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# Particularities of international insertion of Latin American countries during the last decade of XX century and beginning of XXI century

Charakterystyki kontaktów międzynarodowych państw Ameryki Łacińskiej w ostatniej dekadzie XX wieku i pierwszej dekadzie XXI wieku

#### **ABSTRACT**

The article focuses on the process of international insertion of Latin American countries during last two decades. The author of the article analyzes the particularities of the process, which are the result of modern globalization, new tendencies of regional integration processes as well as political and social changes occurring in countries of Latin America. The author shows the changes in priorities of international insertion of Latin American countries and the region as a whole (the analyses include i. a. the goals of international insertion of Mexico, Brasil and Venezuela as well as the Bolivarian Alliance for the Peoples of our America – ALBA).

Keywords: Latin America, integration process, international economics, globalization

#### SOME INTRODUCTORY REMARKS ABOUT CONTEMPORARY LATIN AMERICA

There is no doubt that the contemporary world is characterized by the functioning of the most powerful phenomenon called "globalization", which could briefly be described as an increased mobility of different interactions concerning commerce, services, labour, technology and capital throughout the world. In spite of the fact that this phenomenon is not new, its importance, forms and modalities as well as the ways of its rapid development have to consider the advent of new technologies, especially in the area of information and telecommunication. In practice, globalization also

means, besides explosive evolution of transportation networks, communication and new technologies, the profound social-political changes, increased connectivity among societies and transculturation of the contemporary world. Due to these approaches, we could underline that the term is applied to various social, political, economic, commercial, financial and cultural contexts within the framework of the so-called "global village", characterized by closer and dynamic contacts and interactions between different civilizations existing in the world.

On the other side, we could identify apparently new and concentrated interactions produced on regional level in the form of economic and political blocks. Generally speaking, regionalism as a parallel process in the world is mostly based on coexistence in harmony but we also have several cases that demonstrate potential conflicts of different types and ranges<sup>1</sup>. Finally, globalization as a dominant tendency of the present phase of the development of international relations could not be reduced only to its economic aspects because of the evident erosion of some traditional concepts and elements of International Law as the basis of the international community's life: the redefinition of the nation state, national boundaries or national sovereignty<sup>2</sup>.

To resume, the contemporary world has changed dramatically and therefore the consequences of these changes imposed quite a lot of challenges, including the countries belonging to Latin American region. In fact, the new global international constellation required the adequate solutions concerning political, economic, social, cultural and different interstate relations on regional level in order to strengthen regional cooperation, integration and international insertion. Due to these imperatives, the existing geo-political and geo-economic scenarios of international life and activities of each region or particular state have changed deeply. Thus, Latin American region demonstrates a promising capacity in the contemporary globalizing world tendencies. Concerning the Latin American regional tendencies during the nineties, we can say that regional interdependency became very complex with the evident results in the field of cooperation and integration that has progressed rapidly. This phenomenon must be studied in conformity with the process of political end economic globalization in the world that undoubtedly opened a new space, especially for increasing new regional trends in the field of integration. In this context, the positive experience of the political, economic, and cultural development was registered in the frame of Latin American regionalism until the very beginning of the XXI century. In reality, the Latin American regionalism has been profoundly redefined by introducing various

¹ About the new challenges of the contemporary world after the fall of bipolarity in the field of security consult: Roland Marchal/Christine Messiant, "Las guerras civiles en la era de globalización: nuevos conflictos y nuevos paradigmas", Análisis Políticos, Bogotá, No. 50, enero – abril de 2004. Available on: http://bibliotecavirtual.clacso.org.ar/ar/libros/colombia/pd1219656076.htm?categoryId=0

<sup>&</sup>lt;sup>2</sup> For more information about the globalization and the way its interpreted and analyzed by the author of this article, see: Slobodan S. Pajović, The Place of Latin America in the Foreign Policy Strategy of Serbia and Montenegro, EUROGLOB, Bucharest, No. 5, Vol. 5, 2005.

models of bilateral, sub regional, regional and inter-regional cooperation initiatives<sup>3</sup>. This tendency was based on the high degree of interactions on different levels (presidential, ministerial, experts, civil society, etc.) and intensification of political relations among these countries, especially in the context of positive changes in their political orientation: process of democratization, economic stabilization and reform, further development of democratic institutions and human rights, etc.<sup>4</sup>

All these facts represent a very good example for studying the phenomenon of globalization and its results in case of Latin America. Consequently, we could identify very important features that contributed to the improvement and redefinition of international position of the region and countries individually. In reality, those fundamental socio-political and economic changes redesigned the roll and relevance of Latin American countries as a block in the International Community and opened new possibilities to establish innovative international projections and partnerships. In other words, these new forms of sub regional, regional and interregional cooperation represent an effort to achieve compatibility of regional economic development and trading arrangements with other similar around the world and, of course, in accordance with the new national and regional priorities. The basic idea of the new regional philosophy – during the nineties – was to ensure that regional agreements would function in practice and with the aim to build the block capable of further global liberalization and increasing development and integration progress in the region. The concept of "Open regionalism" was adopted as a fundamental theoretical principle of MERCOSUR, ALADI, MCCA, Association of Caribbean States (ACS), CAN, NAFTA, the Group of Three (G 3), and numerous bilateral arrangements, or the recently promoted Initiative for the Integration of Regional Infrastructure in South America (IIRSA), South American Community of Nations, officially inaugurated at the Summit of South American Presidents (Cuzco, Peru, December 8th 2004).

On the other hand, the appearance of the Bolivarian Alliance for the Peoples of our America (ALBA)<sup>5</sup>, launched by Venezuelan leader Hugo Chavez Frías and Cuban leader Fidel Castro Ruiz (2004) and conceptualized on completely different ideological

<sup>&</sup>lt;sup>3</sup> The Latin American regionalism by the end of XX century is formed by: Association of Latin American Integration (ALADI) as the biggest integration framework in the region; Central American Common Market (MCCA); Andean Community of Nations (CAN), Common Market of the Southern Corn (MERCOSUR); the Group of Three (G 3); Caribbean Community and Common Market (CARICOM), Rio Group; Iberoamerican Community of Nations, North American Free Trade Association (NAFTA) and a great number of different bilateral trade or economic complementation arrangements that were signed in this period among Latin American countries.

<sup>&</sup>lt;sup>4</sup> It's well known that during the eighties – the so called "lost decade" - the transitional process was undertaken in political and economic spheres in order to assure democratic transformation and implementation of neo-liberal model of development. For further information see: Gerd Langguth, "Positive Signals after the Lost Decade: Change in Latin America", Aussenpolitik III, 1997 p. 278-290.

<sup>&</sup>lt;sup>5</sup> The first proposal to establish ALBA was announced by the President of Bolivarian Republic of Venezuela during the III Summit of Association of Caribbean states (ACS), celebrated in Isla Magrarita (Venezuela), December 11<sup>th</sup> 2001. Officially, ALBA was inaugurated at the meeting of Venezuelan and Cuban political leaders, held in Havana on December 14<sup>th</sup> 2004.

basis, demonstrated that the process of fragmentation of Latin American regionalism is moved into ideological field in accordance with the regional socio-political reality at the beginning of the XXI century. The emergence and development of new formulas and methodologies of responding to the complex social problems produced in Latin America during the application of neoliberal reforms<sup>6</sup>, generated not only very important intellectual debates focused primarily on all aspects of western democracy and its institutions that were re-established successfully during the eighties of the last century, but also profound political disputes between Latin American countries<sup>7</sup>. Further on, the phenomenon of non-traditional political leadership representing different ideological and ethnic sectors of contemporary Latin American societies definitely marked a new phase of political development in this part of the world<sup>8</sup>.

In real political life, the question of respecting national particularities, solving of deep social problems and marginalization inherited from the period when neo-liberal concept of development was strictly applied became a crucial imperative for those regimes. All those negative aspects of neoliberal transition give options to new political leaderships to state that traditional concept of democracy as a form of political governing in Latin America includes a lot of values and specific experiences that are not necessarily compatible with the initial neo-liberal model implemented along the region. In addition, all those socio-political manifestations caused the so-called "relativiza-

<sup>&</sup>lt;sup>6</sup> The concept of "neoliberalism" is understood in this research as process that in Latin American practice meant the implementation of different recipes derivating from the classical liberal theory. Its important to underline that this theoretical approach is limiting drastically the space for state intervention in social sphere but also in economic besides the first phase of reform and adjustment period. Free market is the principle guarantee of progress and the roll of state is to assure the political and ideological preconditions for independent functioning of market in accordance with its own system of regulations. In other word, its not expected the possibility for state intervention in social and economic issues as well as market questions.

<sup>&</sup>lt;sup>7</sup> For instance, Professor Carlos Malamud from Royal Institute *Elcano* for International and Strategic Studies (Madrid) and famous Mexican writer Carlos Fuentes have had a very important debate concerning the essence of democracy and its obligations - published in remarkable Spanish daily newspaper El País. Namely, Carlos Fuentes published his article entitled "*Democracia latino-americana: anhelo, realidad y amenaza*" expressing his worry about the future of Latin American democracy and underlining the following question: "What level of misery does democracy tolerate?" On the other hand, Professor Malamud answers to this question formulating the following one: "Does democracy have the obligation to give food?" For further information consult: El País, Madrid, May 15th and June 19th, 2001.

<sup>8</sup> For example, the legendary union leader Luis Ignacio Lula da Silva appeared on Latin American political scene in 2002. When he took the presidency in Brazil as the first leftist who won the presidential elections with *Partido de Trabalhadores* (PT) in the whole political history of independent Brazil, international community was very reserved. With the entering of Hugo Chavez Frías and Evo Morales - in Venezuela and Bolivia into political scene – and later on the come back of Sanidismo in Nicaragua, it was evident that these dramatic changes could be understood only as a result of the crisis of "Washington Consensus" (Consenso de Washington) that came to its limits during the period 1997-2002. In fact, those changes demonstrate that such a deep socio-economic problems and very high and multifaceted inequality are the principal elements of ideological framework manifested in practice by *chavismo*, inidgenismo of Morales or the new Sandinismo.

tion of traditional western liberal democracy" phenomenon. Consecutively, we may say that Latin America is challenging a very complex ideological problem that could be simplified by the question "direct democracy versus representative democracy?" The weakness of Latin American democracies was obvious and with the tendency of deepening in many countries during the last 15 years. Democratic governance is decreasing in the frame of progressive social deterioration and exclusion. Parallel to this process, another one is evident: deinstitutionalization of democratic institutions and traditional political parties. All this allows us to conclude that the region has been profoundly transformed and fragmented, when we analyze recent internal political development as well as the main actors and drivers of the new foreign policy strategies and forms of international insertion.

To resume, when analyzing Latin American relations with the rest of the world in present period it is necessary to stress the appearance of new modalities of its international insertion, without forgetting to note that political power has been deeply transformed in various countries. In addition, for the first time in the long political history of this region the so-called leftist regimes control nearly 60% of Latin American population. This significant change could be understood only as a result of the crisis of "Washington Consensus" (Consenso de Washington) that came to its limits during the period 1997-2002, indicating that such deep socio-economic problems and very high and multifaceted inequality are the principal elements of political and ideological agenda of the so-called new Latin American populism. In reality, the "Washington Consensus" represented starting from 1989 a set of ten specific economic policy drivers necessary to fulfill the conditions of the International Monetary Fund, World Bank, Inter-American Development Bank or US Treasury Department to obtain financial support, especially when reform packages of developing countries – including Latin American – were considered. The Washington Consensus was openly criticized in Latin America because its basic principles "stabilize, privatize and than liberalize"

<sup>&</sup>lt;sup>9</sup> Antonio Martuscelli: Crisis alimentaria, respuesta política, Política Exterior, Vol. XXII, No. 125, 2008, pp. 79-95.

We must underline that social agenda is extremely important for the future development of Latin American democracy and social stability. In fact, when analyzing this aspect of reforms and economic adjustments taken and realized in the region in last 15 years, we could see that social agenda was extremely deepened. According to official estimations the number of poor people "has grown – together with the category of so-called "nuevos pobres" - to a point in which nowadays 44% of inhabitants of Latin America are poor (about 65 million). About this aspect of Latin American development consult: Gino Germani, Política y Sociedad en una Época de Transición, Ed. Paidos, Buenos aires, 1992 or Carlos M. Villas, De Ambulancias, Bomberos y Políticas: La Nueva Política Social del Neoliberalismo, Desarrollo Económico, Vol. 36, No. 144, enero-marzo de 1997.

<sup>&</sup>lt;sup>11</sup> There is no doubt that recent political development in the region is characterized by the appereance of new political preferences of the numerous and excluded sectors of Latin American societies. In practise, we may conclude that the main reason of emergence of new populist and chaeismatics leadears ready to challenge social crisis by establishing regimes based on decreased democratic quality is corruption, weak state administration, poverty and inequality, faliure of neoliberal reform to achive social progress and deep crisis of traditional political system in this region.

became the official economic policy of mostly all regional governments producing very negative consequences in social sphere.

### CHANGING PRIORITIES OF INTERNATIONAL INSERTION OF LATIN AMERICAN COUNTRIES AND THE REGION AS A WHOLE

The first decade of the XXI century could be defined as a transitory having in mind the fact that in this period Latin America has been challenging the global economic issues but also the problems derivating from the new regionalization and fragmentation. However, the main problem has been identified in the frame of the process of ideological fragmentation, which definitely confirmed that the region is not homogeneous, as it may seem at the first glance. Actually, the current regional and individual geopolitical and geoeconomic priorities are differing on the basis of a new approach to neo-liberal doctrine that was previously the main pattern of internal and foreign policy activities. In brief, it seems that the most important result of these changes are the corresponding consequences at the international level, where we can recognize new priorities, concepts, forms and modalities of international insertion.

It is well known that over the past two decades Latin American countries – as well as other developing countries – intended to obtain greater insertion and involvement in the global economy and international relations. There is no doubt that Latin American experiences in this field demonstrated notable success at both regional and global level. During the nineties, Latin America and the Caribbean focused not only on recovering from the "lost decade", but also on establishing new areas of specializations in order to articulate and manage successful insertion in the globalized economy. The good initial examples are the establishment of MERCOSUR, the Andean Community (CAN), redefinition of the Central American Common Market (CARICOM) or the creation of North American Free Trade Association (NAFTA), as well as the active participation of these countries in the GATT/WTO rounds of negotiations. Certainly, those facts also give us the opportunity to underline that the greatest challenge for Latin America was definitively to face the possibility to improve its international position in intensively competitive world markets. By adopting this philosophy Latin American political elite prioritized the principle that the economic specialization and liberalization as well as upgrading of international competitiveness became definitely an imperative for economic and social recovery and not necessary for improving the standard of living. Nevertheless, the expected positive effects of neoliberal economic reforms and progress were never materialized in the social sphere, where the very negative social trends began to produce instability, tensions and conflicts.

Considering all these changes manifested inside the Latin American regionalism at the beginning of the XXI century – understood methodologically as a suitable framework for development of different kinds and levels of cooperation and integration – we could state that the phenomenon of international insertion changed notably

and in direct accordance with the priorities of emerging new ideological principles and concepts. In this regard, a lot of experts began to question the option of referring to Latin America as a homogenous region, capable of articulating a coherent regional policy in its international affairs. Moreover, it seems that the international insertion of the region has been modified profoundly as well as the individual and group-strategies and preferences.

Anyways, it seems necessary to underline that more than two decades, the Latin American region has been a showcase of trade liberalization and economic reforms for the entire developing world. The implementation of the opening-up policy was done on three levels: unilateral, regional and multilateral. In accordance with this methodology it is possible to study objectively the development model of Latin American foreign policy strategies. In reality, the relations of Latin America with the rest of the world assumed intensive dynamic, diversification, and forms of activity and pragmatic diplomatic support. Further on, it's possible to identify three main dynamics of this process:

- opening to the world as a type of insertion into globalization,
- intra-regional integration as a result of new trends in Latin American regionalization, and
- fragmentation of Latin American regionalism as a consequence of the internal political changes as well as new priorities in the field of trans-regional linkage<sup>12</sup>.

The first one was very successful having in mind Latin American countries and subregional and regional models of cooperation and integration that achieved high level of internationalization. This tendency could also be studied in the frame of the process of diversification of international activity of different regional actors and the establishment of new partnerships and alliances. The extra-regional links of Latin American countries are closely related to the challenges that globalization imposed to this region but also to its capacity to relocate this multifaceted activity outside Western Hemisphere – which is traditionally a main scenario for these countries. In short, Latin America showed two possibilities for developing countries to join globalization:

- searching for increasingly competitive place in the world market, which means the dynamic modernization of production and society;
- further strengthening of regional identity in the form of political, economic and cultural integration and cooperation.

In addition, we have to mention the successful insertion of certain Latin American countries in global trade models of trade liberalization, such as NAFTA; full membership of several Latin American countries to Asia-Pacific Economic Coop-

<sup>&</sup>lt;sup>12</sup> Arie M. Kacowicz, "América Latina en el mundo: globalización, regionalización y fragmentación", Nueva Sociedad, No. 214, enero-marzo de 2008, pp. 112-113. Available on: http://www.nuso.org/upload/articulos/3513\_1.pdf

eration (APEC)<sup>13</sup> or successful institutionalization of cooperation of some of Latin American countries with European Union (Mexico and Chile, bilaterally). Finally, existing negotiations between EU and MERCOSUR will lead also to the new partnership with the most prestigious representative South American economic and political block. Parallel to this process there is also a large number of existing regional bodies and institutions that are coordinating the cooperation in the field of energy, ecology, transport, information, culture, science or education. Besides this process, it's important to underline that several Latin American countries and subregional and regional groups established new strategic partnerships on bilateral level with China, Russia, Japan or South Korea<sup>14</sup>.

Regardless the question of new forms of international insertion of Latin America at the beginning of XXI century, we have to take into account the results of intra-regional integration processes and the new external trends manifested in foreign policy strategies of some regional countries or groups. Actually, as it was stressed before, this process oftenly named "the fragmentation of Latin American regionalism" is the consequence of the internal political and ideological changes that project completely new priorities in the field of trans-regional linkage. In practice, it meant that new atypical and non-traditional partners and strategic partnerships appeared in foreign policy agendas. The ideological basis of this phenomenon is anti-neoliberalism and anti-Americanism.

#### FINAL REFLECTIONS

The actual financial crisis makes obvious that some countries from the so-called "developing world" have improved their international position and some Latin American countries represent very promising examples. In this context, we have to underline that

<sup>&</sup>lt;sup>13</sup> Mexico, Colombia, Argentina, Brazil, Chile, and Peru are Latin American countries that institutionalized their relations with APEC. Nevertheless, nearly all countries of this region are very interested in strengthening cooperation with Asian region. In this respect, a special kind of interaction is realized with East Asian countries. This Forum (FEALAC) was institutionalized in 1999 and its members are: Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Mexico, Panama, Paraguay, Peru, Uruguay, Venezuela, Singapore, Brunei, Cambodia, Thailand, Vietnam, Philippines, Malaysia, Laos, Indonesia, Burma, Japan, China, South Korea, Australia and New Zealand. The XI Summit of FEALAC will take place in Bali, Indonesia from November 3, 2010. The Working Group meetings will take place from October 31 - November 2, 2010.

<sup>&</sup>lt;sup>14</sup> Generally speaking, apart of APEC Latin America and Asia are linked by the following institutionalized organizations and forums: since 1967, the Pacific Basin Economic Council (PBEC); Pacific economic Cooperation Council (PECC) from 1980 or starting from 1999 the Forum for East Asia-Latin American Cooperation (FOCALAE). On the other side, bilaterally the principal partners of Latin America in Asia are China, Japan and South Korea. In case of Russia, it's also possible to make observations on intensive development of Russian strategy towards Latin America in last five years. In this period different and high-level Russian delegations visited Latin America with the aim to promote economic, commercial and scientific cooperation. Russian regional priorities are: MERCOSUR (especially Brazil and Argentina), Chile, Venezuela, Mexico and Cuba.

the international position of Latin America is profoundly redesigned. On one side, we concluded that the traditional perception of Latin America as a highly homogenous region with the corresponding quite developed internal integrational net is changed as a result of new regionalization and fragmentation tendencies. On the other side, for the first time in the history of international relations we could speak about one Latin American country (Brazil) in terms of emerging global actor while Chile and Mexico are members of OECD. Additionally, it is also significant to underline that three Latin American countries are members of G-20 (Brazil, Mexico and Argentina). Having in mind this new regional scenario and distribution of power, we could conclude that the most important regional and international actor coming from Latin America is Brazil as the 10<sup>th</sup> world economy, leader of South American integration and full member of BRIC<sup>15</sup>. Furthermore, Mexico is the 11<sup>th</sup> world economy, Argentina is the 30<sup>th</sup>, Venezuela 31<sup>st</sup>, Colombia 38<sup>th</sup> and Chile 46<sup>th</sup> – according to World Economic Outlook Database for 2009. In sum, the region as a whole represents 7% of the global GDP, which puts Latin American economy on the fourth place in the world<sup>16</sup>.

If we bear in mind all these facts, it seems that those regional countries that established close co-operational ties with China and Asian regional blocks have achieved to successfully diversify and strengthen the individual or block position in the globalized world tendencies. Internally, when concerning the model of international insertion of Latin American countries it is evident that two forms and methodologies were experienced. Brazilian foreign policy strategy has been more diversified and successful in comparison with the Mexican that was clearly and progressively limited by its North American driver. Moreover, Mexican international insertion, starting from its incorporation as a full member of NAFTA (1994), was based on strategic and asymmetric partnership with the USA and Canada, which notably reduced its regional activities and protagonism. Additionally, the weakening of Mexican influence on regional Latin American scene is increasing especially after the collapse of ALCA, if we have in mind the fact that this country is not a member of any regional or subregional integrational model. Briefly, this situation makes evident that the economic, financial and political vulnerability of Mexico is definitely the result of high level of dependency on the USA. Besides, we have to know that 90% of its commerce is realized with the USA and that we could detect very similar trends in financial and banking system.

<sup>&</sup>lt;sup>15</sup> Brazil, Russia, India and China are members of BRIC – that is an acronym for the economies of Brazil, Russia, India and China combined. The general consensus is that the term was first prominently used in a Goldman Sachs report from 2003, which speculated that by 2050 these four economies would be wealthier than most of the current major economic powers. However, heads of state from Brazil, Russia, India and China met in Brasilia (April 15<sup>th</sup> 2010) and before the G 20 Summit in order to find common ground on a handful of political issues. The first BRIC Summit was held in Russia in 2009 with the main objective to establish a tentative foundation for future coordination of concrete results.

<sup>&</sup>lt;sup>16</sup> Sussane Gratuis, El ascenso post-crisis de América Latina, Policy Brief, FRIDE, No. 31, enero de 2010. Avaliable on: www.fride.org/download/PB\_Ascenso\_AmLat\_ESP\_ene10.pdf

On the other side, when considering the Brazilian model of international insertion, it seems very important to clarify that the implemented methodology and principles were completely different. Brazilian foreign policy is based on the concept of national economic and social development with notably important state intervention, especially oriented on achieving the standards of the open economy with parallel possibility for state intervention and protection in strategic sectors. In reality, a lot of authors point out that the emerging economies such as the Chinese, Indian or Brazilian are practicing a new methodology with the aim of responding to economic crisis by combining measures of liberalism and protectionism<sup>17</sup>. The Brazilian external activity and relations have also manifested great differences in relation to the Mexican case because they have been based on strengthening ties, presence and influence on both regional and international levels. Brazil, actually, as a principal regional economic driving force that opted for the so-called South-South strategy, what permitted the conformation of emerging leadership in the region and internationally, especially in the frame of BRIC and the India-Brazil-South Africa Dialogue Forum (IBSA), established in June 2003<sup>18</sup>. On regional hemispheric level the model of Brazilian insertion was defined on the basis of new leadership in South America and especially as a principal promoter and protagonist of UNASUR as a new South American political and economic actor, which is taking actions independently and outside North American geoeeconomic and political space with USA as a leader.

Further on, the process of ideological fragmentation in the frame of Latin American regionalism generates another form of leadership that differs ideologically and methodologically from the previous examples. Therefore, it seems very important to analyze the external impact of *chavismo* having in mind that its various international projections could be summarized in the following way: firm criticism and opposition towards neo-liberal doctrine and globalization, unchangeable anti-imperialism in the form of anti-Americanism and strengthening of the new forms of regional cooperation in Latin America and the world. The basis of this foreign-policy platform is the conviction that Venezuela could be one of the main regional actors in the new geo-strategy of the world at the beginning of the XXI century, at the first place due to its enormous natural resources: oil and natural gas. This pattern is fundamental to understand the actual phase of Venezuelan international activity characterized by strengthening of bilateral and multilateral relations with OPEC, China, Russia, India, South Africa or Arab countries like Libya, Iraq or Iran. Having in mind that Venezuelan foreign policy is openly anti-American it is easy to understand the wor-

<sup>17</sup> Sussane Gratuis, Ibid

<sup>&</sup>lt;sup>18</sup> IBSA is a coordinating mechanism established by three emerging countries, characterized by developing multiethnic and multicultural democracies. At the same time, this cooperational framework allows these countries to contribute to the construction of a new international architecture, to bring their voice together on global issues and to deepen their ties in various areas (blocks). IBSA also opens itself to concrete projects of cooperation and partnership with less developed countries.

ries of official Washington concerning the security agenda of the world in general and Latin America, in particular.

The Bolivarian model of international insertion could be de-fragmented into two levels: a) South American-Latin American-Caribbean and South-South geoeconomic space. The Venezuelan policy toward regional Latin American agenda was changed profoundly. The high indicators of popularity of Venezuelan President in various Latin American countries permit him to promote the main principles of his doctrine in the region. There is no doubt that Venezuela is one of the central actors in promoting and strengthening of the regional integration. It is also evident that in the first ten years of *chavismo* <sup>19</sup> a very close relation was established with communist Cuba and its historical leader Fidel Castro as well as with the populist regimes in Argentina, Bolivia, Ecuador, Nicaragua, including Brazil, the regime of which could not be identified as populist.

Some kind of strategic partnership that Chavez established with Castro personally and the Cuban regime institutionally gave the opportunity to numerous experts to underline that Castro has a very great influence over Venezuelan revolutionary process. But there is also another point of view indicating that Venezuelan national interests will not necessarily coincide with those of Cuba. Besides, it is possible to expect in the near future some kind of rivalry concerning the leadership between the so-called leftist forces in Latin America<sup>20</sup>.

<sup>&</sup>lt;sup>19</sup> A lot of experts direct their analysis towards identifying ideological-cultural and civilizational components of the chavismo doctrine. In this sense, its necessary to underline that in populist history of Latin America the phenomenon of conceptualization of doctrine was the one of the most important challenges and tasks. As it was shown in the history, the same intentions could be detected when analyzing the main characteristics of aprismo, varguismo or peronismo. In fact, the populism appeared as a movement in the critical moments of the polarized Latin American societies and during its development the need for conceptualization of some kind of political and ideological doctrine arises. This tendency was oriented towards criticism of traditional ideological doctrines that showed incapacity to solve deep social and economic problems of these countries. Therefore, chavismo manifested the capability and intention to transform the fluid and flexible concept of Bolivarian Revolution into Socialism of XXI Century. In reality, the proposal of construction of the new civilization was launched in order to introduce qualitatively different changes to bourgeois civilization. The mentioned different institutional transformation in practice involves transcending the actual status quo by achieving the substitution of the market economy by the so-called economy of value democratically planned. Parallel to this, the initiation of the class transformation of the state will start by establishing a new state administration that must be of service to the majority of population. The most important ideological change would be the institutionalization of the model of direct democracy due to the fact that Bolivarian doctrine argues that traditional representative democracy is not capable of responding to challenges of Venezuelan society.

<sup>&</sup>lt;sup>20</sup> Richard Gott, a correspondent of the British newspaper the *Guardian*, gave an important interview about the differences between Cuban and Bolivarian revolution. It is well known that Gott visited Cuba first in 1963, where Cuba: *A New History* first began to take shape. By the end of 1999 he was in Venezuela in order to see *in situ* the meaning of Bolivarian Revolution. He still wrote the best introduction to Hugo Chavez's revolutionary model," *In the Shadow of the Liberator* (2001). For further information consult:

The authority and energy of this foreign policy strategy leans on ALBA as a fundamental element for promoting new form of cooperation and integration in the region. There is no doubt that ALBA is strategically the most important element of Venezuelan regional policy based upon a model of political, economic and social integration of the Caribbean, Central and South American countries that share geographic spaces, historical and cultural links, necessities and common potentials. But ALBA is also an integration model that includes mechanisms and principles of cooperation, solidarity and complementarity, which is why it is considered the first integration of this kind in abundant integrative and cooperative Latin American heritage.

In fact, ALBA is promoted as alternative to neo-liberal model of "Open Latin American Regionalism"21 that deepened the structural asymmetries and economic and financial dependencies. Its main objectives are to promote the fight against the poverty; preserve the autonomy and Latin American identity; assure transfer of technology and technical assistance; give priority to national companies as public suppliers; fight the abuse of the monopolies and oligopolies through effective mechanisms that assure the competition; provide special and differentiated treatment of unequal economies with the aim of opening opportunities to the weakest; prevent the foreign investors to be given state monopolies of public interest and enable the process of wide social participation, which can be characterized as democratic<sup>22</sup>. Therefore, we may conclude that ALBA responses to regional foreign policy priorities of Venezuela being a strategy of economic and financial support to those regimes that are compatible with Bolivarian revolutionary ideology and principles. Accordingly, ALBA represents a completely new modality of international insertion manifested in abound Latin American praxis with the aim to be the main pillar of the emerging Venezuelan political and economic leadership on regional level.

b) On the other side, Venezuela has recently started out a very significant initiative: successful organization of the second South – South Summit that took place in Margarita Island (September 2009). This event demonstrated that official Caracas has an ambitious plan to become one of the main leaders of the developing countries. Heads of the state of 61 countries, 49 from Africa and 12 from South America, participated

<sup>&</sup>lt;sup>21</sup> The concept of "open regionalism," that is implemented in Latin America was conceptualized by ECLAC (CEPAL) at the beginning of 1990s. The idea was to generate new neo-liberal concepts of economic development and integration. The concept was presented in three documents: "Productive Transformation with Equity" (PTE) in 1990, followed by "Sustainable Development: Productive Transformation, Equity, and Environment" in 1991, and finally the "open regionalism" program in 1994. In practice, "open regionalism" is immediately associated with projects as the North American Free Trade Agreement (NAFTA), the Community of Andean Nations, MERCOSUR, and also a numerous unilateral trade policies like those practiced by Chile. For further information about this question see: Eduardo Gudynas, "Open Regionalism or Alternative Regional Integration, 2005.

<sup>(</sup>http://www.integracionsur.com/americalatina/GudynasCritiqueOpenRegionalism.pdf)

<sup>&</sup>lt;sup>22</sup> For complete information about the official interpretation and concerns about ALBA consult the document entitled "What is ALBA" issued by the Ministry of State for Integration and Foreign Commerce of Venezuela (http://www.alternativabolivariana.org/pdf/alba\_mice\_en.pdf)

in the summit entitled "Closing gaps, opening opportunities". As the result of this summit we have enough elements to speak about the new modality of international insertion of one Latin American country. In fact, several very significant initiatives were launched, such as the foundation of the Radio of the South (a network of radio stations driven by Venezuelan National Radio), the Bank of South (supported by heads of the state of Argentina, Chile, Bolivia, Brazil, Uruguay and Venezuela with the starting capital of 20 billion US dollars)<sup>23</sup> or bilaterally, having in mind that Venezuela signed notes of understanding for joint mining ventures with Sierra Leone, Mali, Namibia, Niger and Mauritania. Venezuela took this opportunity to sign the agreement with Food and Agriculture Organization of the United Nations in order to assist with the endeavor against hunger in Africa<sup>24</sup>. On the other hand, the summit gave a firm support to the reform of UN Security Council and possibility for Brazil to become its permanent member.

This form of international insertion is geoeconomically and geopolitically limited to so-called developing world. In fact, it is evident that the Bolivarian Revolution – defined as a process that pretends to be anti-imperialistic, democratic-bourgeois, opposite to neo-liberal doctrine and with the pretension to transform to the socialism of the XXI century – intents to take advantage of each of these revolutionary objectives in its foreign policy activities.

To summarize, it is difficult to think in the year 2010 about Latin America as a homogenous international actor and partner because of deep transformations that changed the regional geoeconomic and political scenario. Also, the international projection and perception of Latin America has been changed and for the first time in political and economic history of the region we have one country (Brazil) representing an emerging regional and global power. On the other side, different leadership efforts have appeared and that evidently demonstrates the complexity and contradiction of internal political and ideological situation, which progressively stimulates the process of regional de-fragmentation. Finally, it is very important to identify and evaluate the basic elements and potential of Venezuelan foreign policy strategy, having in mind that it is based on a completely new ideology and methodology regarding international position and forms and modalities of international insertion.

#### ABSTRAKT

Artykuł zawiera charakterystykę międzynarodowych kontaktów ekonomicznych państw Ameryki Łacińskiej w ostatnich dwóch dekadach. Autor tekstu analizuje uwarunkowania tych kontaktów, wynikające z procesów współczesnej globalizacji, nowych tendencji procesów integracyjnych w regionie

<sup>&</sup>lt;sup>23</sup> It would be the first bank founded in this way in South American history with the principal aim of allowing credits to these countries.

<sup>&</sup>lt;sup>24</sup> For complete information about the results of this summit consult: http://21stcenturysocialism.com/article/africa-south\_america\_summit\_cements\_south-south\_collaboration\_01918.html

oraz zmian politycznych i społecznych zachodzących w państwach Ameryki Łacińskiej. Artykuł zawiera analizę zmian priorytetów międzynarodowej współpracy krajów Ameryki Łacińskiej i całego regionu (m.in. Meksyku, Brazylii, Wenezueli, a także Alternatywie Boliwariańskiej dla Ameryk – ALBA).

Slowa kluczowe: Ameryka Łacińska, proces integracji, międzynarodowe stosunki gospodarcze, globalizacja

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