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COMMENTARY

A Poverty of Imagination: George W. Bush's Policy in Latin America

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Abstract. Washington's challenge during George W. Bush's presidency was to define a new relationship with Latin America beyond free trade and neoliberal economics – a relationship responsive to the region's demand for social and economic justice. Preoccupied by the wars in Afghanistan and Iraq, the Bush administration failed this challenge. The president left his Latin American policy in the hands of conservative cold warriors who reacted with hostility to the election of 'new left' socialists and populists. As a result, Washington's reputation and relations in Latin America deteriorated dramatically.

Keywords: George W. Bush, US policy toward Latin America, Free Trade Area of the Americas, democracy promotion, Cuba, Haiti, Colombia, Venezuela, Summit of the Americas

'This is a magic moment,' President Bill Clinton declared as he convened the first Summit of the Americas in December 1994. Rarely had Washington's relations with Latin America seemed more harmonious or the prospects for cooperation brighter. The military dictatorships that plagued the region in the 1970s and 1980s had given way to electoral democracies, whose new governments adopted Washington's preferred neoliberal economic policies. At the summit, the assembled heads of state pledged to create by 2005 a Free Trade Area of the Americas (FTAA) extending, in Clinton's words, 'from Alaska to Argentina'.[1]

The new 'partnership for prosperity' Clinton envisioned would have constituted a sharp break with traditional relations between the United States and Latin America. Since President James Monroe declared the Western Hemisphere closed to European colonisation in 1823, US policy had aimed at keeping major powers from attaining strategic positions that might

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[1] 'Remarks on Goals of the Summit of the Americas in Miami, Florida,' 9 December 1994, *Weekly Compilation of Presidential Documents* (Washington, DC: GPO, online), pp. 2485–9.

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threaten US security. From this premise flowed the corollaries of Gunboat and Dollar Diplomacy in the early 1900s, wherein Washington saw fit to intervene in Latin America to maintain order and safeguard US economic interests. Before World War II, Washington justified its policy in terms of Great Power politics. After World War II, the struggle against international Communism became the new rationale for US hegemony.[2]

The end of the cold war left the United States unchallenged as the sole superpower. No other nation was willing or able to contest US influence in Latin America, and the wide acceptance of neoliberal economic policies created a safe environment for US investors. The imperative that had driven Washington to treat Latin America as its sphere of influence with limited sovereignty no longer seemed relevant. In this context, Clinton proposed a new partnership based on respect for democratic institutions, private enterprise and free trade.

Clinton's vision was never realised. The economic model of open markets and free trade disappointed Latin Americans by failing to 'change the lives of real people for the better,' as Clinton promised. Instead, the track record of neoliberal economics was dismal. By the time President George W. Bush traveled to Argentina for the fourth Summit of the Americas in 2005, the FTAA was all but dead. People across Latin America were voting for governments of the left – a 'new left,' part populist and part socialist, characterised by a suspicion of neoliberalism, a willingness to use the power of the state to correct the failures of the market, and a commitment to improving the living standards of the hemisphere's poor majority.

Washington's challenge during the Bush years was to define a new relationship with Latin America beyond the old slogan of 'trade, not aid' and open markets – a relationship responsive to the region's emerging demand for social and economic change. Preoccupied by the wars in Afghanistan and Iraq, the Bush administration failed this challenge. The president left his Latin American policy in the hands of conservative cold warriors held over from the Reagan years. Faced with a tumultuous hemisphere, their prescription, as in the 1980s, was to look for enemies to blame.

The levers of influence at their disposal were traditional ones: the threat of economic denial and the manipulation of domestic politics. The economic levers took various forms: an embargo for Cuba, threats to halt remittances to El Salvador and Nicaragua, threats to cut off bilateral assistance to Nicaragua and Bolivia, and the inducement of reduced tariffs for Central America and the Andean countries. The political levers, under the rubric

[2] Peter Smith, *Talons of the Eagle: Dynamics of U.S.-Latin American Relations* (Oxford, 1996); Lars Schoultz, *Beneath the United States: A History of US Policy Toward Latin America* (Cambridge, 1998).

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of 'democracy promotion,' included diplomatic and material support for domestic actors sympathetic to the United States, including some with subversive intent. Elsewhere, the US embassy brokered political outcomes favourable to Washington. The only instrument from the cold war years Washington foreswore was fomenting military coups, though in Venezuela it came close.

Yet despite the United States' unrivaled superpower status, the Bush administration found Latin America surprisingly resistant to the assertion of US hegemony. One reason was the reduction of US bilateral assistance from the heyday of the cold war. Although US aid was nominally about the same in 2005 as it had been in 1985, in constant dollars it had fallen by a third. Moreover, almost half of US aid in 2005 went to just five countries on the front lines of the drug war: Colombia, Peru, Bolivia, Ecuador and Mexico. The only other countries receiving significant aid were Haiti and the Central American states. Military assistance was similarly concentrated in the drug war states, which received 85 per cent of the total. Colombia alone received more than half a billion dollars, 62 per cent of the total.[3] Elsewhere in the region, less aid meant less leverage.

Moreover, as Latin America built democratic institutions, political elites had to answer to their constituents in elections. Even those whose ideological kinship made them receptive to US influence had to tend their political fences at home; those who did not, found themselves voted out of office or driven out by massive popular demonstrations. As 'new left' leaders replaced neoliberals, Washington found itself with fewer and fewer friends in the hemisphere.

Freedom and free markets

As George W. Bush assumed the presidency, Clinton's vision of hemispheric economic integration based on free trade was already in trouble. The US Congress resisted giving the president fast track authority for trade agreements, multilateral negotiations were proving difficult, and several Latin American countries were seeking bilateral or regional agreements rather than a hemispheric one. Bush came to office pledging to make Latin America a priority. 'The best foreign policy starts at home,' he said a few weeks after inauguration. 'We've got to have good relations in the hemisphere.'[4]

[3] Economic aid data is from US Agency for International Development, *US Overseas Loans and Grants*, various years, available at: http://qesdb.cdie.org/gbk/. Military aid data is from *Just the Facts: A Civilian's Guide to US Defense and Security Assistance to Latin America and the Caribbean* (Washington, DC: Center for International Policy and the Washington Office on Latin America), http://www.ciponline.org/facts/.

[4] 'Exchange With Reporters Aboard Air Force One,' 13 February 2001, *Weekly Compilation of Presidential Documents*, pp. 79–81.

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Mexico had a special place on this new agenda. Bush had met Mexico's new president, Vicente Fox, when the two were governors, and Bush's first trip abroad was to visit Fox at his Mexican ranch. The symbolism was intentional.

But while Bush promised to pay more attention to Latin America, the substance of his policy was not new. As in the Clinton years, Washington would promote democracy and free trade – a policy of 'freedom and free markets,' Bush called it.[5] To those who had doubts about whether the tonic of free trade was providing the benefits touted for it, Bush's prescription was to up the dosage. 'The solution does not lie in statism or protectionism,' he said at the Second Summit of the Americas in Quebec. 'The solution lies in more freedom. And that is why we seek freedom not only for people living within our borders but also for commerce moving across our borders.'[6]

President Bush's pledge to prioritise Latin America lasted less than a year. The attacks on 11 September 2001, commanded the attention of his national security team, and the war on terrorism took precedence. Relations with key Latin allies such as Mexico and Chile blew hot and cold depending upon their willingness to back Washington's efforts in Afghanistan and Iraq.[7] With few Muslim extremists, Latin America constituted a minor front in the new war. The uncontrolled southern border of the United States posed the only plausible terrorist threat from the region. As Washington tightened border controls, it aggravated bilateral relations with Mexico and damaged President Fox, who had gambled that his friendship with Bush would produce immigration reform. After September 11, events moved in the opposite direction.

With senior officials focused on the Middle East, the Western Hemisphere was left to mid-level appointees who sought to cultivate attention for their favourite policy initiatives by recasting them as ancillary to the war on terrorism. Like Reagan before him, Bush turned Latin America policy over to the most conservative wing of the Republican Party. He nominated Cuban-born Otto J. Reich as assistant secretary of state for Western Hemisphere Affairs. A favorite of Miami hardliners, Reich had been in charge of Reagan's 'public diplomacy' operation, demonising opponents of the president's Central America policy. An investigation by the General Accounting Office

[5] 'The President's News Conference With President Vicente Fox in San Cristobal, Mexico', 16 February 2001, *Weekly Compilation of Presidential Documents*, pp. 299–304.

[6] 'Remarks at the Summit of the Americas Working Session in Quebec,' 21 April 2001, *Weekly Compilation of Presidential Documents*, pp. 640–2.

[7] Ginger Thompson with Clifford Krauss, 'Antiwar Fever Puts Mexico In Quandary On Iraq Vote,' *New York Times*, 28 February 2003; Larry Rohter, 'Chile Feels the Weight of Its Security Council Seat,' *New York Times*, 11 March 2003.

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(GAO) concluded that Reich's office had engaged in 'prohibited, covert propaganda activities,' aimed at the American public.[8]

Reich's nomination was blocked by Senate Democrats who had been targets of his vitriolic attacks during the Reagan years, but after September 11, Bush by-passed the Senate, installing Reich by recess appointment. As his deputy, Reich hired Dan Fisk, former staff assistant to Senator Jesse Helms. Bush appointed another Helm's aide, Roger Noriega, as US ambassador to the Organisation of American States (OAS). When Reich's recess appointment expired in November 2002, Noriega succeeded him. At the Defence Department, Roger Pardo-Maurer, a former member of the Nicaragua contra movement, became deputy assistant secretary for the Western Hemisphere. Other Cuban-American conservatives were named to the National Security Council (NSC) staff and US Agency for International Development's Latin America programme.

This was a team blinded by the cold war's Manichean vision of friends and enemies. When civil strife erupted in Central America in the 1980s, these Reaganites saw only the veiled hand of Havana and Moscow behind the uprisings. They disparaged the notion that popular resistance might spring from decades of social inequality and military dictatorship. The rising tide of Latin America's new left echoed the social and economic grievances that gave birth to Central America's insurgencies. Dictatorships had been replaced by nominal democracies, but pervasive corruption and weak political parties made most Latin governments unresponsive to popular demands. Two decades of neoliberal economic policies had done little to alleviate the wretched living conditions of the poor. Under Bush, US policy would remain deaf to the winds of change sweeping the hemisphere, preferring the certainty of old ideological hatreds and the comfort of fighting old enemies.

Settling old scores in Haiti: ousting Aristide

Haiti was already in crisis when George W. Bush assumed office. President Jean-Bertrand Aristide was at loggerheads with opponents over his manipulation of the 2000 legislative elections, and efforts to mediate by the Organisation of American States were stalled. Bush's team despised Aristide and was contemptuous of Clinton's decision to force the Haitian military to accept the elected president's return in 1994. 'The crime is the Clinton administration supported him as long as it did,' said Otto Reich. The new

[8] Alfredo Corchado, 'Iran-contra Figure up for Key Aide's Job,' *Dallas Morning News*, 4 March 2001.

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administration intended 'a change in policy,' he acknowledged. 'We wanted to change, to give Haitians an opportunity to choose a democratic leader.'[9]

In 2002, the International Republican Institute (IRI), funded by the US government, began quietly training hundreds of Haitian opposition political operatives. The IRI staff spread the word that Washington wanted to see Aristide forced from office, and urged the opposition to resist mediation by the OAS and the Caribbean Community (Caricom). When US Ambassador Brian Dean Curran complained to Washington that the IRI was interfering with US policy, which was nominally to support compromise, senior officials in the State Department and National Security Council backed the IRI. When OAS Acting General Secretary Luigi Einaudi (himself a former senior State Department official in the Reagan Administration) tried to broker negotiations between opposition leaders and Aristide's government at the US ambassador's residence, Washington killed the idea.[10]

In February 2004, a ragtag collection of several hundred armed men seized control of the city of Gonaïves and demanded Aristide's removal. The rebellion was led by former members of Front pour L'Adancement et le Progrès Haitien (FRAPH, the Haitian Front for Advancement and Progress), the death squad organisation deployed by the previous military regime to repress Aristide supporters. Since Aristide had abolished the armed forces, all that stood between the rebels and the capital was the corruption-ridden national police, which disintegrated forthwith.

'We cannot buy into a proposition that says the elected president must be forced out of office by thugs and those who do not respect law and are bringing terrible violence to the Haitian people,' Secretary of State Colin Powell declared on 17 February.[11] In fact, not only did the Bush administration buy into this proposition, it played the critical role in making it a reality. When Caricom proposed, with US backing, a power-sharing arrangement that would give the opposition a substantial role in Aristide's government, Aristide agreed to it. The opposition, sensing that they could drive Aristide out, refused to go along. Rather than holding the incalcitrants accountable, Washington instead called on Aristide to resign. Powell led the way, followed two days later by President Bush, who declared, 'This long simmering crisis is largely of Mr. Aristide's making … His own actions have called into question his fitness to continue to govern.' In the background, a senior administration official was more pithy: 'Aristide must go.'[12]

[9] Walt Bogdanich and Jenny Norberg, 'Mixed US Signals Helped Tilt Haiti Toward Chaos,' *New York Times*, 29 January 2006.

[10] *Ibid.*

[11] Christopher Marquis, 'U.S. Declines To Use Force To Put Down Haitian Strife,' *New York Times*, 18 February 2004.

[12] David E. Sanger and Eric Schmitt, 'Bush Increases Pressure for Haitian to Leave Office,' *New York Times*, 29 February 2004.

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As the rebels closed in on Port-au-Prince, the US ambassador told Aristide that the United States could only guarantee his life if he would agree to resign and leave the country immediately. Aristide complied, later claiming he had been intimidated into resigning and spirited into exile by the US security officials. Once Aristide had fled the country, the United States sent in 1,500 Marines to restore order and disarm the rabble. Washington then arranged the appointment of a new prime minister, passing over leaders from Aristide's Lavalas party in favor of Gérard Latortue – a US resident and Aristide opponent who called the rebels 'freedom fighters.' With scant legitimacy inside or outside the country, Latortue made no progress stabilising Haiti. When elections were finally held in 2005, under the watchful eyes of United Nations peacekeeping forces, the voters returned the Lavalas party to power by electing René Préval.

Settling old scores in Colombia: counterinsurgency becomes counter-terrorism

US policy toward Colombia changed the least in the transition from Bill Clinton to George W. Bush. In 2000, alarmed by the growth of cocaine production and the army's faltering performance against the Frente Armada Revolucianaria de Colombia (FARC, Revolutionary Armed Forces of Colombia), the Clinton administration won Congressional support for Plan Colombia, a $1.7 billion aid package focused mostly on military assistance. The Colombian conflict, underway for nearly half a century, was a complex mix of politics and greed, fueled by the vast fortunes available from drug trafficking. In areas under its control, the FARC protected coca farmers and taxed traffickers to fund its insurgency. Over the years, the traffickers made common cause with wealthy landowners by funding rightist paramilitary armies to repel the guerrillas. The paramilitaries had grown into a powerful nation-wide coalition, the Autodefensas Unidas de Colombia (AUC, United Self-Defence Forces of Colombia). Their indiscriminate violence against civilians gave Colombia one of the worst human rights records in the world. Yet the government's attitude toward the paramilitaries was ambivalent. Unable to effectively control the national territory, the armed forces saw the paramilitaries as allies and collaborated with them.[13]

[13] On Colombia's human rights record and the links between the armed forces and the paramilitaries, see: US Department of State, *Country Reports on Human Rights Practices, 2005: Colombia* (Washington, DC, 8 March 2006), http://www.state.gov/g/drl/rls/hrrpt/2005/61721.htm; Human Rights Watch, *The 'Sixth Division': Military-Paramilitary Ties and US Policy in Colombia* (New York: 4 October 2001), http://www.hrw.org/reports/2001/colombia/; William Aviles, 'Paramilitarism and Colombia's Low-Intensity Democracy,' *Journal of Latin American Studies*, 38, no. 2 (May 2006), pp 379–408, and Marc W. Chernick, 'The Paramilitarization of the War in Colombia,' *NACLA Report on the Americas*, 31, no. 5 (March/April 1998), pp. 28–34.

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Two factors made the war in Colombia a priority for Washington. First, coca production was on the rise, as US-backed eradication programs in Bolivia and Peru led traffickers to finance new cultivation in Colombia. Stepped-up eradication efforts in Colombia were essential to the war on drugs, and increased military assistance was necessary to give the Colombian army the capability to step up eradication. Second, momentum in Colombia's long-simmering insurgency seemed to be shifting to the guerrillas. Buying weapons with the proceeds from the drug trade and kidnapping, the FARC had dealt the army a number of demoralising defeats.[14]

In Washington, support for Plan Colombia came from two quarters – those responsible for the war on drugs, and those in the Pentagon who wanted to use the drug war as an excuse to defeat the last remaining guerrilla insurgency in Latin America. Congressional resistance to Clinton's proposals focused principally on Colombia's poor human rights record and the collaboration of the armed forces with the paramilitaries. Thus Congress imposed two constraints on military assistance: it could only be used for counter-drug operations, not for counter-insurgency; and the State Department had to periodically certify that Colombia was improving human rights.

The Bush administration was skeptical of President Andrés Pastrana's repeated efforts to engage the guerrillas in peace negotiations, but supported Plan Colombia.[15] Negotiations between Pastrana and the FARC finally collapsed shortly before Colombia's 2002 presidential elections. Sickened by the unending violence and disillusioned by the FARC's recalcitrance in the face of Pastrana's offers to negotiate, Colombians elected conservative Alvaro Uribe president. Uribe promised to get tough on the guerrillas and restore people's personal security. In Uribe, Bush found a kindred spirit eager to expand the war.

In the wake of September 11, Bush officials redefined the war in Colombia as a front in the global war on terrorism. 'People are interested in considering a move from counter-narcotics to counter-terrorism, rather than counterinsurgency,' a senior official said, explaining the new approach. 'What people are thinking is Colombia is under threat from terrorism.' Even though this formulation was 'just a change in words,' he acknowledged, it might break down Congressional resistance to a wider US role.[16] In the

[14] For a more detailed discussion of the origins of Plan Colombia, see: William M. LeoGrande and Kenneth E. Sharpe, 'One War or Two? Drugs, Guerrillas, and Colombia's New Violencia,' *World Policy Journal*, 17, no. 3 (October 2000), pp. 1–11.

[15] Christopher Marquis, 'Colombian Deal With Rebels Is Vexing U.S.,' *New York Times*, 23 August 2001.

[16] Christopher Marquis, 'US to Explore Aid to Colombia, Citing Threat of Terrorism,' *New York Times*, 3 March 2002.

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spring of 2002, the administration asked Congress to allow US military assistance to be used to fight the guerrillas. Afraid of looking soft on terrorism, Congress complied.

Uribe was Bush's favorite president in Latin America and the closest thing Washington could point to as a policy success. He cooperated with the drug war, extraditing drug barons to the United States in unprecedented numbers. He fumigated rural areas despite the harm done to poor peasant communities, which significantly reduced the acreage under coca cultivation, but predictably, had no impact on the price, purity or availability of cocaine in the United States.[17] Regionally, he was a stalwart supporter of the FTAA.

Washington rewarded Uribe with $3 billion in military aid and $40 million in economic aid during the first six years of the Bush presidency.[18] He was also rewarded with silence about ongoing human rights abuses. As required by law, the State Department repeatedly certified that Colombia was improving human rights, and each time, human rights groups registered their dissent.[19] When Uribe proposed an amnesty law allowing the paramilitaries to demobilise in exchange for immunity from extradition, greatly reduced jail sentences for atrocities, and the right to keep most of their ill-gotten gains, Washington supported the initiative – even though the AUC was classified by the State Department as a terrorist group. When political supporters of Uribe and members of his administration were implicated as clandestine partners of the paramilitaries, Washington offered not a word of criticism.[20] When Uribe successfully lobbied the Colombian Congress to amend the constitution, allowing him to run for re-election, Washington had no objection to this tinkering with the state's fundamental law.

Having successfully reduced the level of social violence – especially paramilitary massacres and guerrilla kidnappings – Uribe rode a wave of popularity to easy re-election in 2006. His appeal was similar to Hugo Chávez's in neighbouring Venezuela, though the dominant issues were different. Colombians were fed up with violence and personal insecurity.

[17] Connie Veillette, *Plan Colombia: A Progress Report*, CRS Report for Congress RL32774, 17 February 2005, p. 3.

[18] Military aid data is from *Just the Facts: A Civilian's Guide to US Defense and Security Assistance to Latin America and the Caribbean* (Washington, DC: Center for International Policy and the Washington Office on Latin America), http://ciponline.org/facts/. Economic aid data is from USAID, 'Colombia: Overview,' http://www.usaid.gov/locations/latin_america_caribbean/country/colombia/.

[19] Colleen W. Cook, *Plan Colombia: A Progress Report*, CRS Report for Congress RL32230, 13 December 2006, pp. 24–5.

[20] Indira A. R. Lakshmanan, 'Testimony Details Death Squad Acts in Colombia,' *Boston Globe*, 18 January 2007; Sibylla Brodzinsky, 'Claims of Militia Links Rock Colombian Presidency; Crisis for Uribe as Senator Admits Paramilitary Pact,' *The Guardian*, 30 November 2006.

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Venezuelans were fed up with poverty and corruption. Both were fed up with ineffective government, and wanted leaders who would get things done – even if that meant disregarding conventional institutions. Although Uribe was not as openly contemptuous of democratic norms as Chávez, he did nothing to strengthen them. His personalistic style polarised Colombian politics, further weakening the party system. He was a conservative, law-and-order populist – the mirror image of Chávez. Uribe was the sort of populist the Bush administration could appreciate.

Settling old scores in Cuba: disrupt the succession!

George W. Bush, even more than his Republican predecessors, owed a special debt to conservative Cuban-Americans in Florida. They voted overwhelmingly Republican in 2000, punishing the Democrats for seizing six year-old Elián González from his Miami relatives and returning him to his father in Cuba. They mobilised to block recounts in Miami-Dade at a moment when the election still hung in the balance.[21] Florida's governor, Bush's brother Jeb, counted the Cuban-American right as a key element of his political base, dating from when he managed the campaign of Ileana Ros-Lehtinen (Republican representative from Florida), the first Cuban-American elected to Congress. 'We have an insurance policy in George W. Bush,' said Cuban-American Representative Lincoln Diaz-Balart (also a Republican congressman from the state). 'You're not going to see George W. Bush betray the Cuban-American community.'[22]

Fidel Castro was still the *bête noire* of the hardliners running Bush's Latin America policy, though not even the Pentagon believed Cuba still posed any threat to the United States.[23] Bush pledged to fight any effort to relax sanctions and promised to take a more proactive approach, 'to bring about democratic change in Cuba.'[24] (He would not, however, provoke a confrontation with European allies by allowing Cuban-Americans to sue foreign firms for lost property under the Helms-Burton law. Bush quietly extended Clinton's policy of waiving that section.)[25]

After September 11, the administration seized on terrorism to rationalise a more confrontational policy. Cuba was retained on the State Department's

[21] Tim Padgett, 'Mob Scene In Miami,' *Time*, 26 November 2000.

[22] Miles A. Pomper, 'Sentiment Grows for Ending Cuba Embargo, But Opponents Say Bush Will Stand Firm,' *Congressional Quarterly Weekly Report*, 9 February 2002, p. 408.

[23] For the past four years, the annual posture statement of the US Southern Command has not mentioned a threat from Cuba.

[24] US Department of State, 'Transcript: Bush Signals Support for Sending Aid to Dissidents in Cuba, 18 May 2001,' http://usinfo.state.gov.

[25] Christopher Marquis, 'Bush Forgoes Trying to Bar Cuba Deals By Foreigners,' *New York Times*, 17 July 2001.

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list of state sponsors of terrorism, despite a lack of any real evidence. In May 2002, John R. Bolton, Under Secretary for Arms Control and International Security, accused Cuba of developing biological weapons. In a speech to the conservative Heritage Foundation, entitled, 'Beyond the Axis of Evil,' Bolton elevated 'rogue states' Libya, Syria and Cuba to evil's second tier because of their alleged efforts to acquire weapons of mass destruction.[26] The charges proved to be nonsense and eventually had to be withdrawn, but the Cubans took due notice of the fact that they had been put in the same category as Iraq – an alleged state sponsor of terrorism developing weapons of mass destruction.[27]

Even before Castro fell ill, the thrust of Bush's policy was to disrupt plans for a smooth succession. To this end, he tightened the economic embargo by making travel more difficult. Travellers spent hard currency in Cuba, Bush argued, thereby bolstering the economy and prolonging the regime. In July 2001, he ordered stepped-up enforcement of existing travel restrictions to discourage the 20,000–30,000 US residents who were travelling to Cuba illegally every year. The Treasury Department's Office of Foreign Assets Control (OFAC) assigned two dozen staffers to enforce the embargo, while just four were tracking international financial support for Osama Bin Laden.[28] In early 2003, the administration promulgated new regulations ending 'people-to-people' exchanges, a category that included most legal travelers who were not Cuban-Americans. A year later, during the 2004 presidential campaign, Bush restricted academic exchanges so severely that only a few of more than thirty study-abroad programmes between US and Cuban universities survived. Cuban-American travel was cut from one allowable trip annually, to only one trip every three years, with no family emergency trips allowed. The new regulations also restricted the support Cuban-Americans could provide to family on the island through remittances and gift packages.[29]

The other element of US policy to foster regime change in Cuba was support for the dissident movement. Fragmented and harassed, Cuba's dissident groups did not appear to have much hope of mounting a serious political challenge to the Castro regime. The surprising success of Oswaldo

[26] John R. Bolton, 'Beyond the Axis of Evil: Additional Threats from Weapons of Mass Destruction,' Remarks to the Heritage Foundation, Washington, DC, 6 May 2002, State Department, http://www.state.gov/t/us/rm/9962.htm.

[27] Warren P. Strobel, 'US Backs Away from Claims That Cuba Has Bioweapons Program,' *San Jose Mercury News*, 30 August 2005.

[28] Nancy San Martin, 'More Focus on Cuba Embargo than Terror Trail Is Questioned,' *Miami Herald*, 30 April 2004.

[29] On the Bush Administration's 2003 and 2004 sanctions, see Mark P. Sullivan, *Cuba: U.S. Restrictions on Travel and Remittances*, CRS Report for Congress RL31139 (Washington, DC: Congressional Research Service, August 2006).

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Payá's Varela Project, however, earned them new respect. By convincing over 11,000 Cubans to sign a petition calling for democracy and free enterprise, Payá demonstrated that the dissidents could work together and mobilise significant support. The Bush administration increased funding for the dissidents and instructed US diplomats in Havana to be more aggressive in publicly supporting them. James Cason, head of the US Interest Section, met with the dissidents frequently, and offered them the use of diplomatic offices and his residence for their meetings. He attended meetings in their homes, including press conferences.

When Cuba's private protests that such behaviour was inconsistent with diplomatic norms brought no surcease, Castro himself publicly warned US diplomats that neither they nor their 'hired hands' should expect Cuba to stand by while they engaged in subversive conspiracies.[30] On 18 March 2003, state security began rounding up dissidents across the island, charging them with conspiring seditiously with the United States. Evidence introduced at the trials demonstrated that many of the accused had received material assistance of various kinds either from the US government or organisations funded under USAID's democracy promotion programmes.[31] Seventy-five of the accused were found guilty and sentenced to long terms in prison, ranging from six to 28 years.

In October, 2003, Bush appointed a Commission for Assistance to a Free Cuba to develop plans to 'help the Cuban people bring about an expeditious end of the Castro dictatorship' and 'assist the Cuban people during a transition.' The commission's May 2004 report offered no new strategy but instead called for more of the same: tightening the embargo by imposing even more severe restrictions on travel and humanitarian aid; and providing more support for dissidents. These proposals were outlined in the first 54 pages of the 423 page report. In a stunning display of imperial hubris, the rest of the report was devoted to detailing how the United States would remake Cuba in its own image after a transition – legislature, executive, courts, armed forces, laws, markets, social services, transportation, communications, environment, etc.[32] It was a blueprint so detailed as to make even an eighteenth century colonialist blush.

[30] 'Speech Given by Dr. Fidel Castro Ruz, President of the Republic of Cuba, At the Extraordinary Session of the National Assembly of People's Power. Havana International Conference Centre. 26 June 2002,' http://espana.cuba.cu/gobierno/discursos/.

[31] Tracey Eaton, 'Cuban Spies Say They Used Pro-Democracy Funds; U.S. Official Calls Accusation 'Defamatory and Fallacious',' *Dallas Morning News*, 18 May 2003.

[32] Commission for Assistance to a Free Cuba, *Report to the President, May 2004*, http://www.cafc.gov/cafc/rpt/2004/c18165.htm.

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In July 2005, Secretary of State Condoleezza Rice named Caleb McCarry to the new post of Cuba Transition Coordinator. As a Republican Congressional staffer, McCarry had worked with the International Republican Institute to support Aristide's opponents in Haiti.[33] A second report from the commission, in 2006, recommended spending $80 million over two years on 'democracy promotion' in Cuba, with $31 million specifically slated for groups on the island.[34] Although the report emphasised the importance of building international pressure on the Cuban government to force a transition, the reaction in Latin America was unenthusiastic. OAS Secretary General José Miguel Insulza captured it well, commenting, 'There is no transition, and it's not your country.'[35]

In 2006, Fidel Castro's illness and prolonged disappearance from public life heightened expectations in Washington and Miami that the long-awaited moment of transition might finally be at hand. But six months after Fidel handed power to Raúl, the successors were still in command. There were no demonstrations, no rush of rafters setting sail for Miami, no noticeable difference at all in how the regime went about governing the island. Bush bet that Fidel's demise would lead to a quick regime collapse, catapulting to power the dissidents in whom Washington had invested so much. With that outcome appearing less and less likely, Bush was left with a policy frozen in place since the 1960s: unmitigated hostility incapable of either changing the regime or exercising any constructive influence over it.[36]

A 'new left' arises

Fidel Castro proved to be the least of George W. Bush's problems in Latin America. Since Bush entered the White House, Latin Americans have elected or re-elected governments of the left in eight countries: Luiz Inácio Lula da Silva in Brazil in 2002 and in 2006; Néstor Kirchner in Argentina in 2003; Tabaré Vázquez in Uruguay in 2004; Evo Morales in Bolivia in 2005; Michelle Bachelet in Chile in 2006; Rafael Correa in Ecuador in 2006; Daniel Ortega in Nicaragua in 2006; and Hugo Chávez, re-elected in Venezuela in 2006. Leftist candidates were narrowly defeated in Peru and Mexico.

[33] Max Blumenthal, 'The Other Regime Change: Did the Bush Administration Allow a Network of Right-Wing Republicans to Foment a Violent Coup in Haiti?' Salon.com, 16 July 2004, http://dir.salon.com/story/news/feature/2004/07/16/haiti_coup/index.html.

[34] Commission for Assistance to a Free Cuba, *Report to the President, July 2006*, http://www.cafc.gov/cafc/rpt/2006/68097.htm.

[35] Saul Hudson, 'Report to Advise Bush on Post-Castro Cuba,' *Boston Globe*, 23 May 2006.

[36] For an excellent assessment of Cuba's succession and the impotence of US policy, see Julia E. Sweig, 'Fidel's Final Victory,' *Foreign Affairs*, January/February 2007, pp. 39–56.

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While some of these leaders ran populist campaigns and some more traditionally social democratic ones, the common element was their appeal to poor and working-class Latin Americans whose lives had not been improved by the transition to democracy and the adoption of neoliberal economic policies. Latin America's annual GDP growth over the past decade has languished at just 2.9 per cent (1.2 per cent per capita).[37] Across the region, 41.7 per cent of the population still lives in poverty, 16.8 per cent in extreme poverty. Urban unemployment is virtually unchanged since 1997 at 9.1 per cent, and real wages have been stagnant.[38] The situation in rural areas is even worse. There, 58.1 per cent live in poverty, and 34 per cent in extreme poverty.[39] Latin America remains the region with the worst inequality in the world.

Public opinion reflects widespread frustration with the failure of neoliberal economics, and disgust with a corrupt and incompetent political class that seems most interested in self-enrichment. From the very first Latinobarómetro poll in 1995, unemployment, poverty and inequality have led the list of 'most important problems' identified by respondents. In 2006, these same problems still led the list, despite several years of economic growth. Asked in 2005 about their satisfaction with how the market economy was working in their country, three quarters were dissatisfied.[40]

Crime was a close second to economic issues among the problems that most concerned Latin Americans over the past decade. In 2005, 41 per cent of respondents knew someone who had been a victim of crime in the past year, up from 33 per cent the year before.[41] In Central America, the proliferation of gangs has produced an epidemic of violent crime, overwhelming the understaffed, ill-equipped and poorly trained civilian police that took over internal security from the military at the end of the civil wars of the 1980s.

The inability of governments to provide either economic prosperity or personal security has corroded the legitimacy of state institutions and undermined Latin Americans' faith in democracy. In 2006, no political institution won the confidence of a majority. Presidents, twelve of whom

[37] United Nations Economic Commission for Latin America and the Caribbean (CEPAL), *Economic Survey of Latin America and the Caribbean, 2005–2006* (New York: United Nations, 2006) table 1-A; CEPAL, *Statistical Yearbook for Latin America and the Caribbean, 2003* (New York: United Nations, 2004), tables 1 and 2.

[38] CEPAL, *Economic Survey of Latin America and the Caribbean, 2005–2006* (New York: United Nations, 2006), table A-22.

[39] CEPAL, *Social Panorama of Latin America* (New York: United Nations, 2005), tables 4 and 48.

[40] *Press Report: Latinobarometer 1995* (Santiago, Chile: Latinobarometer Corporation, 1995) pp. 3–4; *Latinobarómetro Report 2005*, pp. 67–77; *Latinobarómetro Report* 2006, pp. 39–42.

[41] 'The Latinobarómetro Poll: Democracy's Ten-Year Rut,' *The Economist*, 27 October 2005.

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were newly elected that year, fared the best, with a 47 per cent confidence rating, up significantly from 31 per cent in 2003. Of the six highest rated presidents, five were of the left (the sixth was Uribe in Colombia).[42]

The armed forces and police, at 44 per cent and 37 per cent respectively, both enjoyed greater public confidence than the other civilian institutions of government. The judiciary (36 per cent), legislature (27 per cent), and political parties (22 per cent) garnered the least public confidence. When asked why they lacked confidence in government institutions, 66 per cent replied that they felt discriminated against, mostly because they were poor, uneducated and didn't have 'connections.' At the end of 2006, only 38 per cent of Latin Americans were satisfied with democracy itself, and that was a big jump from 2001 when just 25 per cent were satisfied. Only in Argentine, Venezuela and Uruguay – all led by leftist presidents – did majorities in 2006 express their satisfaction with democratic politics. Three out of four Latin Americans felt that their government worked on behalf of powerful special interests rather than for the general welfare, and in no country did a majority think the government operated for the public good.[43]

These disgruntled citizens are the core constituency of the 'new left' politicians, most of whom fault neoliberal economic policies for slow growth and the lack of progress against poverty. They are skeptical of the promise of free trade, especially when Washington insists on exempting its own agricultural markets. For the most part, they accept the superiority of markets and private property over Soviet-style central planning. But they are willing to use the power of the state to promote the common good, strengthening its capacity to regulate markets when they fail, and investing in health, education and social programmes.

The new left politicians hold diverse attitudes toward the imperfect democratic institutions they inherited. The more moderate (in Chile, Brazil and Uruguay) have called simply for new policies within the framework of existing institutions. The more radical (in Venezuela, Bolivia and Ecuador) have called for the transformation of those institutions. This differentiation has led some analysts to distinguish between the 'good' and 'bad' left – the left that respects democratic norms and the left that does not.[44] As Hector Schamis points out, however, the left that respects existing institutions tends to be found in countries where those institutions have functioned reasonably well and have broad legitimacy. The left that disdains existing institutions is found in countries where those institutions have no such legitimacy, but

[42] The highest rated presidents were in Argentine, Colombia, Chile, Venezuela, Uruguay and Brazil. *Latinobarómetro Report 2006*, p. 76.
[43] *Latinobarómetro Report 2006*, pp. 73–7.
[44] Jorge G. Castañeda, 'Latin America's Left Turn,' *Foreign Affairs*, May/June 2006, pp. 28–43.

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rather a history of corruption and exclusion. And in those countries, the right behaves no better.[45]

The first rumblings of the emerging 'new left' in Latin America went largely unnoticed in Washington. In 1996, Abdalá Bucaram unexpectedly won the presidency of Ecuador by campaigning against the structural adjustment policies of his predecessor. Bucaram, known as 'El Loco' because of his eccentric behaviour, rode a rousing populist campaign to victory. The *Christian Science Monitor* called the election a 'wake up call for the United States,' but it received no mention whatever in the State Department's daily press briefing.[46] In less than a year, Bucaram had been driven from office by public outrage at his incompetence and corruption.

In January 2000, Chile elected Ricardo Lagos, the first Socialist president since Salvador Allende. But the Chilean Socialists of 2000 were more akin to European Social Democrats than to Allende's party. Their sedate socialism embraced democracy unconditionally, having experienced first-hand the pain of its loss. In addition, these new socialists were converts to capitalism, promising to continue the open market policies of the past, but with greater attention to social welfare.

Only the 1998 election of Hugo Chávez in Venezuela caught the attention of policymakers in Washington. The victory of this former military officer and coup-plotter against the combined forces of the entire Venezuelan establishment marked the collapse of Venezuela's party system, once regarded – despite its corruption – as among the most stable in Latin America. Chávez's fiery rhetoric on the stump signaled that he intended revolutionary changes, and that he blamed Washington for many of Venezuela's ills. President Clinton congratulated Chávez on his victory, warned him to respect democratic institutions and the rule of law, and then crossed his fingers.

Venezuela: 21st century Socialism

During the Clinton administration, Washington followed the advice of US Ambassador John F. Maisto, refusing to rise to the bait of Chávez's anti-American tirades. 'Watch what he does, not what he says,' encapsulated the policy. Despite Chávez's verbal abuse, Venezuela continued to sell 60 per cent of its oil to the United States. Chávez took no action against US corporate interests in Venezuela, nor did he pick a fight with the

[45] Hector E. Schamis, 'Populism, Socialism, and Democratic Institutions,' *Journal of Democracy*, 17, no. 4 (October 2006), pp. 20–34.

[46] Howard LaFranchi, 'Belt-Tightening Reaches A Limit in Latin America,' *Christian Science Monitor*, 10 July 1996.

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international financial community.[47] When George W. Bush took office, Maisto moved to the National Security Council as staff director for Latin America, but US policy began to change.

Chávez's criticism of US imperialism, his praise for US adversaries like Cuba, Iraq and Libya, and his proselytising for a 'Bolivarian Revolution' as an alternative to Washington's vision of an integrated hemisphere – all this was too much for the conservatives running Bush's Latin America policy. The formal shift in US policy came after September 11, when Chávez criticised the US bombing campaign in Afghanistan. Holding up pictures of wounded children, he decried Washington's 'massacre of the innocents.'[48] Washington responded by excluding Venezuela from the trade preferences given Andean nations for their cooperation in the drug war.

Inside Venezuela, Chávez's reforms pinched the upper class, prompting hysterical denunciations of the 'Cubanisation' of Venezuela. A certain discontent also arose in the armed forces when Chávez ordered them to participate in civic action programmes to benefit the poor.[49] In 2001, disgruntled officers, retired officers and business leaders began conspiring to overthrow the government. They sought support from the United States. Both in Caracas and Washington, US officials conferred frequently with the opposition, sharing laments about Chávez's depredations. At the US embassy, officials were careful to tell opposition leaders that Washington opposed a military coup, and that any political change had to be constitutional.[50] Whether opposition leaders consistently heard the same message on their trips to Washington is less certain. As one senior administration official put it, 'They came here … to complain and inform us about the situation. We said we can't tell you to remove a president or not to remove a president.'[51] A Pentagon official echoed this Pontius Pilate-like attitude. 'We were not discouraging people,' he said. 'We were sending subtle, informal signals that we don't like this guy. We didn't say, "Don't you dare [mount a coup]," and we weren't advocates saying, "Here's some arms, we'll help you overthrow this guy."'[52]

[47] Jon Lee Anderson, 'The Revolutionary,' *New Yorker*, 10 September 2001.

[48] Phil Gunson and David Adams, 'Chávez Strains Ties to US,' *St. Petersburg Times* (Florida), 3 November 2001.

[49] Christopher Marquis, 'Bush Officials Met with Venezuelans Who Ousted Leader,' *New York Times*, 16 April 2002.

[50] United States Department of State and the Broadcasting Board of Governors Office of Inspector General, *A Review of U.S. Policy Toward Venezuela, November 2001–April 2002*, Report Number 02-OIG-003, July 2002.

[51] Karen DeYoung, 'US Seen as Weak Patron of Latin Democracy,' *Washington Post*, 16 April 2002.

[52] Marquis, 'Bush Officials Met with Venezuelans Who Ousted Leader,' *New York Times*, 16 April 2002.

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Fernando Ochoa, a retired Venezuelan officer who helped instigate the attempted coup, drew the logical conclusion: 'The State Dept has always expressed its preoccupation with Chávez. We interpreted that as an endorsement of his removal.'[53]

Washington offered material as well as moral support for Chávez's opponents. The quasi-governmental National Endowment for Democracy and its affiliated organisations (including the International Republican Institute and the National Democratic Institute) stepped up funding for programmes in Venezuela. Together, they spent nearly a million dollars during Bush's first year in office, almost all of it for groups opposed to the government.[54]

In April, the opposition mounted a national strike and mobilised massive street demonstrations. They planned, according to contemporaneous CIA reports, 'to exploit unrest stemming from opposition demonstrations slated for later this month,' to launch their coup.[55] On 11 April, gunfire broke out at one of the demonstrations, killing over a dozen people. In less than an hour, senior military officers appeared on television to denounce Chávez as anti-democratic, and shortly thereafter, he was arrested. The military installed Pedro Carmona as the new president. Carmona, head of Venezuela's largest business federation and a leader of the national strike, promptly suspended the constitution, and dissolved the legislature and Supreme Court.

Nineteen South American heads of state condemned the unconstitutional transfer of power in Venezuela, invoking the Inter-American Democratic Charter adopted by the OAS in September 2001. In Washington, the response was altogether different. White House Press Secretary Ari Fleischer described Chávez's forced removal as 'a change of government' brought about when the armed forces responded to 'the message of the Venezuelan people.' The government's own actions had 'provoked the crisis,' he said.[56] Neither Fleischer, nor anyone else in the administration, would call the coup a coup. At the International Republican Institute, President George A. Folsom praised the armed forces for their 'patriotism,' and called Chávez's ouster a restoration of 'genuine democracy.'[57]

The Bush administration worked hard to legitimise the Carmona government. To that end, Otto Reich convened a meeting of Latin American

[53] Scott Wilson, 'Acting Leader of Venezuela Steps Down,' *Washington Post*, 14 April 2002.
[54] Christopher Marquis, 'US Bankrolling Is Under Scrutiny for Ties to Chávez Ouster,' *New York Times*, 25 April 2002.
[55] Juan Forero, 'Documents Show CIA Knew of Coup Plot in Venezuela,' *New York Times*, 3 December 2004.
[56] Press Briefing by Ari Fleischer, 12 April 2002, White House web site, http://www.whitehouse.gov/news/releases/2002/04/20020412-1.html.
[57] US Department of State, *A Review of US Policy Toward Venezuela, November 2001–April 2002*, Appendix 1.

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ambassadors. 'He stressed the position that Chávez was responsible,' recalled one envoy, 'and he said we had to support the new government.'[58] At an emergency meeting of the OAS on 13 April, US Ambassador Roger Noriega tried to soften proposed language condemning the coup. He accused the member states of having ignored Chávez's undemocratic actions, but now 'rushing to judgment.' The United States opposed calling what had transpired an 'interruption in the constitutional order,' Noriega declared, because it was unclear whether or not Carmona's government was constitutional. The assembled representatives agreed to substitute 'alteration' for 'interruption,' and that was enough to win Noriega's vote for the final resolution.[59] By then, however, the issue was becoming moot, as Carmona's government was unraveling.

Chávez supporters took to the streets, demanding his return. A number of military garrisons declared their loyalty to Chávez, and his presidential guard took control of the palace. Under arrest at a military base, Chávez nevertheless smuggled out a message to his supporters denying that he had resigned. Faced with the prospect of social unrest and a bloody internecine battle inside the armed forces, senior commanders reversed course and reinstated Chávez.

In the aftermath of this *fracaso*, the Bush administration denied that it had ever disagreed with the Latin American consensus condemning the coup (though it still refused to call it a coup).[60] Instead, it lectured Chávez on his misdeeds. 'The people of Venezuela have sent a clear message to President Chávez that they want both democracy and reform,' the White House said. Chávez should 'correct his course' and 'govern in a fully democratic manner.'[61]

Behind the obfuscation, US policy was not that complicated. Washington wanted Chávez out of power, and had been channeling money to his opponents. Bush officials preferred a constitutional removal to a military coup. But when the coup occurred, they immediately made excuses for it, embraced the new government, and tried to dissuade the rest of the hemisphere from condemning it. Things had not really changed all that much since the days of the cold war, when the United States had few qualms about dispensing with democracy if it produced unsuitable governments.

[58] Larry Rohter, 'Venezuela's Two Fateful Days: Leader Is Out, Then In Again,' *New York Times*, 20 April 2002.

[59] US Department of State, *A Review of U.S. Policy Toward Venezuela, November 2001–April 2002*, attachment 5 (resolution) and attachment 11 (Noriega's remarks).

[60] DeYoung, 'US Seen as Weak Patron of Latin Democracy.

[61] Statement by the Press Secretary, 14 April 2002, White House web site, http://www.whitehouse.gov/news/releases/2002/04/20020414.html.

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Eight months later, in December 2002, the opposition organised a national strike to shut down the petroleum industry, demanding Chávez's resignation and new elections. Despite the fact that Venezuela's constitution includes no provision for early elections, the White House endorsed the demand as a 'constitutional' solution.[62] When Chávez refused to resign, the opposition again tried to suborn the armed forces to overthrow him. Chastened by its experience in April, the military demurred. No criticism was heard from the Bush administration about these ongoing efforts to subvert the constitution. On the contrary, the flow of US money to Chávez's opponents was on the rise.[63]

Having failed to unseat Chávez with the petroleum strike, the opposition set about gathering signatures to force a recall election. It took them over a year, but the recall was finally held in August 2004. Much to Washington's chagrin, Chávez won overwhelmingly. Despite endorsement of the election by international observers, the opposition denounced it as a 'gigantic fraud,' and refused to accept the results.[64] Subsequently, they boycotted legislative elections when polls showed them running behind, thereby leaving the National Assembly entirely in the hands of pro-Chávez parties.

In the wake of the unsuccessful coup and recall, US relations with Venezuela went from bad to worse. Chávez began devoting some of his windfall oil profits to diplomacy, buying Argentine debt, and exporting oil at subsidised prices to Cuba and the English-speaking Caribbean. He even sent cut-rate heating oil to poor neighbourhoods the northeastern United States. In neighbouring countries, he promoted presidential candidates who shared his populist instincts: Evo Morales in Bolivia and Daniel Ortega in Nicaragua (both successful); Ollanta Humala in Peru and Andrés Manuel López Obrador in Mexico (both unsuccessful, in part because Chávez's endorsement annoyed their respective electorates).

Conservatives in Washington sounded the alarm. Otto Reich, having left the government, wrote an April 2005 cover story for the *National Review* headlined, 'The Axis of Evil … Western Hemisphere Version.' Combating the 'Cuba-Venezuela axis,' he argued, was Washington's most pressing challenge. 'With the combination of Castro's evil genius, experience in political warfare, and economic desperation, and Chávez's unlimited money

[62] Scott Wilson, 'US Calls for Early Elections in Venezuela,' *Washington Post*, 14 December 2002; Press Briefing by Ari Fleischer, 13 December 2002, White House web site, http://www.whitehouse.gov/news/releases/2002/12/20021213-6.html#8.

[63] Juan Forero, 'Chávez Says US is Fueling His Enemies,' *New York Times*, 11 March 2004.

[64] Juan Forero, 'Venezuela Votes by Large Margin to Retain Chávez,' *New York Times*, 17 August 2004.

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and recklessness, the peace of this region is in peril.'[65] Deputy Assistant Secretary of Defence Roger Pardo-Maurer told the *Financial Times* that Washington was developing a new, tougher strategy to isolate and 'contain' what Pardo-Maurer called Chávez's 'hyena strategy.'

'He's picking on the countries whose social fabric is the weakest,' Pardo-Maurer explained. 'In some cases it's downright subversion.'[66] Even if Chávez was guilty as charged, he was only doing in Bolivia and Nicaragua what the United States was doing all around the hemisphere – sending money to ideological allies. Secretary of Defence Donald H. Rumsfeld's trip to Latin America in August 2005, focused on the Venezuelan and Cuban threat. 'A guy who seemed like a comic figure a year ago is turning into a real strategic menace,' a senior defence official traveling with Rumsfeld said of Chávez.[67] Few Latin American governments had much sympathy for Rumsfeld's message. When Washington tried to get the OAS to create a permanent committee to monitor democratic practices in member states, the proposal was soundly defeated. Even though the democratic left was critical of Chávez's authoritarian inclinations, Latin Americans were unwilling endorse what they regarded as a US ploy to punish Venezuela.[68]

Chávez clearly aspired to inherit Fidel Castro's mantle as Washington's arch-enemy in Latin America. Using the same incendiary nationalist rhetoric that served Fidel so well for decades, Chávez reinforced his domestic political base and cast himself as the champion of Latin America's resistance to US hegemony. He challenged Washington's smug assumption that there were no real conflicts of interest between the United States and Latin America, and that economic integration on Washington's terms would serve everyone's interest. Chávez, by contrast, began with the polar opposite assumption – that the fundamental interests of the United States and Latin America were irreconcilably in conflict, and that economic progress for the region depended upon integration *without* the United States. While most Latin Americans held a more nuanced view than either of these extremes, the long history of US dominance in the hemisphere predisposed them to distrust Washington.

Chávez was by no means universally popular in Latin America, even among the left. Peruvians and Mexicans were no more receptive to

[65] Otto J. Reich, 'Latin America's Terrible Two: Fidel Castro and Hugo Chávez Constitute an Axis of Evil,' *National Review*, 11 April 2005.

[66] Andy Webb-Vidal, 'Bush Orders Policy to 'Contain' Chávez,' *Financial Times*, 13 March 2005.

[67] David S. Cloud, 'Like Old Times: U.S. Warns Latins Against Leftists,' *New York Times*, 19 August 2005.

[68] Joel Brinkley, 'Latin Nations Resist Plan for Monitor of Democracy,' *New York Times*, 6 June 2005.

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Venezuelan interference in their elections than to US interference. When Chávez excoriated George Bush before the United Nations General Assembly, calling him the devil, he offended the decorum of the Assembly and almost certainly cost Venezuela a seat on the Security Council.

A critical failing of the Bush administration was its inability to recognise that Chávez, despite his idiosyncracies, was not an anomaly, but the leading edge of a new political wave of leftist politics in Latin America. He was a symptom of deep-seated problems in the region, not the cause of them. Bush's team reacted to Chávez exactly as they reacted to the Sandinistas and Fidel Castro in the 1980s, seeing them as the source of Central America's turmoil rather than seeing the turmoil as indicative of the region's social and political failings. They responded, as they had in the 1980s, with policies aimed at combating the symptom while ignoring the underlying causes.

Election management

As the new Latin American left gained momentum, the Bush administration's instinct was to prevent it from coming to power by manipulating elections, especially in small countries where Washington had leverage. In Nicaragua, old grudges no doubt played a major role in the decision to prevent Daniel Ortega from regaining the presidency. In June 2002, Acting Assistant Secretary for Western Hemisphere Affairs Lino Gutierrez went to Managua to pressure business leaders to get in line behind a single candidate to oppose Ortega. In a speech to the Chamber of Commerce, he attacked Ortega's relations with Fidel Castro and Libyan leader Muammar Al Qadhafi, insisting that no one with such friends could really be a democrat.[69] Privately, he met with Conservative party leaders and urged candidate Noel Vidaurre, running third in the polls, to drop out of the race in favor of Liberal candidate Enrique Bolaños. Shortly after Gutierrez's visit, Vidaurre dropped out.[70]

In 1990, the first Bush administration followed exactly the same blueprint to unite the opposition to the ruling Sandinista party behind the candidacy of Violeta Chamorro. Since then, the FSLN had never won a majority of the electorate. The burdens of the past – the war and economic collapse in the 1980s, the orgy of corruption after their 1990 defeat (*la piñata*), and the charges of incest leveled against Ortega – made it hard for the Sandinistas to

[69] Remarks to the American Chamber of Commerce of Nicaragua, Ambassador Lino Gutierrez, Acting Assistant Secretary, 1 June 2001, State Department web site, http://www.state.gov/p/wha/rls/rm/2001/3693.htm.

[70] Duncan Campbell, 'Getting the Right Result: Nicaragua's Election Showed the US Still Won't Allow a Free Vote,' *The Guardian*, 7 November 2001.

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expand support beyond their core voters. Thus, a unified conservative front was the key to keeping the Sandinistas from returning to power.

As the campaign heated up in the weeks after September 11, State Department officials accused the Sandinistas of supporting international terrorism. In October, Gutierrez's deputy, John Keane, acknowledged that the possibility of a Sandinistas victory was 'disconcerting' to the administration. 'We cannot forget the FSLN's history of trampling basic civil liberties and violating human rights .... We cannot forget that Nicaragua became a haven for violent political extremists from the Middle East, Europe and Latin America.'[71] Bolaños' campaign ads compared Ortega to Osama Bin Laden, warning that if the Sandinistas won, the US war on terror 'could come here'– a frightening spectre for a country that endured over a decade of terrorist attacks in the 1980s by the US-funded contras.[72]

On the ground, US Ambassador Oliver Garza, wearing a red Liberal party cap, campaigned with Bolaños, while handing out free US-provided food to peasants.[73] In the campaign's final weeks, with polls showing Ortega leading, the Bush administration brought out the big guns. The president's brother Jeb, governor of Florida, wrote an op-ed piece for the *Miami Herald* charging Ortega with links to 'states and individuals who harbor and condone international terrorism,' and calling him 'an enemy of the United States.' Bolaños, on the other hand, 'promises a future of freedom.' Bolaños' campaign reprinted the article under the headline, 'Brother of the President of the United States backs Enrique Bolaños.'[74] When the votes were counted, Bolaños had won, 56 per cent to Ortega's 42 per cent.

The Bush administration's second venture into election management was nearly disastrous. A week before Bolivia's 2002 presidential election, Evo Morales, head of the coca growers union, was running a distant fourth, polling just ten per cent of the vote. Then US Ambassador Manuel Rocha gave a speech threatening that US aid could be cut if Bolivians voted for Morales. 'I want to remind the Bolivian electorate that if you elect those who want Bolivia to become a major cocaine exporter again, this will

[71] 'The Significance of the Nicaraguan Elections for the United States and the Hemisphere,' John F. Keane, Acting Deputy Assistant Secretary for Western Hemisphere Affairs, Remarks to University of Pittsburgh: Keynote Speech for the Conference on Nicaragua's Presidential Election, 5 October 2001, State Department web site, http://www.state.gov/p/wha/rls/rm/2001/5323.htm.

[72] David Adams, 'US Sees Red over Nicaraguan Election,' *St. Petersburg Times* (Florida), 1 November 2001.

[73] Frances Robles, 'Nicaragua Vote Feud Focuses on US Envoy,' *Miami Herald*, 29 October 2001.

[74] Mary Jordan, 'Nicaraguans Head for the Polls: Ortega Attempts Comeback Under Close US Scrutiny,' *Washington Post*, 4 November 2001.

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endanger the future of US assistance to Bolivia,' Rocha said.[75] Morales' support doubled. He finished second with 21 per cent of the vote. Rocha was his 'best campaign chief,' he joked. 'Instead of burying me, they made me much stronger.'[76]

Since no candidate won a majority, Congress had to select the president from the top two contenders, which meant that thanks to Ambassador Rocha, Morales had a real chance of becoming Bolivia's president. Having apparently learned nothing from the counter-productive reaction to Rocha's threat, Otto Reich repeated it. 'We do not believe we could have normal relations with someone who espouses these kinds of policies,' Reich said.[77] Behind the scenes, Rocha lobbied the leaders of Bolivia's other parties to commit their support to front-runner Gonzalo Sánchez de Lozada. Manfred Reyes, who finished third in the balloting, denied that Rocha was pressuring him. 'What the ambassador did make clear is that there should not be any kind of an alliance with Evo Morales,' Reyes explained.[78] Reyes endorsed Lozada, who was named president by Congress.

The Bush team was more circumspect about the 2002 elections in Brazil, perhaps because it had so little leverage. Unlike Nicaragua and Bolivia, there was no big aid budget to threaten to cut. Still, candidate Lula's skepticism about the FTAA irked Washington. US Trade Representative Robert Zoellick had said that if Brazil was not interested in free-trade with the United States, it was free to 'trade with Antarctica' instead. Treasury Secretary Paul O'Neill caused a spat when he said that president-elect Lula would have to prove to foreign investors that he wasn't 'a crazy person.'[79] When Lula made clear he intended to continue the fiscal policies of his predecessor, Washington was reassured.

In El Salvador, the Bush team was not prepared to see their former adversaries, the Farabundo Martí National Liberation Front (FMLN), win the presidency in 2004, any more than they were prepared to let the Sandinistas return to power in Nicaragua. A month before the election, Assistant Secretary Noriega traveled to El Salvador and warned voters to 'consider what kind of a relationship they want a new administration to have with us.' This played into the right's scare tactic of claiming that if the FMLN

[75] Duncan Campbell, 'Bolivia's Leftwing Upstart Alarms US: Washington Threatens to Cut Aid if Coca-growers' Leader Becomes His Country's New President,' *The Guardian*, 15 July 2002; Kevin G. Hall, 'Bolivian Radical Rides Anti-American Wave: US Ambassador's Comments Backfire,' *San Diego Union-Tribune*, 2 July 2002.

[76] Juan Forero, 'From Llama Trails to the Corridors of Power,' *New York Times*, 6 July 2002.

[77] 'World in Brief: The Americas,' *Washington Post*, 12 July 2002.

[78] Juan Forero, 'US Aid Foe is in Runoff for President of Bolivia,' *New York Times*, 10 July 2002.

[79] Andres Oppenheimer, 'Biggest Threat to US-Brazil Ties: Breaches of Etiquette,' *Miami Herald*, 3 November 2002.

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won, Washington would deport hundreds of thousands of Salvadoreans living in the United States, thus ending the flow of $2 billion in annual remittances.[80] Otto Reich, having moved from the State Department to the White House, held a press conference by telephone at the headquarters of the Nationalist Republican Alliance (ARENA), reinforcing the message by saying, 'We are concerned about the impact that an FMLN victory would have on the commercial, economic and migration-related relations that the United States has with El Salvador.' Republican members of Congress weighed in by announcing they would initiate an effort to have Salvadorans sent home if the FMLN won, and US Ambassador Douglas Barclay, told reporters, 'It's obvious that a leftist government that has bad relations with the United States would affect remittances.'[81]

Had the FMLN nominated a candidate with broad appeal, like Héctor Silva, the popular former mayor of San Salvador, they might have prevailed despite Washington's machinations. Instead, by nominating Shafik Handal, a veteran Communist and FMLN commander during the war, the FMLN appeared mired in the past. ARENA, by contrast, nominated the youthful Tony Saca, who focused his campaign on the future. Saca defeated Handal, 55 per cent to 45 per cent.

In 2005 and 2006, with new elections scheduled in both Bolivia and Nicaragua, Washington pulled out the old play-book. Front-runner Evo Morales was an anti-democratic drug-trafficker, terrorist and pawn of Hugo Chávez, US officials charged. President Bush called Morales' rising popularity 'an erosion of democracy,' and Secretary of Defence Rumsfeld accused Cuba and Venezuela of interfering in Bolivia.[82] Rumsfeld's policy deputy for Latin America, Roger Pardo-Maurer, saw Bolivia as a battlefield between Washington and Havana. 'The two main Cuban projects in the region are Venezuela and Bolivia,' he told the Hudson Institute. 'Bolivia is the set battle piece going on right now. It is not by any means inevitable that Bolivia should go to [being] a Marxist, radical, anti-US, pro-Cuba, drug-producing state. That is not inevitable. But the other side is working very hard to take it that way.'[83]

At the State Department, Reich and Noriega had both left the government and Deputy Assistant Secretary Dan Fisk had moved to the NSC staff.

[80] Mary Beth Sheridan, 'Salvadoran War Shadows Election,' *Washington Post*, 21 March 2004.

[81] Catherine Elton, 'El Salvador Vote Recalls Cold-War Power Play,' *Christian Science Monitor*, 19 March 2004; Marion Lloyd, 'Presidential Rivals Wage Bitter Fight in El Salvador,' *Boston Globe*, 21 March 2004.

[82] Hal Weitzman, 'Rhetoric Collides with Bolivia Trade Hope,' *Financial Times*, 31 August 2006; David S. Cloud, 'US Warns Latin Americans Against Leftists,' *New York Times*, 19 August 2005.

[83] The text of the speech was published as 'Pardo-Maurer Speaks at the Hudson Institute's Center for Latin American Studies,' *US Cuba Policy Report*, 26 July 2005.

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The new assistant secretary, Thomas A. Shannon, was a career Foreign Service Officer less prone to hyperbole. Both Shannon and the US ambassador in La Paz were relatively quiet during the campaign, no doubt recalling that attacks on Morales in 2002 had boosted his popularity. When Morales won, gaining 54 per cent of the vote, Washington reacted with unexpected calm. President Bush called Morales to congratulate him and Shannon flew to Bolivia to meet him. Relations with Bolivia, Secretary of State Rice said, would depend on how the new government behaved.[84]

Washington was less charitable toward Daniel Ortega when he tried for the fourth time to regain Nicaragua's presidency. As in past elections, the US actively worked to create a unified anti-Sandinista coalition behind a single candidate. US Ambassador Paul A. Trivelli supported businessman Eduardo Montealegre, who had been tossed out of the Liberal party by supporters of disgraced former president Arnoldo Alemán. Trivelli was unable to convince Alemanista candidate José Rizo to drop out, however, leaving two major candidates dividing the anti-Sandinista vote. In the tradition of prior US ambassadors, Trivelli openly disparaged Ortega as 'undemocratic,' and willing to 'distort and manipulate democracy for partisan and personal benefit.' If Ortega were elected, Trivelli warned, bilateral relations 'would definitely be re-examined.'[85] As the race came down to the wire with polls showing Ortega in the lead, Adolfo Franco, USAID's director for Latin America, repeated the message that an Ortega victory could mean an end to US assistance.[86] Commerce Secretary Carlos Gutierrez published an op-ed piece in Nicaragua's main newspaper, *La Prensa*, in which he declared that if either Ortega or Rizo won the election, US aid would be 'endangered,' Nicaragua might be excluded from the Central American Free Trade Agreement, and Washington might take action to block the flow of remittances from Nicaraguans living in the United States – the same message that had such a powerful effect in the 2004 Salvadorean election.[87] The US campaign was so intense it prompted the OAS observation team to rebuke Washington for interfering in Nicaragua's electoral

[84] Joel Brinkley, 'US Keeps a Wary Eye on the Next Bolivian President,' *New York Times*, 21 December 2005.

[85] Adam Thomson, 'US Warns Nicaraguans Not to Back Sandinista,' *Financial Times*, 15 September 2006.

[86] David Adams, 'US Fears Ortega Win in Nicaragua,' *St. Petersburg Times* (Florida), 4 November 2006.

[87] Department of Commerce Newsroom, Opinion Editorial by Secretary Carlos M. Gutierrez on Progress in Nicaragua and Importance of Upcoming Elections, 10 October 2006 (Opinion Editorial as published in *La Prensa*, Managua, Nicaragua), Commerce Department web site, http://www.commerce.gov/opa/press/Secretary_Gutierrez/2006_Releases/October/10_Gutierrez_Op-Ed_Nicaragua_Elections_rls.htm.

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process.[88] Ortega won anyway, receiving 40 per cent of the vote – less than he got in 2002, but his opponents split the remainder, leaving Ortega in front by a wide enough margin to win the presidency.

In early December, Shannon traveled through Central America and met with Ortega. As he had done with president-elect Morales in Bolivia, Shannon tried to be forward looking. 'We came away, I think, with a positive understanding of how he [Ortega] saw our role in Nicaragua and the importance of the bilateral relationship,' Shannon told reporters. 'So I think we've got a pretty good base to work off of.' Asked about Ortega's relationship with Hugo Chávez, Shannon replied, 'Our focus wasn't on how he relates to others. Our focus was on how he's going to relate to us, because we don't want to import into the relationship problems we might have with other leaders at this point.'[89] It was, needless to say, a far cry from the pre-election rhetoric.

In other elections around the hemisphere in 2006, Washington kept a low profile. In Brazil and Chile, it had no quarrel with Lula or Bachelet. Even in Ecuador, where Rafael Correa ran on a radical nationalist platform echoing Hugo Chávez's populist appeals, Washington remained mute lest it throw gasoline on the anti-American fires. Not even Correa's comment that President Bush was 'tremendously dimwitted' provoked a response.[90] In Peru and Mexico, Washington stood by with some satisfaction while Chávez's intrusive comments in favour of populist candidates caused nationalist backlashes that helped conservatives eke out victories. Even Chávez's reelection in December 2006 was met with a degree of equanimity in Washington. Acknowledging Chávez's victory, Shannon said, 'We do not want a relationship of confrontation.'[91]

Commercial diplomacy

As more and more countries in Latin America came under leftist leadership, progress toward the FTAA ground to a halt. Negotiations stalled in late 2003, and the 2005 deadline for the agreement passed uncelebrated. A number of specific issues divided the negotiators, the most important of which were Latin America's demands that the United States open its agricultural markets

[88] Reuters, '"Don't interfere" in Nicaragua vote, OAS tells US,' 21 October 2006. http://today.reuters.com/news/home.aspx.

[89] 'Press Roundtable With Assistant Secretary Thomas Shannon, Washington, DC,' 13 December 2006, State Department web site, http://www.state.gov/p/wha/rls/rm/2006/q4/77864.htm.

[90] Juan Forero, 'Ecuador's Leftist Front-Runner,' *Washington Post*, 15 October 2006.

[91] Rory Carroll, 'Chávez Triumph Brings Emollient Words from US,' *The Guardian*, 5 December 2006.

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and reduce state subsidies to US farmers, and Washington's demands that Latin America protect US intellectual property and allow US corporations to compete on an equal footing with domestic businesses. Labour and environmental standards, essential for any FTAA agreement to win US Congressional approval, were also in contention. But beneath the specific differences was a more fundamental shift in Latin American attitudes toward the United States. New left presidents, especially in the larger countries like Brazil, Argentina and oil-rich Venezuela, were not convinced that economic integration with the United States was a net benefit. At the fourth Summit of the Americas in 2005, the four Mercosur countries and Venezuela opposed immediate resumption of the FTAA negotiations, which were suspended.

In lieu of the FTAA, Washington pursued regional and bilateral trade negotiations with more amenable partners. A free trade agreement with Chile was signed and approved by Congress in 2003, followed by negotiations for a Central American Free Trade Agreement (CAFTA), to which the Dominican Republic was added in 2004. The asymmetry of power between the United States and Central America produced an agreement in which their agricultural markets were opened to US imports while the US sugar market remained protected. The Costa Ricans tried to resist Washington's demands to open their financial and telecommunications industries, but caved in when the Bush administration threatened to conclude the agreement without them.[92] It still took the administration a year and a half to get approval from a skeptical Congress.

In 2002, the United States expanded the 1991 Andean trade preferences for Bolivia, Ecuador, Colombia and Peru, to reward their cooperation in the war on drugs. In December 2006, the Bush administration won a six-month extension of the expiring Andean Trade Promotion and Drug Eradication Act, with the expectation that the Andean countries would take the next step of reaching free trade agreements with Washington. The Colombian agreement was signed in November 2006, but neither Bolivia nor Ecuador, under new populist governments, were in any hurry to join the free trade bandwagon.[93]

As a counter-weight to Washington's economic muscle, Venezuela has granted concessionary prices on oil to various Latin American and Caribbean countries. Mercosur member states have been pursuing economic integration on their own. Most significantly, China has rapidly increased its economic involvement in Latin America, as Beijing looks abroad for raw materials to fuel its rapid economic growth. Since 1990, Chinese trade with

[92] Elizabeth Becker, 'Costa Rica to Be Fifth Country in New Trade Pact with US,' *New York Times*, 26 January 2004.

[93] Hal Weitzman, 'US to Extend Low Tariff Regime for Andean Nations,' *Financial Times*, 9 December 2006.

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Latin America has expanded from $1.9 billion to $48.7 billion, a 25-fold increase.[94] Much of this trade was concentrated with the larger Latin economies – Brazil, Argentine, Mexico and Chile – and Chinese investment in Latin America, about $1 billion in 2003 and $889 million in 2004, has flowed mostly to these same countries. During his November 2004 trip to Latin America, Chinese President Hu Jintao pledged that China would invest $100 billion in Latin America over the next decade.[95]

China's powerhouse economy has enticed Latin Americans, regardless of their attitude toward hemispheric integration with Washington. Hugo Chávez signed a wide range of cooperative agreements on his 2005 trip to China, and occasionally warned that he would sell Venezuelan oil to Beijing if Washington continued to persecute him. Just a few months later, US ally Alvaro Uribe followed in Chávez's footsteps, traveling to China in search of investments for Colombia. In 2006, Chile signed a free trade agreement with China, and Peru was discussing a similar accord.[96] With regional cooperation growing and ties with China expanding, the major economies of South America had alternatives to the FTAA. For them, free trade with the United States might be desirable, but it was not a necessity and they were not willing to accept it on unequal terms.

A challenge unmet

As George W. Bush began his last two years in the White House, his Latin America policy had calmed down from the hysteria with which it first confronted the new left. US military aid was still pouring into Colombia, but only Chávez and the Castro brothers were relegated to the ranks of untouchables. With everyone else, Washington was trying to do business. It had little choice, since socialist and left-populist presidents had become the dominant bloc in the hemisphere. Whether the change in tone that followed Thomas Shannon's appointment as assistant secretary represented a shift in policy or simply a recognition that belligerence had been counterproductive was uncertain. Condoleezza Rice, having come to Foggy Bottom from the White House, seemed to exercise more autonomy in appointing her subordinates than Colin Powell had. In the Western Hemisphere bureau, professional

[94] Stephanie Ho, 'China Raises Profile, Concerns in Latin America,' Voice of America, 1 November 2006. http://www.voanews.com/english/portal.cfm.

[95] Kerry Dumbaugh and Mark P. Sullivan, *China's Growing Interest in Latin America*, CRS Report for Congress, RS22119, 20 April 2005 (Washington, DC: Congressional Research Service, 2005), pp. 1–2; CEPAL, *Latin America and the Caribbean in the World Economy, 2004, Trends 2005* (New York: United Nations, 2005), chap. 6; CEPAL, *Latin America and the Caribbean in the World Economy, 2005–2006* (New York: United Nations, 2005), chap. 2.

[96] CEPAL, *Latin America and the Caribbean in the World Economy, 2005–2006*, pp. 47–8.

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diplomats replaced rigid ideologues. But even in the best case, the Bush administration needed to do a lot more to improve relations with Latin America than just temper its imperial demeanour.

From the outset, Bush's policy toward Latin America was burdened by vestiges of the cold war. As US actions in Haiti, Venezuela and Cuba demonstrated, Washington still had a penchant for destabilising governments it saw as adversaries, whether or not they were democratically elected. The cruder method of fomenting military coups had been replaced by financing and training civilian opponents, but the aim was still the same. 'Democracy promotion,' nonpartisan in theory, invariably saw eligible 'democrats' through the prism of US national interest. The Bush administration was also willing to openly and aggressively manipulate Latin American elections. It threatened economic sanctions if voters voted wrong. It brokered back room deals to craft winning tickets and assure legislative ratification of its favourites. The open partisanship the Bush administration displayed in Latin American elections would never have been done to allies in Europe. Such behaviour is inflicted only on subordinate countries, not on equals.

From 'democracy promotion,' to the Cuban transition commission to the FTAA, Bush's policy at root was still premised on what Abraham F. Lowenthal once called the 'hegemonic presumption' – the idea that Latin America is the domain of the United States, and Washington has the right if not the obligation to manage hemispheric political and economic affairs.[97] In the twenty-first century, this presumption was not expressed as blatantly as in the days of the Monroe Doctrine, the Roosevelt Corollary, or Woodrow Wilson's promise to help Latin America 'elect good men.' But it was still part of the DNA of US policy.

In fact, the hubris induced in neo-conservatives by leading the world's only superpower convinced them that the hegemony Washington enjoyed in Latin America could be exercised on a global scale.[98] Latin America was far afield from the main theatres of the neo-conservative crusade to spread US-style democracy, but it offered a cautionary tale. When Bush took office, most of the region was governed by conservatives who shared his world view. Yet despite their best efforts, Bush and his team were unable to stem the tide of leftist resurgence. As his term of office wound down, Bush's vision of 'freedom and free markets' was in tatters. The freedom provided to Latin American voters by the transition to democracy led most of them to

[97] Abraham E. Lowenthal, 'The United States and Latin America: Ending the Hegemonic Presumption,' *Foreign Affairs*, 55 (1976), pp. 199–213.

[98] Julia Sweig developed this idea about what she dubbed the Latin Americanisation of US foreign policy in *Friendly Fire: Losing Friends and Making Enemies in the Anti-American Century* (New York, 2006).

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elect governments skeptical of Washington's dogmatic faith in free trade and neoliberal economics.

Across the region, the image of the United States was at low ebb, with 39 per cent of Latin Americans reporting an unfavourable opinion of the United States, up from just 14 per cent in 2000. Fifty-three per cent of South Americans had a negative opinion of President Bush, as did 87 per cent of Latin opinion leaders, making him the most unpopular US president ever.[99] In 2005, for the first time in the history of the OAS, Washington's candidate for General Secretary, former Salvadorean president Francisco Flores, was defeated.

At the fourth Summit of the Americas in Argentina in 2005, President Bush was greeted by hostile crowds reminiscent of Vice-President Richard M. Nixon's disastrous trip to Latin America in 1958. Forty thousand anti-American demonstrators rallied to hear Hugo Chávez and Evo Morales condemn the FTAA and US imperialism. Meeting with the other heads of state, Bush encountered unprecedented resistance to the FTAA. The priority for Latin America, Argentine president and host Néstor Kirchner declared, was to take on the unmet social and economic needs of the poor majority. 'We must create a kind of globalization that works for everyone,' he said, 'not just for a few.'[100] The convivial consensus Bill Clinton lauded at the first Summit had been replaced by starkly divergent visions of the hemisphere's future.

Twice before, the United States faced similar crises in its relations with Latin America. Pan-American resistance in the 1920s to Washington's policies of Gunboat and Dollar Diplomacy led President Franklin D. Roosevelt to initiate the Good Neighbour Policy. Latin American anger in the 1950s at Washington's neglect and unwillingness to extend the generosity of the Marshall Plan to the region led President John F. Kennedy to launch the Alliance for Progress. Despite their shortcomings, both initiatives dramatically improved hemispheric relations. The fundamental failing of George W. Bush in Latin America was not that his administration did egregiously bad things (though it did some), but rather that he was bereft of fresh ideas on how to respond to Latin America's growing demand for social justice. Stuck in the ideological resentments of the past and wedded to the presumption of US hegemony, Bush confronted Latin America's 'twenty-first century socialism' armed only with the nostrums of nineteenth century capitalism. It was a losing battle.

[99] Andres Oppenheimer, 'New Latin American Poll Spells Trouble For US,' *Miami Herald*, 9 November 2003; Reuters, 'Bush Unpopular in South America, Poll Shows,' *Boston Globe*, 12 September 2005.

[100] Monte Reel, 'Skepticism Prevails at Trade Talks,' *Washington Post*, 6 November 2005.

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