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**Obama’s Latin America Policy: Continuity Without Change**

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Introduction

When Latin America’s left presidents watched the campaign of Barack Obama for president in 2008, they thought that they might finally see a U.S. president who would change Washington’s foreign policy in the region. It seemed as if another revolt at the ballot box was arriving in the Western Hemisphere of the kind that had elected Lula da Silva, Hugo Chávez, Evo Morales, Rafael Correa, Fernando Lugo, and Tabaré Vázquez. Before Obama’s election, President Lula da Silva of Brazil expressed this sentiment: "Just as Brazil elected a metal worker, Bolivia elected an Indian, Venezuela elected Chávez, and Paraguay a bishop, I think that it would be an extraordinary thing if, in the largest economy in the world, a black man were elected president of the United States."  

In a sense, the shift in the electorate had similar causes in the hemisphere. Latin America’s swing to the left was largely driven by the failure of neoliberalism: the worst long-term economic growth performance in more than a century, from 1980–2000. More than a generation of Latin Americans had lost out on any chance to improve their living standards. In the case of the United States it was not so much a growth failure (although the growth of per capita gross domestic product did decline significantly in the neoliberal era) as a vast increase in inequality and, of course, the worst recession since the Great Depression that finally brought voters to demand an end to nearly four decades of rightward drift.  

A few months after taking office in April 2009, Obama seemed to raise Latin America’s expectations at the Summit of the Americas in Trinidad. Acting like the former community organizer he was, Obama walked over to shake hands with Chávez—an image that sped instantly around the world and infuriated the right. He made some unprecedented statements for a U.S. president, admitting that "at times we sought to dictate our terms." Even Raúl Castro was impressed, responding to Obama’s loosening of travel and remittance restrictions (for Cuban-Americans only) by saying that he was ready to discuss "human rights, freedom of the press, political prisoners, everything." He added, "We could be wrong. We admit it. We’re human beings."  

Obama’s Latin America Policy

It didn’t take long for all of these leaders’ hopes to be crushed. On June 28 the Honduran military overthrew the government of President Manuel Zelaya of Honduras and flew him out of the country. Over the next six months, to the horror of the Brazilians and everyone else who had expected something different, the Obama administration would do everything in its power to help the coup government succeed. On the day of the coup, the White House did not condemn it, instead calling on "all political and social actors in Honduras" to respect democracy. Given that U.S. officials were talking to the Honduran military right up to the day of the coup—according to their

1 Weisbrot (2008a).
2 Weisbrot (2007).
4 Weisbrot (2008b).
5 Obama (2009a).
6 Carroll (2009).
7 Obama (2009b).
account, to try and discourage it—the event was not a surprise, and no one was fired for the White House statement. Therefore we must assume that this was a carefully worded statement, and since the administration could not openly support the coup it was the most supportive statement that it could issue, as a political matter. Thus it was a clear signal to the international diplomatic community that Washington supported the coup government, and everything that followed for the next six months was therefore predictable and predicted.

U.S. Secretary of State Hillary Clinton sent another signal on the day after the coup when she was asked if "restoring the constitutional order" in Honduras meant returning Zelaya to the presidency. She would not say yes. When President Zelaya attempted to return to Honduras on July 24, Clinton denounced his action as "reckless," adding, "We have consistently urged all parties to avoid any provocative action that could lead to violence."

For at least five months the Obama administration refused to condemn the massive human rights violations committed by the coup regime, despite documentation and denunciations from Human Rights Watch, Amnesty International, the OAS Inter-American Commission on Human Rights, and Honduran, European, and other human rights organizations. There were thousands of illegal arrests, beatings and torture by police and military, the closing down of independent radio and TV stations, and even some killings of peaceful demonstrators and opposition activists.

In order to get around laws that required cutting U.S. aid to governments that come to power through a military coup, the Obama administration refused to determine that a "military coup" had taken place in Honduras. Most U.S. aid to Honduras, which came from the Millennium Challenge Corporation, a U.S. government agency, was never suspended. But WikiLeaks cables published in 2011 showed that by July the U.S. embassy in Honduras was quite clear about what had happened. A cable from July 24, 2009 asserted that "there is no doubt" that the events of June 28 "constituted an illegal and unconstitutional coup." As for the justifications given by coup supporters, the embassy said, "None . . . has any substantive validity under the Honduran constitution".

Not surprisingly, the Obama administration ran into conflict with the rest of the hemisphere in its support for the coup government. On September 28, 2009, the United States blocked the OAS from adopting a resolution on Honduras that would have refused to recognize Honduran elections carried out under the dictatorship. Latin America turned to the Río Group (23 nations, including all of Latin America and some of the Caribbean), which adopted a resolution in November saying that Zelaya’s restitution was an "indispensable prerequisite" for recognizing the elections.

On October 30, U.S. government representatives including Thomas Shannon, the top U.S. State Department official for Latin America, brokered an accord between President Zelaya and the coup regime. The agreement was seen throughout the region as providing for Zelaya’s restitution, and—according to diplomats close to the negotiations—both Shannon and Secretary of State Hillary

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8 Clinton (2009)
9 Agence France-Presse (2009).
12 IACHR (2009).
13 Naiman (2010).
14 Padgett (2009).
15 Río Group (2009).
Clinton gave assurances that this was true. Yet just four days later, Shannon stated in a TV interview\(^{16}\) that the United States would recognize the November 29 elections whether or not Zelaya was restored to the presidency.

These maneuvers created a rift between the United States and the rest of the hemisphere. Honduras remained outside of the OAS for years because all of South America except for Chile, Colombia, and Peru refused entreaties from Washington to let the government of Porfirio Lobo into the organization, from which it was suspended after the coup.

It is worth emphasizing that this episode shows not only the continuity between the Bush administration and its successor on policy toward Latin America but also how willing the Obama administration was to alienate the government of Brazil simply to get rid of one leftist government in a small, poor country. Brazil is regarded by the U.S. foreign policy establishment as an increasingly important player not only in the region but globally, but it was not important enough for the State Department to consider aligning itself with the pro-democracy stance of the rest of the region.

The Obama team also sowed distrust in the region and took a step farther to the right than the Bush administration in July 2009, when the U.S.-Colombia defense cooperation agreement was leaked to the press. This agreement between the governments of the United States and Colombia increased access for U.S. military personnel at seven Colombian military bases, and it was met with concern and opposition throughout South America. Then-President of Chile Michelle Bachelet referred to the agreement as "disquieting" and asked for assurances that the bases would not be used for forward operations in other countries. Brazilian president Lula da Silva was also concerned; "I'm not happy with the idea of another U.S. base in Colombia," he said. He also urged President Obama to attend the meeting of UNASUR where the issue would be discussed.\(^{17}\)

More worries came from the U.S. Air Force's Air Mobility Command White Paper\(^{18}\) on Global En Route Strategy:

> Recently USOUTHCOM has become interested in establishing a location on the South American continent that could be used both for counter-narcotics operations and as a location from which mobility operations could be executed. . . . Until such time that USOUTHCOM establishes a more robust theater engagement plan, the strategy to place a CSL [cooperative security location] at Palanquero should be sufficient for air mobility reach on the South American continent.

On August 28, the UNASUR countries met in Bariloche, Argentina and discussed the problem of the U.S.-Colombia agreement. The final declaration\(^ {19}\) described South America as a "zone of peace" and reported the UNASUR nations' commitment to respect the "territorial integrity" of all UNASUR states. It also took the opportunity to "reaffirm that the presence of foreign military forces cannot, with its means and resources linked to its own goals, threaten the sovereignty and integrity of any South American nation and as a consequence, the peace and security of the region."

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16 CNN (2009).
17 Bronstein (2009).
18 WOLA (2009).
In other words, the governments reached agreement, with Colombia signing on, that the U.S. military forces could not use these bases for forward operations out of Colombia, which had been the stated or implicit purpose according to various U.S. government documents.

In October, the Colombian magazine *Semana* reported on a U.S. Air Force document that outlined plans for the Palanquero base, one of the bases included in the U.S.-Colombia agreement. The document states:

> Development of this CSL (Cooperative Security Location) provides a unique opportunity for full spectrum operations in a critical sub-region of our hemisphere where security and stability is under constant threat from narcotics funded terrorist insurgencies, anti-U.S. governments, endemic poverty and recurring natural disasters.

The mention of "anti-U.S. governments" as part of a "constant threat" to "security and stability" raised alarm bells among the left-of-center governments in South America.

In August 2010, the Colombian constitutional court ruled that the defense cooperation agreement was unconstitutional and would have to be ratified by the Colombian Congress as an international treaty. But by this time there was a new president, Juan Manuel Santos, who has so far shown no interest in pursuing its ratification. Santos has taken a drastically different approach to regional relations from his predecessor, Álvaro Uribe, most importantly by repairing and maintaining very good relations with Venezuela. Ironically, this U-turn in Colombia’s foreign policy was partly a result of the Obama administration’s aggressive moves, matched by those of Uribe. Venezuela had responded to the U.S.-Colombia agreement by cutting off its imports from Colombia, which shrank in one year from 15.6 to just 3.6 percent of Colombia’s total exports. With this huge loss of commerce and the fact that Venezuela was allied with most of the rest of South America, Santos was left to decide whether he wanted Colombia to be an unquestioningly loyal partner of Washington or a part of South America. He chose the latter.

The Obama administration has also downgraded diplomatic relations with Venezuela, reversing its decision in Trinidad to restore relations at the ambassadorial level. In June 2010 it announced the appointment of Larry Palmer, president and CEO of the Inter-American Foundation, to replace its ambassador in Caracas. The Venezuelans responded with formal initial approval. Palmer then testified before the Senate on July 27, as part of the confirmation process, and there were no problems. But then he was asked to respond to written questions from Senator Richard Lugar, then the ranking Republican on the Senate Foreign Relations Committee. In his written responses, Palmer said some things that a candidate for ambassador would not say publicly about the host country. He referred to "morale" in the Venezuelan armed forces as "considerably low" and to "clear ties between the Venezuelan government and Colombian guerrillas." There were a number of other remarks about Venezuela that would cause almost any government to reject him as ambassador. Although Palmer’s answers to these questions were presumed to be for the senators and not for the public, a week later they were posted on Senator Lugar’s web site. This caused an uproar in Venezuela, and, as any government would do, the Venezuelan government rejected Palmer’s appointment.

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20 Department of the Air Force (2009).
21 Weisbrot and Johnston (2010).
22 BBC (2010).
then retaliated by expelling the Venezuelan ambassador from the United States, and the two countries remain without ambassadors at this time.

This episode highlights the role that congressional staff members play in maintaining the continuity of right-wing foreign policy. It is clear that this maneuver was executed by staff in cooperation with right-wing allies in the State Department. Of course, President Obama is ultimately in charge and could simply have appointed a new ambassador who would not be tricked into publicly insulting the host government before his appointment. But once the confrontation was engineered, the White House—which has mostly left Latin America policy to the State Department—did not want to take the political risk of being seen as "caving to Chávez."

The administration’s refusal to recognize the Venezuelan elections in April of this year, despite the lack of doubt about the results, showed an aggressiveness that Washington hadn’t shown since the 2002 coup. It brought a rebuke from South America, including Brazil’s former president Lula da Silva and current president Dilma Rousseff. Then less than two months later U.S. Secretary of State John Kerry launched a new “détente,” meeting with his Venezuelan counterpart Elías Jaua in the first such high-level meeting in memory, and implicitly recognizing the election results. New hopes were quickly dashed when the European governments, clearly acting on behalf of the United States, forced down President Evo Morales’ plane in July. “They’ve definitely gone crazy,” President Cristina Kirchner tweeted, and UNASUR issued a strong denunciation. The gross violation of international law and diplomatic norms was another showing of Washington’s lack of respect for the region.

The Obama administration has also continued the Bush administration’s policy toward Bolivia, with the result that the United States and Bolivia also remain without ambassadorial relations. Bolivia expelled the U.S. ambassador in September 2008 on the grounds that he (and Washington) were intervening in Bolivia’s internal affairs. The U.S. embassy was caught trying to use Peace Corps volunteers and a Fulbright scholar for spying; U.S. ambassador Phillip Goldberg had met privately with opposition leaders at a time when a significant part of the opposition was involved in violent efforts to destabilize the government; and Washington was seen as tacitly supporting the Bolivian opposition by not condemning this violence or even offering condolences when dozens of government supporters were massacred in Pando in September 2008.

The Bush administration had also suspended Bolivia’s trade preferences under the Andean Trade Promotion and Drug Eradication Act. The official reason was that Bolivia had not been cooperating sufficiently in the war on drugs, but according to the UN’s 2008 report, Bolivia’s coca cultivation had increased by just 5 percent that year, compared with a 27 percent increase in Colombia, the biggest beneficiary of U.S aid in the region. Bolivia expelled the Drug Enforcement Agency from the country in 2008, accusing it of aiding the political opposition. The Obama administration has not restored Bolivia’s trade preferences, despite the fact that the suspension itself is probably illegal under the World Trade Organization (WTO). Countries are allowed to establish rules for preferential access to their markets, but the rules must be applied equally to all countries receiving the preferences.

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23 Friedman-Rudovsky and Ross (2008).
There is another holdover from the Bush administration: Bolivia’s new constitution declares that health care (along with water and other necessities) is a human right and cannot be privatized. In keeping with its constitutional law, Bolivia asked the WTO for permission to withdraw the previous government’s commitment to open up its hospitals and health care sector to foreign corporations. According to the WTO’s procedural rules, if there are no objections to such a request within 45 days it is approved. The European Union, home to some of the big health care corporations that might have an interest in the issue, responded that it had no objections. On January 5, 2009, the last day of the waiting period, the Bush administration objected. As of this writing, the Obama administration has still not withdrawn that objection.

Perhaps the most important sticking point in the restoration of ambassadorial relations right now is Bolivia’s demand for transparency in the use of USAID money within the country. The United States currently spends over US$80 million per year in Bolivia through USAID. Relative to Bolivia’s economy, this is comparable to what the United States is spending in Iraq. Although some of this money is dedicated to specific projects that are disclosed, much of it is not, and the State Department has acknowledged that some of it goes to groups or individuals that are part of the opposition. But the U.S. government refuses to disclose where this money is going. The Bolivian government has demanded full transparency with respect to these funds. Haiti is yet another example of a country in which the Obama administration has continued its predecessor’s policy with a vengeance. On November 28, 2010 Haiti held a presidential election in which a Duvalierist candidate, Mirlende Manigat, placed first and the Preval government’s candidate, Jude Celestin, was second. In a close third, separated by only 0.7 percentage points, was the popular musician Michel Martelly, who was backed by right-wing sources in Miami and in Spain. The election was of questionable legitimacy to begin with, since the country’s most popular political party, Fanmi Lavalas, the party of Haiti’s first democratically-elected president, Jean-Bertrand Aristide, was arbitrarily excluded from the ballot, and about three-quarters of the electorate did not vote. This was the lowest turnout for a presidential election in the hemisphere for 60 years, including Haiti, where 59 percent voted in the last presidential election.

Nonetheless, the Obama administration did not like the results because Celestin was the candidate of President René Préval, who had fallen out of favor with Washington in the few years prior to the election. The United States, together with allies such as Canada and France, then used the OAS to change the results of the election. An OAS "Expert Verification Mission," examining only a sample of the ballots and without using any statistical inference to determine the overall result, recommended that Manigat and Martelly proceed to the runoff. There were over 150,000 missing or quarantined votes, and although the mission looked at these areas and determined that they were significantly different from the overall population and would likely have shifted the result back to Celestin, its report did not include this information. It was also unprecedented, as the mission’s chief statistician, Fritz Scheuren, the president of the American Statistical Association, verified, for an
election result to be reversed without a recount.\(^\text{30}\) (Normally, in a disputed election, either the results are accepted, a new election is held, or a recount is used to determine the winner.)

The Obama administration then repeatedly threatened Haiti’s current government until it reluctantly accepted the change of results, leaving only two right-wing candidates—who had received 6.5 and 4.6 of the electorate’s votes, respectively—competing for president in a country that would never willingly vote for a right-wing president. Among the threats were a cutoff of desperately needed earthquake relief aid and, according to multiple sources, removing President Préval from the country. The latter was no idle threat; the United States and its allies had overthrown President Aristide in that manner nine years ago after first destroying the economy by cutting off international aid for nearly four years while funneled money to opposition groups. The State Department would continue to try - ultimately unsuccessfully - to block Aristide from returning to Haiti.\(^\text{31}\)

The case of Haiti is important to this analysis because it shows to what lengths the Obama administration is willing to go in order to control the government of a small, desperately poor country. Honduras, at least, has a U.S. military base; Haiti has almost nothing of value to U.S. military or corporate interests. Why, then, has it sought to get rid of the country’s only national political leader over the last 20 years, overthrowing him twice, aiding and abetting the slaughter of thousands of his supporters, and suppressing the country’s largest political party? The answer is evident from WikiLeaks cables,\(^\text{32}\) which show that Washington was worried about Haiti’s foreign policy under Préval. As insignificant as it may seem to someone outside of Washington circles, the State Department sees Haiti as just one more pawn in its game of cold war chess in the Western Hemisphere and one that, given Haiti’s poverty and defenselessness, it believes it should be able to capture.

It seems that nearly every month there is another indication of how little interest the Obama administration has in improving relations with the region. On July 24, 2013 the International Monetary Fund (IMF), at the direction of the U.S. Treasury Department, changed its plan to support the Argentine government in its legal battle with “vulture funds.” The IMF had previously committed to filing a brief with the U.S. Supreme Court supporting the Argentine government. This was not out of love for Argentina, but because the lower court’s decision – which would try to prevent Argentina from paying 92 percent of its creditors in order to satisfy the vulture funds – was seen as a threat to future debt restructurings and therefore to the world financial system. But anti-Argentina lobbyists were allowed to prevail, even against the Treasury Department’s legitimate concern for international financial stability.

**Conclusion**

There is little that is surprising about the continuity of the Obama administration’s foreign policy in Latin America with that of the Bush administration. Most generally, President Obama appears to have made a decision early on that he would change U.S. foreign policy in the world as little as

\(^{30}\) Scheuren also verified that no statistical inference was used to determine the overall result from the sample; and that the mission had looked at the missing votes and determined that they would have swung the second-place finish to Celestin but did not include this part of its work in its report.

\(^{31}\) Reuters (2011).

\(^{32}\) Weisbrot (2011).
possible. The appointment of Hillary Clinton as Secretary of State --someone who had lost the primary election partly because of her stubborn defense of her support for the Iraq war-- was an obvious indicator. From a politician’s point of view, it was a simple calculation. Obama took the presidency while the United States was suffering its worst recession since the Great Depression. Foreign policy concerns normally do not play a major role in U.S. presidential elections, and there is a body of political science research showing that even in normal times the state of the economy prior to the election is of primary importance. President Obama’s re-election chances in 2012 rested primarily on economic issues— including his attempt at health care reform. Under such circumstances, it did not make sense from a political point of view to get into any avoidable fights over foreign policy.

For President Obama, there are no electoral consequences of having bad relations with Latin America. Unlike Afghanistan, Pakistan, Syria, or other areas of armed conflict or potential war, there is no imminent danger that something could blow up in his face, and cause political harm to his administration or party. The main electoral pressure comes from those who want to more aggressively oppose the left governments – e.g. right-wing Florida Cuban-Americans and their allies in Congress, who currently prevail in the House. Most of the foreign policy establishment doesn’t care about the region at all, and the ones who do mainly share the view that the leftward shift is a temporary thing that should be reversed. And that is the apparent goal of Washington in the region: to eventually get rid of the left governments, or to make them compliant as say, the Europeans are, in supporting U.S. foreign policy in general. In the meantime Washington is expanding its military presence where it has control (e.g. Honduras), and is ready to support the overthrow of left governments when the opportunity arises (e.g. Paraguay last year).

President Obama focuses more on the media than most U.S. presidents, in that the media is the primary constituency that he seeks to keep satisfied. In this regard, he is easily intimidated by a media climate that has demonized Venezuela and often portrays Latin America in Cold War terms. It must be remembered that the editorials in the newspapers have much more influence, even for members of Congress and other policy makers, than the news articles, and these are mostly an obstacle to improved relations with Latin America.

The foreign policy establishment mostly reinforces the current state of relations with Latin America. In the articles in Foreign Affairs and other publications of the establishment there is little to indicate that these analysts have grasped the historic significance of the transformation that has taken place over the past decade. Latin America is now more independent of the United States than Europe is, and its independence is growing. There are structural reasons for these changes, among them the failure of neoliberalism, the collapse of the IMF’s creditors’ cartel in the region (which was the major avenue of U.S. influence), the rising relative importance of Asia as a source of markets and investment funds, and the increasing multipolarity of world politics. Perhaps most important, the people of the region have voted for left governments because they can: in the past, as is sadly still the case in Honduras and Haiti today, the United States did not allow such choices to be made peacefully.

Yet the foreign policy establishment here sees Latin America’s leftward shift as primarily just a swing of the pendulum, something that will eventually swing back and allow the United States to regain its lost influence without changing its policies. Needless to say, this is unlikely.
For the foreseeable future at least, most positive changes in U.S.-Latin American relations will come from the South.

References


