativas e Dilemas," *Serie de Comercio Exterior*, no. 82, (Santiago de Chile: CEPAL); and Serbín, "Regionalismo y Soberanía Nacional en América Latina: Los Nuevos Desafíos." Pia Riggiozzi and Diana Tussie use the term "post-hegemonic regionalism" in Riggiozzi and Tussie (eds.), *The Rise of Posthegemonic Regionalism: The Case of Latin America* (Dordrecht: Springer, 2012); and Alberto van Kleveren refers to it as "heterodox regionalism" in "América Latina en Un Nuevo Mundo," *Revista CIDOB d'Afers Internacionals*, no. 100 (December 2012), 131-150.

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attention to Latin America (apart from its closest neighbors, Mexico, Central America, and the Caribbean). This has weakened U.S. relations with the region as well as the inter-American system. The euro crisis accentuated the decline of the European presence in the area. Links among Latin American states grew, but not through a single and coherent process of regional integration. China, India, Korea, and other Asian countries have increased their presence in the region as Japan did earlier, but they currently limit their ties mostly to the economic realm. Other actors such as Russia and Iran are establishing closer ties with the region. Latin America is also looking for new partners in a world characterized by the “rise of the rest,” as Fareed Zakaria puts it.<sup>25</sup>

The U.S. economy has mostly recovered from its financial crisis, the eurozone is not in immediate danger, and China has avoided a hard landing of its economy. Interest rates remain relatively low and the emergence of new forms of energy have temporarily calmed the oil market. Despite these facts, the international system, although it may appear more stable, shows greater signs of multipolarity and polycentrism. Thus, Latin American countries, particularly in South America, exhibit greater autonomy from the United States.<sup>26</sup>

Within this framework, in the last decade different regional organizations have been created in Latin America, based on varying political, economic, and ideological approaches that characterize this greater autonomy from the United States. In 2004, Cuba and Venezuela formed the Bolivarian Alternative for the Peoples of Our America — which was later renamed the Bolivarian Alliance for the Peoples of Our America (ALBA) — as an organization of South-South cooperation and assistance, with a strong anti-U.S. ideology. In May 2008, the Union of South American States (UNASUR) was founded in Brasília, encompassing 12 South American states, including Guyana and Suriname, which are traditionally linked to the Caribbean Community (CARICOM). In February 2010 in Cancún, the Community of Latin American and Caribbean States (CELAC) was formed with the participation of all Latin American and Caribbean governments, creating an inter-American organization that excludes the United States and Canada, just like ALBA and UNASUR. CELAC took on the role of the Rio Group, which had served as a forum for political coordination and consultation since the 1980s. The Rio Group had a significant impact in preventing and resolving some conflicts in the region, both within and between states, while CELAC has continued this legacy and has developed a series of extra-regional dialogue initiatives with actors such as the EU, China, India, and Russia.<sup>27</sup> Finally, the Pacific Alliance — founded in 2012 by Colombia, Chile, Peru, and Mexico — has started out fundamentally as a revitalized free trade agreement between these four countries, now with several observer states. Panama and Costa Rica are in the process of joining the bloc.

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<sup>25</sup> Zakaria.

<sup>26</sup> Alberto van Kleveren, “América Latina en Un Nuevo Mundo,” *Revista CIDOB d’Afers Internacionals*, no. 100 (December 2012), 131-150.

<sup>27</sup> Carlos Portales, “A Dónde Va el Multilateralismo en las Américas? Proyectos Superpuestos en Un Periodo de Cambios Globales,” in Hershberg, Serbín, and Vigevani (eds.), *Pensamiento Propio: “El Hemisferio en Transformación: Regionalismo, Multilateralismo y Políticas Exteriores en Un Entorno Cambiante,”* no. 39 (January-June 2014), 109-137.



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Pacific Alliance members stand to gain from the Trans-Pacific Partnership (TPP).<sup>28</sup> The emergence and development of all of these organizations, particularly the first three, is primarily due to the leadership of a few countries.

The new forms of regionalism emerging in recent decades in the region — probably with the exception of the Pacific Alliance — have not only prioritized the role of the state, politics, and development, they have also introduced a new regional agenda that prioritizes new issues<sup>29</sup> through the framework of primarily or exclusively intergovernmental initiatives, with heavy importance given to heads of state and a lesser role for other actors.<sup>30</sup> The new regional agenda focuses on security, energy, financial issues, infrastructure, environment, and social issues. Traditional security topics have not lost their relevance, but new transnational threats are gaining increased attention, such as drug trafficking, human trafficking, illegal arms trade, and organized crime in general. Some of these issues are linked to new security issues on the Atlantic agenda, but others remain specific to the region.

Likewise, trade issues remain present, not only through specific initiatives such as the Pacific Alliance, but also through persistent attempts to bring Mercosur and Andean Community (CAN) members closer together and through the recently created Economic Zone between ALBA and Petrocaribe, which Mercosur joined to create a Complementary Economic Zone in 2014. Infrastructure is a priority, particularly for UNASUR, which is channeled through its Initiative for the Integration of the Regional Infrastructure in South America (IIRSA), and which seeks to develop regional connections, especially between the Atlantic and Pacific coasts. Social issues are reflected in the various UNASUR councils. Topics that are less well developed on the agenda include energy coordination, development finance institutions such as the Bank of the South, a common currency such as the Unified System for Regional Compensation (SUCRE), or coordination on environmental issues.<sup>31</sup>

Another relevant topic on the regional agenda is South-South cooperation, which opens the debate between the approaches that see it as a complement to North-South cooperation, on one hand (and therefore part of triangular convergence among North America, Europe, and Latin America), and those that perceive it as part of the consolidation of a Global South on its own terms before engaging in triangular cooperation.<sup>32</sup> It is important to note that the recent BRICS meeting in Brazil in July 2014 not only led to the creation of a development bank and

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<sup>28</sup> Eric Hershberg, Andrés Serbín, and Tullo Vigevani, "La Nueva Dinámica Hemisférica: Desafíos y Potencialidades," in Hershberg, Serbín, and Vigevani (eds.), *Pensamiento Propio: "El Hemisferio en Transformación: Regionalismo, Multilateralismo y Políticas Exteriores en Un Entorno Cambiante,"* no. 39 (January-June 2014), 11-33.

<sup>29</sup> Andrés Serbín, *Chávez, Venezuela y la Reconfiguración Política de América Latina y el Caribe* (Buenos Aires: Editorial Siglo XXI — Plataforma Democrática, 2011); Andrés Serbín, Laneydi Martínez, and Haroldo Ramanzini Junior (eds.), *El Regionalismo "Postliberal" en América Latina y el Caribe: Nuevos Actores, Nuevos Temas, Nuevos Desafíos. Anuario de la Integración Regional de América Latina y el Caribe 2012* (Buenos Aires: CRIES, 2012).

<sup>30</sup> Andrés Serbín, "Regionalismo y Soberanía Nacional en América Latina: Los Nuevos Desafíos," *Documento CRIES*, no. 15 (September 2010); Serbín, "Actores No Estatales y Política Transnacional."

<sup>31</sup> Serbín, "Regionalismo y Soberanía Nacional en América Latina: Los Nuevos Desafíos."

<sup>32</sup> Ignacio Suárez Fernández-Coronado, "La Cooperación Triangular: Una Modalidad Emergente en las Relaciones Norte-Sur," in Rojas Aravena and Breal (eds.), *América Latina y el Caribe: Nuevas Formas de Cooperación. Las Dimensiones Sur-Sur* (Buenos Aires: Editorial Teseo-FLACSO-Fundación Carolina, 2011), 69-83.

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monetary reserve fund among its members, but facilitated political dialogue with organizations such as UNASUR and, particularly in the case of China, with CELAC.<sup>33</sup>

Aside from the clear predominance of governments of the left and center-left in the last 15 years (the so-called “Pink Tide”), another area of convergence is in a common set of norms. The region is primarily comprised of stable democracies that generally respect the rule of law and promote human rights, with the possible addition of the recent emergence of a form of constitutionalism that insists on more participative and inclusive democracies. Moreover, the region is a zone of peace that is free of nuclear arms, where the principles of non-intervention and the peaceful resolution of conflicts continue to prevail, despite lingering territorial disputes. In fact, since the middle of the 1990s, the region has not experienced a single instance of interstate war, which has paved the way for the current political cooperation.<sup>34</sup>

If we compare these themes with those on the transatlantic agenda, we see that they largely constitute a common agenda, with the exception of a few significant regional issues. This common agenda includes new security threats, trade and investment, energy and environmental changes, and democratic values, but with an evident asymmetry between Latin America and its interlocutors to the north. This regional agenda responds to the challenges created by global changes and their hemispheric and regional repercussions.<sup>35</sup>

In geopolitical terms, there is a trend of distancing from the United States and excluding it (as well as Canada) from the majority of new regional organizations. Meanwhile, relations with the EU are developing through various interregional accords through Mercosur, the Central American Integration System (SICA), and UNASUR, as well as through strategic bilateral associations with some of the primary regional actors such as Mexico and Brazil. The triangularity of this process leaves open the question of the relationship with Africa, which is particularly affected by recent geopolitical shifts in the north of the continent and in several Arab countries. This triangularity is also affected by global multilateralism and the already mentioned emergence of new global actors with which the region has established linkages, alliances, or specific coalitions, such as the BRICS, IBSA, MIKTA, and the G20. It is also threatened by mega-regional trade agreements such as TPP and TTIP.

With regards to the post-2015 development agenda, a series of new challenges are emerging on a host of more urgent issues — such as inequality and poverty, food security, energy issues, the impacts of the global financial crisis, and climate change. However, as Rojas Aravena<sup>36</sup> and

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<sup>33</sup> Alicia González, “Los BRICS Se Rebelan contra el FMI,” *El País*, July 14, 2014, [http://internacional.elpais.com/internacional/2014/07/13/actualidad/1405270597\\_195035.html](http://internacional.elpais.com/internacional/2014/07/13/actualidad/1405270597_195035.html).

<sup>34</sup> Francisco Rojas Aravena, “Regionalismos e Integración Regional,” in Legler, Santa Cruz, and Zamudio (eds.), *Introducción a Las Relaciones Internacionales: América Latina y la Política Global* (Mexico City, Mexico: Oxford University Press, 2013), 158-171; Serbín, “Actores No Estatales y Política Transnacional.”

<sup>35</sup> Andrés Serbín, “Los Nuevos Regionalismos y la CELAC: Los Retos Pendientes,” in Bonilla and Álvarez (eds.), *Desafíos Estratégicos Del Regionalismo Contemporáneo: CELAC e Iberoamérica* (San José, Costa Rica: FLACSO-AECID, 2014), 47-78.

<sup>36</sup> Francisco Rojas Aravena, “Global Shifts and Changes in Latin America,” *Friedrich Ebert Stiftung Dialogue on Globalization* (November 2013).

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Carrión<sup>37</sup> assert, despite convergence on a thematic agenda, there are multiple perspectives in the region associated with the distinct interests and visions of different countries,<sup>38</sup> and a unified vision does not exist with regards to global transformations and challenges. A clear example of this is the lack of coordination among the three Latin American members of the G20 within that group — Argentina, Brazil, and Mexico — and the rift between Mercosur and the Pacific Alliance.

### **Regional Leaders and their Relations with Atlantic Actors**

Three primary leaders have emerged in the region — Venezuela, Brazil, and Mexico<sup>39</sup> — with different capacities. One might also add Argentina's strategic association with Brazil (which is not without its own tensions and rivalries).

Affirmations about the rise of Brazil in the international system have become part of conventional wisdom in academic and diplomatic discourse — as well as in international economic forums — as a specific phenomenon that is part of the rise of emerging countries in the international system, beyond the ups and downs in their economies. The magnitude of this process and the regional implications for South America, Latin America, and the inter-American system remain unclear, particularly due to the ambiguous global and regional roles that Brazil seeks to play.<sup>40</sup> The impact of Brazil's economic and political weight on the region and the global scene are important factors to consider in this regard.<sup>41</sup>

Within the hemisphere, Brazil tends to focus its energies on South America but also on the Caribbean and Africa, whereas the United States tends to focus on North America and Central America, and more recently on Pacific countries. While Brazil and the United States maintain, modify, or deepen their policies toward the rest of the hemisphere and specific sub-regions, other countries also seek to influence a hemispheric dynamic that is undergoing political, economic, institutional, and even ideological transformations.<sup>42</sup> The “strategic void” initially left by the United States in the 1990s, with its repercussions and its impact on the current

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<sup>37</sup> Francisco Carrión, “Cambios Globales. Distintas Visiones: La Visión de América Latina,” in Rojas Aravena (ed.), *América Latina y el Caribe: Relaciones Internacionales en el Siglo XXI* (Buenos Aires: Editorial TESEO-FLACSO-AECID, 2012), 61-78.

<sup>38</sup> Serbín, “Regionalismo y Soberanía Nacional en América Latina: Los Nuevos Desafíos.”

<sup>39</sup> Andrés Serbín, “Tres Liderazgos y Un Vacío: América Latina y la Nueva Encrucijada Regional,” *Anuario CEIPAZ, 2008-2009*, no. 2 (2009).

<sup>40</sup> Mónica Hirst, *Brasil-Estados Unidos: Desencontros e Afinidades* (Rio de Janeiro: Editora FGV, 2009); Andrés Malamud, “Leadership without Followers: The Contested Case for Brazilian Power Status,” in Martins and Saraiva (eds.), *Brazil, União Europeia, América do Sul: Anos 2010-2020* (Brasília: Fundação Konrad Adenauer, 2009), 126-148; Miriam Gomes Saraiva, “A Diplomacia Brasileira e a Visão Sobre a Inserção Externa do Brasil: Institucionalistas Pragmáticos x Autonomistas,” *Mural Internacional*, no. 1 (January-June 2010), 45-52; Matias Spektor, “El Regionalismo de Brasil,” in Sorj and Fausto (comps.), *Brasil y América del Sur: Miradas Cruzadas* (Buenos Aires: Catálogos, 2011), 161-197; Pedro da Motta Veiga and Sandra Polónia Ríos, “Brasil como Vector de Integración Sudamericana: Posibilidades y Límites,” in Sorj and Fausto (comps.), *Brasil y América del Sur: Miradas Cruzadas* (Buenos Aires: Catálogos, 2011), 199-245.

<sup>41</sup> Tullo Vigevani and Juliano Aragasuki, “Atitudes Brasileiras para as Organizações Hemisféricas: Círculos Concêntricos,” Hershberg, Serbín, and Vigevani (eds.), *Pensamiento Propio: “El Hemisferio en Transformación: Regionalismo, Multilateralismo y Políticas Exteriores en Un Entorno Cambiante,”* no. 39 (January-June 2014), 163-210.

<sup>42</sup> Gian Luca Giardini and Peter Lambert, *Latin American Foreign Policies: Between Ideology and Pragmatism* (New York: Palgrave Macmillan, 2011).

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evolution of the Organization of American States (OAS), has been partially filled by Brazil's growing leadership and its promotion of a South American space with greater autonomy.<sup>43</sup>

The world's seventh largest economy, Brazil is the most important power in South America and an important actor at the global level. Brazil has developed a cautious but sustained diplomacy oriented toward strengthening its regional and global leadership,<sup>44</sup> progressively consolidating its influence in South America despite the reticence of some countries in the region to accept its leadership role. Brazil therefore is carrying out its own policy of projecting power regionally and globally, with the creation of a constellation of different sub-regional platforms (Mercosur, UNASUR, CELAC) and the development of extra-regional organizations as part of its strategy (BRICS, IBSA, and the G20). Its objectives are regional stability and development as well as the creation of international coalitions,<sup>45</sup> combining "benign leadership" with a strategy of incremental concentric circles, intergovernmentalism, weak regional institutionalization, and restricted commitments to supply the resources and pay the costs of integration, which enables power projection in Latin America and Africa.<sup>46</sup> The South American unipolarity that Brazil promotes generates two kinds of reactions from its neighbors: reticence toward its increased power and regional projection or adherence to its project in line with their own national interests.

In contrast to Venezuela, although it has been critical of Washington's policies, Brazil has not taken antagonistic positions toward the United States, even in circumstances as complex as the case of electronic espionage against President Dilma Rousseff's government. Since 2007, Brazil has developed a strategic association with the EU, which could contribute to an advance in EU-Mercosur negotiations on a free trade agreement if the tensions within Mercosur between Brazil and Argentina allow for such an agreement.

For Brazil, two trends reached a tipping point in 2010: China surpassed the United States as Brazil's primary trading partner, and Brazil exported more commodities than manufactured goods for the first time since 1978. It is expected that "reprimarization" and slower economic growth will reduce Brazil's international visibility and clout in the coming years, presenting dilemmas for Brazilian foreign policy in terms of strategic options, which includes more coordination and cooperation with the United States and EU in multilateral forums, a variable strategy with emerging powers through the BRICS and IBSA, and taking on a regional leadership role representing South American in multilateral settings. Although these three options

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<sup>43</sup> Serbín, "Tres Liderazgos y Un Vacío: América Latina y la Nueva Encrucijada Regional."

<sup>44</sup> Matias Spektor, "Idéias de Ativismo Regional: A Transformação das Leituras Brasileiras da Região," *Revista Brasileira de Política Internacional*, vol. 53 (January-July 2010), 25-44. Spektor argues that Brazilian policy toward South America is built on two main pillars. First, protecting against threats and preserving Brazil's freedom of action against regional instability, U.S. interference, or the negative effects of globalization. Second, regional activism is a tool through which to increase its power and support Brazil's broader interests in the world.

<sup>45</sup> Alcides Costa Vaz, "Coaliciones Internacionales en la Política Exterior Brasileña: Seguridad y Reforma de la Gobernanza," *Revista CIDOB d'Afers Internacionals*, no. 97-98 (April 2012), 176.

<sup>46</sup> Elsa Llenderozas, "Política Exterior Latinoamericana y la Comunidad de Estados Latinoamericanos y Caribeños," in Bonilla and Álvarez (eds.), *Desafíos Estratégicos Del Regionalismo Contemporáneo: CELAC e Iberoamérica* (San José, Costa Rica: FLACSO-AECID, 2014), 129-149.

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are not mutually exclusive, the decision to prioritize one of them could have a decisive impact on Brazil's role in transatlantic relations.<sup>47</sup>

However, a scenario in which Brazil is the leader of a region that speaks with a unified voice in the world is growing ever more distant. Of course, the rhetoric of integration will continue; in practice, however, Brazil will likely become more focused on national interest. Brazil's main objectives continue to be economic gains, maintaining stability in South America, and limiting the harm that unstable neighbors could cause. As Malamud explains, Brazil is and will remain the dominant power in the region, but not its leader; it no longer needs to be.<sup>48</sup> At the Brazil-EU summit in February 2014, some countries already acknowledged (and are preparing for) the possibility that the EU's strategic association with Brazil constitutes a tacit recognition that inter-regionalism is coming to an end.<sup>49</sup>

Two countries in Latin America could challenge Brazil's leadership: Argentina and Mexico. Both have sizable economies and populations, a high degree of development, extensive territory, abundant natural resources, and a historic tradition of international activism. Both have also maintained a consistent policy against the notion that one country can permanently represent the region in international organizations.

Momentarily, Venezuela under Hugo Chávez emerged as a contender for regional leadership. Although Venezuela was never one of the major players in South America, over the last 15 years it promoted strategies that diverged from Brazil's, utilizing its oil wealth to build international alliances. Chávez cultivated and bought the loyalty of countries that are within Brazil's sphere of influence, such as Bolivia and Ecuador, in addition to several Central American and Caribbean countries. Although in the long run a foreign policy based on oil wealth is subject to the whims of the price of a barrel of oil, Venezuela has been an obstacle in recent years to Brazil's ability to control its neighborhood.<sup>50</sup>

In this sense, the Bolivarian Republic of Venezuela is an actor whose foreign policy over the last 15 years has been over-extended, subsidized by the high price of oil and characterized by a highly charged ideology.<sup>51</sup> Since the creation of ALBA in December 2004, Venezuela has sustained it through oil assistance and by incorporating countries with similar anti-hegemonic and anti-U.S. attitudes in the Caribbean, Central America, and South America. However, it is losing the influence that was driven by Chávez's leadership. Under President Nicolás Maduro, Venezuela is losing its weight as a regional leader due to its economic problems as well as the inherent difficulties involved in replacing a charismatic leader such as Chávez. Nevertheless, Venezuela's regional influence on the intergovernmental, political, and social levels has not

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<sup>47</sup> Andrés Malamud, "La Unión Europea, del Interregionalismo con América Latina a la Asociación Estratégica con Brasil," *Revista CIDOB d'Afers Internacionals*, no. 97-98 (April 2012), 219-230.

<sup>48</sup> Malamud, "La Unión Europea, del Interregionalismo con América Latina a la Asociación Estratégica con Brasil," 229-230.

<sup>49</sup> José Antonio Sanahuja, "Enfoques Diferenciados y Marcos Comunes en el Regionalismo Latinoamericano," in Hershberg, Serbín, and Vigevani (eds.), *Pensamiento Propio: "El Hemisferio en Transformación: Regionalismo, Multilateralismo y Políticas Exteriores en Un Entorno Cambiante,"* no. 39 (January-June 2014), 75-107.

<sup>50</sup> Malamud, "La Unión Europea, del Interregionalismo con América Latina a la Asociación Estratégica con Brasil," 223.

<sup>51</sup> Serbín, *Chávez, Venezuela y la Reconfiguración Política de América Latina y el Caribe.*

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disappeared. It maintains a two-pronged foreign policy based on a soft-balancing strategy designed to weaken the U.S. hegemonic presence as well as a growing militarization of its bureaucracy and its domestic social and political affairs.<sup>52</sup>

Mexico, without taking on an explicit role of regional leadership, finds itself among the ten largest economies in the world with a new government that seeks to reposition the country on the regional and global levels. However, as Rojas Aravena notes,<sup>53</sup> Mexico's leadership has historically not been consistent or sustained in the region, primarily exercising its influence on economic issues and in global forums. At the regional level, it has been limited in taking on a leadership role, principally because of its close relationship with the United States.<sup>54</sup> It is perennially torn between its ties to North America and its ability to influence Latin America, with the exception of its Mesoamerica Project initiated in 2000 by President Vicente Fox and more recently its involvement in the creation of CELAC and its participation in the Pacific Alliance.

Mexico aspires to overcome its biregional identity<sup>55</sup> by promoting a foreign policy based on multiple goals: strengthening its Latin American credentials; boosting its declining regional influence, especially in South America because of its exclusion from organizations like UNASUR; diversifying its international presence; and adjusting its external posture with the attributes of a middle power, but without the aspirations of a clear regional power.<sup>56</sup>

Despite its reduced presence in Latin America — especially during the 12 years of National Action Party (PAN) government — Mexico is beginning to resume its hemispheric role, beyond its ties with North America. It is flexing its muscles in Latin America, as illustrated by its more proactive foreign policy and the role it has played in reactivating the Rio Group as an alternative regional political forum to the OAS and in the creation of CELAC, to the exclusion of its NAFTA partners, as well as by rebuilding its ties with Cuba.

In the case of Argentina, the rhetoric of the governments of Néstor Kirchner and Cristina Fernández de Kirchner appear to mark the construction of an autonomist policy, primarily from the United States and the West. During the last decade, Argentina's foreign policy shows signs of tension between its two main poles, Washington and Brasília, but it shows few signs of promoting a foreign policy that is consistent and diversified, despite the government's clear "South Americanist" orientation through its preference for Mercosur in the economic realm,

<sup>52</sup> Andrés Serbín and Andrei Serbín Pont, "Quince Años de Política Exterior Bolivariana: Entre el *Soft-Balancing* y la Militarización?" in Hershberg, Serbín, and Vigevani (eds.), *Pensamiento Propio: "El Hemisferio en Transformación: Regionalismo, Multilateralismo y Políticas Exteriores en Un Entorno Cambiante,"* no. 39 (January-June 2014), 287-325.

<sup>53</sup> Rojas Aravena, "Global Shifts and Changes in Latin America," *Friedrich Ebert Stiftung Dialogue on Globalization* (November 2013), 10.

<sup>54</sup> Guadalupe González and Olga Pellicer (eds.), *Los Retos Internacionales de México: Urgencia de Una Mirada Nueva* (Mexico City: Siglo XII), 342.

<sup>55</sup> Olga Pellicer, "New Powers in Global Change: Mexico — A Reluctant Middle Power?" *Friedrich Ebert Stiftung Dialogue on Globalization* (February 2006); Natalia Saltalamacchia Ziccardi, "México y América Latina: La Vía Multilateral," in González and Pellicer (eds.), *Los Retos Internacionales de México: Urgencia de Una Mirada Nueva* (Mexico City: Siglo XII), 61-75; Guadalupe González, "América Latina en la Política Exterior: de la Importancia Simbólica a la Oportunidad Real," in González and Pellicer (eds.), *Los Retos Internacionales de México: Urgencia de Una Mirada Nueva* (Mexico City: Siglo XII), 358-375.

<sup>56</sup> Llenderozas, 133-134.

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UNASUR in the political sphere, and the OAS with regards to human rights.<sup>57</sup> Since their divergence at the Summit of the Americas in Mar del Plata in 2005 — which ended the FTAA negotiations — Buenos Aires has aligned itself with Washington on non-proliferation issues and was recognized as an important partner by the administration of U.S. President Barack Obama, but the two countries have experienced tensions on several occasions, including over Argentina's recent debt crisis and its strong rhetoric with regards to "holdout" U.S. creditors.

Argentina's accumulated tensions on trade and investment issues with Brazil, despite its "strategic relationship,"<sup>58</sup> could mean the end of the "strategic patience" that Brazil has had with its primary regional partner since Lula's government. The addition of Venezuela as the fifth member of Mercosur could be central to the evolution of the trade bloc as a means of international economic insertion for Brazil and Argentina, but Argentina has been influenced by its closeness with Venezuela's Bolivarian government, making negotiations with the EU more difficult.<sup>59</sup> Some analysts posit that Argentina's growing ties with Asia, and particularly with China<sup>60</sup> and Russia,<sup>61</sup> will not be able to obscure the fact that the country to a large degree depends financially on the United States and Europe. However, the reconfiguration of global power and the emergence of new actors in Asia could lead to a progressive disengagement of financial and trade ties with the West — at least during the remainder of Fernández de Kirchner's government — in favor of Argentina's repositioning in the international system, which recently included a failed attempt to join the BRICS during its meeting in Brazil in July 2014.

Although Argentina has been an important player in the "flexible architecture" of the new regionalism that has emerged both with the enlargement of Mercosur and the creation of UNASUR and CELAC, and its identification with some Bolivarian positions, its regional and international power projection has tended to weaken and decline. This is due to domestic political and economic conditions as well as inconsistencies in a foreign policy discourse that is strongly autonomist but which in practice is contradictory given that its economy has been surpassed by Brazil's, Mexico's, and recently Colombia's. Although it makes sense to speak of regional leadership and influence in the cases of Brazil, Mexico, and Venezuela, these have faded over the years in the case of Argentina.

Finally, Colombia's advances in peace talks with guerrillas and the growth of its economy to the third largest in Latin America could eventually lead to a greater role for Colombia in the region as well as the transatlantic sphere. Former Colombian President Ernesto Samper's recent designation as the secretary general of UNASUR as well as Colombia's close economic

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<sup>57</sup> Federico Merke, "Política Exterior Argentina y Elección Institucional," in Hershberg, Serbín, and Vigevani (eds.), *Pensamiento Propio: El Hemisferio en Transformación: Regionalismo, Multilateralismo y Políticas Exteriores en Un Entorno Cambiante*, no. 39 (January-June 2014), 353-381.

<sup>58</sup> Alejandro Simonoff, "Las Segundas Partes Nunca Fueron Buenas? Caracterización Preliminar del Nuevo Mandato de Cristina Fernández de Kirchner (12/2011 – 3/2013)," *Estudios Internacionales*, vol. 2, no. 1 (January-June 2014), 61-79.

<sup>59</sup> Simonoff, 76-77.

<sup>60</sup> Francisco Peregil, "China Lanza Una Salvavidas Económico a Argentina," *El País*, July 19, 2014, [http://internacional.elpais.com/internacional/2014/07/19/actualidad/1405742581\\_950064.html](http://internacional.elpais.com/internacional/2014/07/19/actualidad/1405742581_950064.html).

<sup>61</sup> In July 2014, Russian President Vladimir Putin and Chinese President Xi Jinping visited Buenos Aires and signed two agreements with the government of Cristina Fernández, in various areas.

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ties with the United States and EU could lead to a more proactive role for Colombia in the region and in the international system both through its eventual ties to TTIP and its aspiration to become a non-APEC member of TPP. Additionally, the recent election of President Michelle Bachelet in Chile and her decision to build a convergence between the Pacific Alliance and Mercosur could propel Chile into a new regional role.

***CELAC as a Transatlantic Interlocutor***

Both Brazil and Mexico have been crucial to the establishment of CELAC, which is the first attempt at permanent coordination and dialogue among the 33 countries of Latin America and the Caribbean. It is designed to reinforce capacities for coordination among the LAC countries to address the challenges of a changing world. It offers the possibility of articulating the interests and values of Latin America as a whole and projecting them into the international scene, overcoming the diversity and heterogeneity that currently fragment Latin America — and which make it difficult to find a common agenda toward the United States, the EU, or the rest of the world. It is founded on the principle of complementarity, and is designed to avoid the overlap and duplication of actions by other regional and sub-regional entities.<sup>62</sup> CELAC's development is a gradual and pluralistic process, based on respect for sovereignty and the development of the principle of solidarity, reaffirming the “necessary equilibrium between unity and diversity.” In a short span of time, CELAC has established dialogues with global actors such as China, India, the EU, and Russia, which is perhaps the most notable show of convergence and cooperation among its members.<sup>63</sup>

In its founding document, two main objectives are mentioned. The first relates to intraregional ties and aims to build a common space in which to deepen political, economic, social, and cultural integration as well as make commitments to joint efforts on development. The second objective regards external relations and is designed to create a regional voice that can speak as a unified political actor on the international stage. With regards to this objective, the Cancún Declaration “underscores the regional aspiration to reaffirm its presence in the forums in which it participates and make pronouncements on major issues and events on the global agenda.”<sup>64</sup> Regionalism is a clear goal of the project, but it also explicitly and strongly expresses the objective to strengthen its role in the international environment as a mechanism to promote the interests of its member states in multilateral institutions and as a space to facilitate the coordination of responses to the main issues on the international agenda.

Through the roles that it plays in the regional coordination system, and through its projection in the international system, if CELAC is consolidated and strengthened, it could make an important contribution to regional and global governance, with implications for the region, the hemisphere, and the global system, particularly at the UN. It could provide benefits for the external relations of its members and on global issues such as effective multilateralism, drugs,

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<sup>62</sup> Serbín, “Regionalismo y Soberanía Nacional en América Latina: Los Nuevos Desafíos.”

<sup>63</sup> José Antonio Sanahuja, “La Unión Europea y el Regionalismo Latinoamericano: Un Balance,” *Investigación y Desarrollo*, vol. 21, no. 1 (January-June 2013).

<sup>64</sup> Llenderozas, 131-132.



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peace and security, the fight against hunger and poverty, and UN reform. In fact, there are practically no issues that fall outside of CELAC's political agenda.

However, not all CELAC countries have convergent policies, not just in the hemispheric and transatlantic realm, but also within Latin America — although one common trait is a desire for greater autonomy from the United States to varying degrees. National interests and the principle of national sovereignty guide their actions on the international stage.<sup>65</sup> Nevertheless, in all of the countries mentioned, there is a complex array of institutional mechanisms through which foreign policy priorities are defined and implemented, spaces that inevitably suffer from a constellation of multiple domestic interests that limit the debate on that policy and its reaches.<sup>66</sup>

### Global Changes, Shifting Transatlantic Relations, and New Latin American Actors

In summary, in the last two decades, the Western Hemisphere has experienced an unprecedented transformation, resulting in new forms of multilateralism in the region; new means of developing regionalism and regional integration; and new articulations of tensions and conflicts that are built into a new regional power architecture. It is important to consider political reconfiguration in the region and the respective positioning of certain relevant actors toward emerging regional structures and transatlantic relations. Likewise, it is essential during this ongoing reconfiguration to understand the distinct foreign policies of influential states in the region — in terms of national priorities, decision-making mechanisms, and convergences and divergences between different actors.

In addition to the decreasing strategic influence of the United States and the restructuring of hemispheric relations,<sup>67</sup> Latin America — often under the leadership of Mexico and Brazil — has increasingly built institutional ties with other regions such as Africa, Asia, and the Arab world. Examples include the Summit of South American and Arab Countries (ASPA), South American summits with Africa, and the Pacific Alliance's relations with Asian countries.<sup>68</sup> Likewise, as already mentioned, Brazil has developed as part of its global strategy a specific South-South cooperation agenda with Africa, which is helping redesign the traditional North-South paradigm in the Atlantic.

The United States' strategic distancing from Latin America and the growing autonomy of countries in the region even puts into question the hemispheric forum *par excellence* that is the OAS, and Latin America is reformulating its relations with both the EU and the United States as it moves away from inter-regionalism toward selective strategic agreements. Despite this, the United States and EU continue to be the most important markets for Latin American exports, especially those of highest value-added, as well as the main source of FDI in the region, particularly in the manufacturing and services sectors. Moreover, they are the most

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<sup>65</sup> Serbín, "Regionalismo y Soberanía Nacional en América Latina: Los Nuevos Desafíos."

<sup>66</sup> Luis Fernando Ayerbe (org.), *Cuba, Estados Unidos y América Latina ante los Desafíos Hemisféricos* (Buenos Aires, Barcelona: Icaria Editorial — Ediciones CRIES, 2011).

<sup>67</sup> Hershberg, Serbín, and Vigevani, "La Nueva Dinámica Hemisférica: Desafíos y Potencialidades."

<sup>68</sup> Carrión, 75.

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important partners for Latin America in terms of investment and employment through technology transfer.

At the same time, the rise of Latin American economies makes them more attractive to foreign investors and as export markets. Additionally, as Sanahuja notes,<sup>69</sup> with regards to the emerging markets in Asia as well as the United States there is an important economic geometry through the mega-regional agreements that demands a strategy based on a network of free trade agreements. In fact, the strategy of free trade agreements that many in the region have pursued has already created an adequate basis through which to take advantage of these agreements, especially for the Latin American countries that have signed FTAs with the EU and United States and that are also important parts of the regional integration architecture.

It is evident that there are opportunity costs; in particular, South-North trade agreements have often weakened Latin American South-South integration. Moreover, the strategies pursued by the Pacific Alliance and what is becoming an “enlarged Mercosur” with the addition of Venezuela, and possibly Bolivia and Ecuador, are quite different and it is hard to evaluate, beyond ideological considerations, which is the most appropriate development strategy based on this landscape.<sup>70</sup> Rosa Conde discusses the possibility of an economic and cultural “civilizing triangle” comprised of Latin America, the United States, and the EU with regards to some issues on the global agenda such as nuclear policy and non-proliferation; migration and remittance policies; combatting drug trafficking; and fighting climate change and poverty.<sup>71</sup> This particular triangulation could respond to the existing similarities and the eventual convergence of U.S. and EU policy toward Latin America, “in large part due to the changing nature of hemispheric relations and the diversity of foreign policies in the Latin American region,” going beyond trade and economics to topics such as immigration and drug policy.<sup>72</sup>

Aside from this triangle, another triangle is beginning to emerge in the South Atlantic due to the convergence of relations between Africa, LAC, and Europe, which entails significant future potential as Africa, Latin America, and the Caribbean grow in importance, and as South-South cooperation becomes more important along with the international system’s restructuring in terms of power and wealth. In this South Atlantic triangle, stronger economic relations, political dialogue, and development cooperation between Latin America and Africa are generating a new equilibrium as trade and investment from Latin America toward Africa increase and as institutions such as UNASUR or CELAC engage with the African Union.<sup>73</sup> In this regard, Africa-South America summits become an inflexion point.

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<sup>69</sup> Sanahuja, “La Unión Europea y el Regionalismo Latinoamericano: Un Balance,” 185.

<sup>70</sup> Sanahuja, “La Unión Europea y el Regionalismo Latinoamericano: Un Balance,” 185.

<sup>71</sup> Rosa Conde, “La Unión Europea y el Sistema Internacional,” in Rojas Aravena (ed.), *América Latina y el Caribe: Relaciones Internacionales en el Siglo XXI* (Buenos Aires: Editorial TESEO-FLACSO-AECID, 2012), 75.

<sup>72</sup> Jose Antonio Sanahuja and Francisco Verdes-Montenegro, “Seguridad y Defensa en Sudamérica: Regionalismo, Cooperación y Autonomía en el Marco de MERCOSUR,” in Serbín, Martínez, and Ramanzini (eds.), *Anuario de la Integración de América Latina y el Caribe 2014* (Buenos Aires: CRIES, 2014), 66.

<sup>73</sup> Sanahuja and Verdes-Montenegro, 68.

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Thus, Latin America and the Caribbean are currently characterized by their pluralism and political heterogeneity as well as their efforts to build a space in which different political, social, and economic projects can coexist in a context of democratic stability and credibility. Part of these efforts includes strengthening Latin American identity through regional consultation mechanisms outside the traditional orbit of the United States and the Iberoamerican space. Latin American foreign policies have diversified, and Brazil has emerged as a global leader while exercising cautious leadership within the region. Moreover, there is the general perception that Latin America has become a reliable and necessary global actor, exemplified by the establishment of stable relationships and cooperation as equals with global actors. The relatively limited impact of the economic crisis in the region contributed to the changed perception of Latin America, as the 2008 financial meltdown was the first completely exogenous crisis for which the majority of Latin American countries were prepared and in a position to become part of the solution.

In spite of this new situation and the ongoing construction of a new multilateral agenda, coordinated action and a common strategy for the region have not yet emerged nor has a sustained effort been made to do so, aside from the first steps taken by CELAC. In the transatlantic sphere, even less has been done, apart from the initiatives mentioned above. Until now, multilateralism in the region has been primarily introspective, focused on regional issues and public goods rather than a proactive stance in the global system, perhaps with the exceptions of South-South cooperation between Brazil and Africa and attempts to establish closer links with BRICS and other emerging groupings. Nevertheless, despite the proliferation of summits and the abundance of new regional mechanisms, there are serious doubts about their ability to contribute to effective regional governance in the short term since there is a tendency to address regional crises and inter-state tensions or conflicts reactively.

In addition to its initiatives with Africa, CELAC has been consolidating its process of negotiating agreements with the EU, India, China, and more recently with the BRICS in July 2014, after which CELAC's Troika Plus One (Cuba, Costa Rica, Ecuador, and St. Vincent and the Grenadines) met with the Chinese president to advance agreements between China and the region.

A separate issue is CELAC's relationship with the United States and the inter-American system. Although the United States continues to be the most important external actor for all of the countries in Latin America and the Caribbean, its strategic disengagement from the region after September 11, 2001, and its focus on relations with its closest neighbors have made a CELAC-U.S. bond very low or non-existent in the short run, with hemispheric dialogue remaining within the framework of the OAS, which many countries in the region see as a U.S. instrument that will eventually compete with CELAC.

Moreover, the debate continues about whether transatlantic relations should be channeled through agreements between regional blocs, particularly if the EU should conclude an association agreement with Mercosur or with UNASUR, or perhaps seek a broader strategic agreement with CELAC.

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Recent experience shows that although the development of new regionalism has helped strengthen the ability to coordinate positions vis-à-vis third parties, especially in the case of CELAC, the same has not happened with regards to the various issues on the global agenda addressed in different multilateral forums, as illustrated by the lack of coordination among the three Latin American members of the G20 or the recent competition among some of them at the WTO. It remains to be seen whether this coordination will be able to generate common proactive stances on global issues.

The persistence of the Atlantic dynamic with regards to the relationship between the United States and EU, in terms of security and trade as well as other challenges, combined with the difficulty for Latin America in articulating a common voice, raises serious questions about the possibility of creating a broader Atlantic space that responds to the needs of the different actors that try to fill it. In this sense, if the goal behind TTIP is to reignite globalizing Atlantic dynamism, excluding South Atlantic countries will only encourage them to develop closer links with actors in Asia and the Pacific, as evidenced by the ever-closer ties between South America and China as well as the Pacific Alliance's projection toward that space, which could eventually drag some of its partners in UNASUR and CELAC with it. This would mean that many of the evolving Atlantic issues mentioned at the beginning of this chapter — especially energy, maritime resources, and climate change, as well as security and trade — could end up being addressed through external relationships and not within a more endogenous process that reaffirms the Atlantic as an inclusive space.

Any effort to consolidate an Atlantic space should go beyond the privileged relationship between North America and the European Union in the North Atlantic, and the fundamentally asymmetrical interactions between these two actors and Latin America and Africa. It should instead focus on a Latin America eventually represented by CELAC and move to “square the circle,” with the active incorporation of Africa — while moving beyond specific U.S. policies in terms of security, specific EU policies in terms of cooperation, and the South-South cooperation promoted by Latin America — in a more active dynamic that enables the effective construction of an Atlantic Community that does not exclude any Atlantic actors. It should focus on a common agenda that includes the provision of public goods and that addresses shared threats and vulnerabilities that could put this project at risk. Beyond the difficult task of creating a common agenda based on shared interests among the four sides of the square, the absence of a common strategy to overcome the existing historic asymmetries between the four regions presents a formidable additional obstacle that creates incentives to develop ties with other regions that are not part of the Atlantic space.

Finally, even if things develop in a direction that enables the creation of an integrated Atlantic space, it remains to be seen if this space would be able to continue to be a dynamic center of globalization in the face of the emerging Pacific space.

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