THE BUSH PRESIDENCY AND LATIN AMERICA AND THE CARRIBEAN

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In the two centuries of its independence, the U.S. has demonstrated very ambivalent attitudes toward the lands to her south with which it shares the western hemsiphere.

Nevertheless, physical geography has forged an inescapable bond, and variegated economic, cultural and ethnic difference have imposed a wide spectrum of ever-changing effects on both the U.S. and her Latin American and Caribbean neighbors.

U.S. policy towards the area has vacillated between concern for the security of the U.S. and concern for the well-being, particularly the political well-being the political freedoms of the peoples of the area. Thomas Hughes was, I believe, the first to use the terms "security culture" and "equity culture" in reference to these two elements which describe the two principal axes of U.S. foreign policy in the western hemisphere.

Both elements appeared early in the 19th century as the Congress debated the issue of recognition for the new nations which came into being to the south as the seeds of the American and French revolutions took root in the southern part of the hemisphere. Then, as through most of these two centuries, the security culture was predominant. From the beginning of its history, the United States expressed concern for possible Spanish and/or Holy Alliance attempts to retake the rebellious colonies, and, particularly in the case of the Monroe Doctrine, expressed fear lest the Tsar of All The Russias might extend and consolidate his domain south from Alaska along the Pacific Coast.

After the purchases of Louisiana and Florida and the seizure of a substantial part of Mexico, which assured a territorial basis for the expression of "Manifest Destiny", U.S. policy towards

Latin America can best be described as "trans-isthmian." The obvious need for a means to link the Atlantic and Pacific oceans for both commercial and military/strategic purposes was everpresent in the minds of those in the United States who concerned themselves with the area to the south. Diplomatic maneuvering in the area during the second half of the 19th century was particularly concerned with the control and protection of the Central American isthmus. The U.S. and the British were the principal players, although it should not be forgotten that the first attempts to dig a canal in Panama were French. And, of course, there were then Spanish possessions of Cuba and Puerto Rico which had a place in strategic considerations.

With the presidency of Theodore Roosevelt the U.S. arrived at the acme of its hegemonic influence in the area. Secretary of State Olney stated, "The U.S. now acts as if it were sovereign" in the circum-Caribbean region. The U.S. was content to allow the "southern cone" nations - Brazil, Argentina and Chile - to continue to be dominated by British capital. Our interests in the circum-Caribbean were strategic and commercial control, exercised through U.S. banks, multinational enterprises - the United Fruit Company, W.R. Grace and Standard Oil to mention three - Marine occupation when judged necessary, and, of course, the powerful U.S. Navy.

This situation prevailed for most of the first part of this century up to World War II. Latin America was low on Washington's list of international concerns as attention focused on Fascist threats in Europe and Asia. By the end of the decade of the '30's the U.S. had relinquished the most overt elements of coercion - the Marines were gone from Haiti, the Dominican Republic and Nicaragua, the Platt Amendment had been abrogated in Cuba, and at a series of Inter-American Conferences in the U.S. had formally renounced its rights to intervene in the internal affairs of Panama - but economic dominance, and ever present in the background, the possibility of military force continued to sustain U.S. power in the hemisphere.

The equity culture was also present, if never dominant. Centered at first in Boston, with intellectual opposition to U.S. actions in Mexico in the 1840's, it continued to develop through the latter half of the 19th century with opposition to the 1898

war with Spain and later with protests against "Gunboat diplomacy" in the Caribbean. This concern with "equity" was also an element in U.S. attempts to set up a framework of treaties and agreements in the early years of this century which it was hoped would serve to control the endemic conflicts among Central American states.

The various Inter-American conferences of the 1930's and 1940's, undoubtedly motivated in part by security concerns about possible German infiltration in the area, also had elements of concern with issues of political freedoms, democracy and human rights.

But the divergent priorities which separated the U.S. from the rest of the hemisphere were also present. U.S. policy was firmly based on economic and political concerns. The fear of European fascism in the '30's and, beginning in 1945 and continuing to the present, fear of communism has been the principal basis for U.S. interest in Latin America. The possibility of Nazism spreading into the western hemisphere accelerated the application of Franklin Rossevelt's Good Neighbor Policy. Through Nelson Rockefeller's Office of the Coordinator of Inter-American Affairs, U.S.-supported programs in public health, agricultural assistance, and road building started what later in the Truman period would become the "Point Four" program of technical assistance.

After World War II, and particularly following the Korean War and the Berlin Blockade, the Cold War focused U.S. attention on the areas contiguous to the Soviet Union which absorbed major blocks of U.S. financial assistance. The Marshall Plan was the basis for the economic recovery of the nations of Western Europe, and similar massive transfers of capital and technical assistance provided the impetus for the economic "miracles" of Japan, South Korea and Taiwan.

But the economic assistance for the building of firmly-based development structures which Latin America expected and awaited, particularly in view of their support for the Allied cause in World War II, did not materialize. A western hemisphere economic summit, which the Latin American nations had called for even before the war and which was a prime goal of their international agenda in the post-war years, was the object of U.S.

procrastination and deliberate dilatory tactics. And when it did finally come in 1954, the U.S. message was what it had always been: "open your economies to international investment, and the private sector will take care of things." Needless to say, this was not what had been hoped for.

There were voices both in the U.S. private sector and within the government which tried to call attention to the growing economic and political tension in the area. However, it was not until the violent demonstrations against Vice President Richard Nixon in 1957 that high-level Washington attention became concerned with Latin American development. amplification of aid projects, the creation of a social progress trust fund for soft loans to Latin American governments for developmental purposes, the creation of an Inter American Development Bank, all came to fruition in the last years of the Eisenhower administration. These were then dramatized and cast in national priority terms through John Kennedy's rhetorically inspiring "Alliance for Progress". Although many of these initiatives included admirable attempts to address some of the real development issues of the hemisphere -redistribution of a highly skewed income pattern, land reform, housing, public education and health reforms- their basic thrust was directed to insuring the security of the United States against the threat of Communist aggression. Testimony before various committees of the U.S. Congress makes this abundantly clear. The major thrust of U.S. foreign policy in Latin America in the aftermath of World War II and right up to the present has been based on perceptions of the Cold War - the U.S. and the U.S.S.R. locked in a mighty struggle for world hegemony - a deadly serious zero-sum game in which one side's gain is the other side's loss.

That the realities of the situation confronting the U.S. in the Western Hemisphere today have little to do with this issue only makes the forging of a policy for the area that much more difficult. The real problems of the area - Debt, Drugs, Demography, Democracy, the Environment, and Development - all cry out for attention, action and leadership. Yet public attention and public funds have been centered on possible communist threats in two very small countries in Central America. The self-proclaimed greatest accomplishment in Latin

America of the Reagan administration was the "reconquest" of a miniscule island of some 300 square kilometers misgoverned by a few dozen fuzzy-minded Marxist/Leninist theoreticians.

Under the Bush administration it appears that this basic policy is in the process of change. Secretary of State Baker's carefully crafted plan for Central America would seem to indicate this to be the case. Although his arrangement for continued humanitarian aid to the Nicaraguan Contras would seem to continue the support the Reagan anti-Communist policy, it is essentially an attempt to save face while accepting the defeat of Reagan's policy to remove the Sandinista government in Managua. By involving the Democratically controlled Congress and grudgingly accepting the Arias peace plan for the area, the U.S. has marked the beginning of a new policy, a policy which accepts the rights of the Latin Americans themselves to participate and perhaps even to direct policy in Central America. Let us hope so.

But national policies based on deeply-rooted and long-held perceptions are not easily nor quickly altered. Nor is the U.S. Congress likely to vote for large-scale funding for programs not obviously tied to urgent matters of national defense against a clearly identified enemy. This is so particularly in these times of a growing awareness of the seriousness of the U.S. national deficit and Bush's promises of no new taxes. Thus the Bush administration in its Latin American and Caribbean policies must face crises on a series of issues which are not easily nor clearly defined for the U.S. voting public, all of which are long-term in nature and none at which show prospects of easily measured "victories" in the style of Granada.

Let us look briefly at some of these problems. The most salient in terms of U.S. public perception is that of illegal drugs. Of the estimated \$150 billion world trade in narcotics, some \$100 billion is spent in the U.S. by its 27 to 30 million regular consumers.

The burden of devising and implementing a policy on illegal drugs is a heavy one. And what work has to be done in this field is thus far without any show-pieces of success. A report to the Congress earlier this year by the Department of State reflects some of the thorny issues involved.

Despite billions of dollars expended and innumerable treaties and international accords directed at controlling this scourge, sobering statistics indicate that illegal drug production, distribution, consumption and profits continue to rise sharply.

The interrelationships of the drug business with international economic, political and social events are such that the report concludes that, "world events... have a devastating effect on efforts to reduce the global supply of drugs." This is particularly so in the Western Hemisphere. Economic crises in Peru, Panama and several of the island republics in the Caribbean; political pressures exerted by the drug lords of Colombia and Bolivia; revolutionary situations in Central America, and the ever-sensitive multi-polar nature of our relationship with Mexico, all combine with domestic U.S. concerns and frustrations to render drug policy-making for the Western Hemisphere a veritable mine-field of difficulties.

Congressionally-mandated requirements for Presidential certification that a nation is cooperating with the U.S. in antidrug activities in order to allow U.S. aid and MFN treatment only too often result in offense to friendly governments trying to be helpful against overwhelming odds, as is the present case with Mexico, or in U.S. backdowns against hostile or uncooperative governments such as Panama. And, of course, there is ever present in such situations the issue of U.S. meddling in the internal affairs of other nations. This, given the history of our relations with the area, can only result in a most uncooperative and unpleasant relationship in general, often poisoning the atmosphere for productive cooperation. Mexican suggestions that major anti-drug activities be given to an international body, perhaps under UN aegis, have not elicited any U.S. reaction.

However, after many years of the U.S. blaming only the suppliers and traffickers, and Latin Americans' pointing the finger only at U.S. demand as the culprit, a consensus seems to be evolving that the problem is more subtle and complex. Drug usage with all its evil effects is spreading world-wide rapidly both among affluent youth and throughout the ranks of the burgeoning number of disillusioned and desperate urban unemployed. Any successful strategy must involve coordinated programs of attack on supply and demand. A combined assault

based on education and treatment, interdiction of supply, and tight control of money flows must be carried out in a single, ongoing, hard-hitting program.

The impact of foreign policy on all of these elements, each of which is subject to so many other pressures, illustrates the particularly frustrating nature of the drug problem. Treatment calls for massive outlays of cash, as does any sort of education program. Interdiction of supply requires extensive international cooperation and more often than not he negative impacts on the economic, political and social fabric of the nations concerned. Where does the humble coca farmer in the Andes, or the marijuana cultivator in Jamaica, or the poppy grower in highland Mexico, or, for that matter, the California marijuana farmer, find substitute crops to provide money for the bread on his table? How do the bankers and treasury officials in Colombia or Bolivia find the revenues to replace the drug dollars filling their foreign exchange needs? And how does a government confront the political, economic and military power of the drug lords who are not loath to use their enormous strength to overrule attempts to bring them to heel. The majority of the members of the Supreme Court of Colombia paid with their lives for their valiant actions aimed at putting a stop to the growth of the political power of their native drug lords.

With a growing awareness of the noxious effects of drugs on their own people, both the physical cost of growing addiction among the youth, and the moral degradation resulting from the system built around drugs, the producing and transshipping nations are beginning to show some willingness to join in cooperative efforts against the drug cartels. In 1985, the presidents of Ecuador, Colombia and Venezuela issued a joint statement calling for the UN to declare the illegal drug trade a "crime against humanity." A resolution to this effect is slowly winding its way through the bureaucratic maze of the UN. Under the aegis of the OAS in 1982, an Inter American Convention on Illegal Drugs was drafted, opened for signature, and a small office set up to administer a modest program for the exchange of information. Joint programs of search-and-destroy between the U.S. Coast Guard and Caribbean nations are in place and show some promise. Technical assistance in such fields as

crop substitution has also begun. But it must nevertheless be admitted that the trend remains negative: more drugs are being produced and shipped by more people to satisfy what is still a growing demand in the nation which is the largest consumer - the United States.

President Bush in his inaugural address made special mention of the scourge of illegal drugs, but his failure to adequately fund anti-narcotic programs in his budget submission casts considerable doubt on the seriousness of his commitment.

Another area in which the Bush administration must begin to consider policy choices is that of demography. With a porous 3,000 kilometer land frontier with Mexico and an equally porous sea frontier on the Caribbean, the U.S. faces an influx of refugees, economic and political, pushed from their homelands by poverty and/or conflict and pulled to the U.S. by opportunity for jobs. A confused and vacillating set of laws and guidelines for an understaffed and underfunded Border Patrol and Immigration Service, coupled with the growing hispanization of many of the border areas and an unfulfilled need for farm and unskilled manufacturing labor, make for a veritable morass of immigration problems. By Congressional mandate, refugees from "Communist" countries are almost automatically afforded legal status. Cubans and Nicaraguans are received fairly easily. On the other hand, Haitians, Salvadorans or Guatemalans fleeing the political violence in their countries are treated much differently. These contradictory regulations have even led to problems of civil disobedience in the U.S. The Sanctuary Movement dedicated to protecting illegal Salvadoran and Guatemalan refugees has seen some of its leaders arrested and jailed for violating U.S. law when then they try to protect illegal immigrants.

Overwhelming all of these efforts is the problem of Mexican immigration. Mexico is the source of the largest number of legal immigrants, - some 40,000 annually - but this number is dwarfed by the size of the illegal Mexican population in the U.S. which is estimated at between 2.5 and 4 million. There have been innumerable studies and recommendations concerning this issue. The Mexican government would prefer to see Mexican citizens employed in Mexico in a revitalized economy, a goal shared by persons in the U.S. who are siezed of the issue. But

this possibility does not seem very viable, at least in the short term, for reasons related to the general economic situation in Mexico. This is particularly so in light of its international debt burden and the bleak prospects for an upsurge in oil prices, the only possible short-term source of alleviating Mexico's economic crisis. And so the flow of illegals continues...

Also salient under the rubric of demographic policy challenges is the issue of population control. The nations of Latin America include several which have population growth rates among the highest in the world. U.S. support for population control programs is dogged by a small but vociferous minority of "right-to-life" advocates who found support in the Reagan administration and who have been able to force inclusion of language in USAID legislation preventing the use of U.S. Government funds in any program providing information about abortion. This has had a most negative impact on U.S. support for population control programs in Latin America as well as other areas of the world. Since then Vice President Bush was the one to enunciate this policy at the 1984 UN Conference on Population in Mexico City, it does not seem likely that a change in policy might be contemplated during his administration.

Development should be another priority area for foreign policy initiatives by the Bush administration in Latin America. The nations of the Western Hemisphere are endowed with a plethora of natural resource - human, animal, vegetable and mineral. However, the capital and infrastructure for their exploitation are in very short supply. The vicious circle of lack of capital leading to lack of investment against a backdrop of general alck of confidence in the political and economic structures prevails throughout the region. Capital flight is endemic, with Swiss banks, U.S. real estate and even the fluttering U.S. Stock Market holding much more attraction for the Latin American investor than entreprenurial undertakings in his own country or area.

U.S. and internationally-financed development programs are very limited and often misguided. The largest U.S. financial aid operations for Latin America in this decade were concentrated in El Salvador in support of the failing Duarte government's futile war efforts against Marxist guerrillas. After eight years of

strenuous effort, the result is a standoff. Inter America Bank, World Bank and Central America Bank efforts, while much more widely distributed, have also had many questionable results. Loans have often been made to support the promotion of exports to the developed world with little thought or attention paid to their impact on local subsistence food production or on their long-term environmental impact. Loans for the development of large-scale meat production to supply the first world's demands for hamburgers work to the detriment of the small subsistence farmer and often lead to severe long-term soil erosion. The indiscriminate cutting of forest preserves to satisfy growing world demand for timber often produces the same results.

Protection of the environment is a major problem in the western hemisphere. Water and air pollution, the disposal of waste, soil erosion and the greenhouse effect are all dramatic challenges to the development process, yet there is little more than rhetoric to confront them on a hemispheric basis.

To expect the U.S. Congress to authorize any substantial funding for development programs in Latin America like those recommended but not funded for Central America in the 1984 Kissinger Report is to expect the impossible. Appropriations for aid programs have not passed the U.S. Congress for the past five years because of lack of support. Program funding has been continued at the 1984 level by means of continuing resolution. In this time of economic stringency, there seems to be little possiblity for support in the U.S. Congress for new Latin American development initiatives this year.

The Caribbean Basin Initiative was the Reagan administration's only innovative program for development assistance in Latin America. Based on the idea of encouraging investment and growth in the circum-Caribbean region through a combined program of U.S. tax incentives for American investors, financial aid, technical assistance and free access to the U.S. market for Caribbean products, the initial project appeared to contain much promise. However by the time the proposal made its way through the Congress, the investment incentives and duty-free product aspects had been gutted through strong lobbying tactics. Products in which Caribbean nations had a strong comparative advantage - garments, textiles, leather goods,

rum, processed tuna fish - were all eliminated to protect U.S. producers. Sugar exports, the area's traditional source of foreign exchange revenues, were severely cut by a quota system. And what direct financial assistance as survived was given almost entirely to two Central American nations involved with U.S. political policies - El Salvador and Costa Rica. With cuts in the U.S. sugar quotas and a substantial drop in the demand for Caribbean oil and minerals, the net result of the Initiative has been negative. In the five years the program has been operative, dollar earnings in the Caribbean nations have dropped substantially and unemployment has increased dramatically.

Nevertheless it must be admitted that the Bush administration has shown signs of innovation in two principal initiatives in Latin America. The Brady plan which for the first time gives official U.S. support to the concept of debt reduction or forgiveness by the banks will be discussed in detail by my colleague Professor Cohen. The Bush/Baker initiative in Central America and support for the Esquipulas Plans is an admission that military force cannot resovive the Nicaraguan imbroglio.

However it should be observed that neither of these initiatives is original with the new administration. Each responds to the initiative of others. The Brady plan finally acknowledges what Latin American statesmen and academics have maintained for several years. The Central American plan follows the lead taken by the five Central American presidents under the stewardship of Oscar Arias of Costa Rica.

In the political history of Latin American nations U.S. intervention has a long, probably exaggerated but nevertheless partially factual basis. This is particularly true in the Caribbean basin with only a few, sporadic documented cases in the southern cone and Andean area.

In Central America U.S. citizen intervention began in that most unappy tropical republics, Nicaragua, almost a century and a half ago. An American entrepreneur, Cornelius Vanderbilt, taking advantage of the demand for rapid Atlantic-to-Pacific transport occasioned by the massive California gold strike of 1848 set up a trans-isthmian ferry and stagecoach line across Nicaragua. The protection of this vital linkage occasioned military action by irregulars and mercenaries led by one who the

popular press of the time described as the "grey-eyed man of destiny", William Walker. When the fortunes of war afforded him the opportunity, Walker declared himself President of Nicaragua. While his "presidency" did not endure long, his name became synonomous with Yankee intervention in Central America and is still invoked as a negative symbol by nationalists of all stripes in the area.

As U.S. business interests grew in the Caribbean and particularly in the wake of the War of '98 and Theodore Roosevelt's "taking" of Panama, U.S. involvement on the local political scene acquired a new dimension. With the aid of the U.S. Marine Corps, governments were made and unmade in the Domincan Republic, Haiti, Nicaragua, Cuba, and Panama, and U.S. influence made itself felt in El Salvador and Honduras. Even that paragon of democratic principles, Woodrow Wilson, was not immune from intervening in the internal politics of the area when he unsuccessfully attempted to install what he considered to be "democratic" leadership in Mexico.

During Franklin Roosevelt's period of the "Good Neighbor" there was much more restraint in that there was some positive U.S. reaction to Latin American voices at a series of Inter-American conferences calling for non-intervention in their internal affairs. This restraint was soon broken as Ambassador Spruille Braden's clumsy and unsuccessful attempt to unseat Juan Peron in Argentina brought hemispheric opprobrium on the U.S. once again. This was soon followed by President Eisenhower's actions in Guatemala which led to the overthrow of President Arbenz in 1954. With the exception of Jimmy Carter, who had he been reelected might himself have moved against Nicaragua, each succeeding U.S. president has condoned or sparked actions which have been perceived in Latin America as unwarranted intervention in the internal affairs of a hemispheric nation -Kennedy with the Bay of Pigs attack on Cuba, Johnson with the 1965 landing of troops in the Dominican Republic, Nixon with his "second track" plotting against Chile's Allende regime, and Reagan's invasion of Grenada and support for the Nicaraguan Contras.

Thus it is not without some basis that Latin America views with considerable suspicion any U.S. political initiatives in the

hemisphere. The current crisis which occupies the attention of the political establishments of the hemisphere is Central America. For the eight years of the Reagan administration the existence of an avowed Marxist-Leninist government in Nicaragua and of a powerful Marxist-Leninist guerrilla movement in El Salvador have been the primary focus of U.S. policy concerns in the Western The bulk of U.S. financial aid and military Hemisphere. assistance has been used to support the Christian Democratic government of Napoleon Duarte in El Salvador, resulted in its survival but little more. Economically the Government of El Salvador is almost totally dependent on U.S assistance. Militarily the Armed Forces have made some slight progress but cannot be said to have any real prospect of defeating the guerrillas. And this has been achieved at a very high cost in human life and without any improvement in the ghastly human rights record of the military.

In Nicaragua, despite the best efforts of the CIA, the anti-Sandinista Contras have failed to spark any internal support, hold any territory or win any significant battles. Today the bulk of their forces are regrouped in Honduras, where a reluctant U.S. Congress has provided "humanitarian" assistance to feed, clothe and house them while their political leadership in Miami squabbles over a series of political issues.

After the discredited intellectual mentor of the Reagan administration's failed Central American policy, Eliot Abrams, resigned to join the ultra-right wing Heritage Foundation, - a bastion of conservative idealogues - the Bush administration has been very slow in selecting a new assistant secretary for Inter American affairs or in taking any policy initiatives with regard to this area. An assistant secretary has been named, Bernard Arenson, but he has kept a low profile. A Democrat with a record of support for the Contras and some pretense to knowledge of Nicaragua, he does not speak Spanish, nor does he have any background or experience with any other aspect of Latin America. Rumor has it that he is already at odds with his counterpart on The National Security Council, a veteran Latin American expert with strong conservative credentials.

In the meantime, as the U.S. appears to vacillate and react to the initiatives of others, the governments of the region have assumed leadership. At a meeting on February 14th in El Salvador the five presidents of the Central American republics hammered out a series of agreements which could have a decisive impact. Responding to an offer of President Ortega of Nicaragua to guarantee internal democratic reforms in his country - such as advancing the date of elections and freeing a large number of political prisoners - the presidents agreed to cooperate on a plan for disarming and removal of the Contra forces from their encampments in Honduras. They also agreed on several other measures aimed at strengthening isthmian cooperation, including anti-drug actions, environmental protection an the prompt convening of the already agreed upon Central American parliament. The most recent Baker/Bush initiative may slow the Contra demobilization plan, but it cannot stop.

Other developments affecting the area are also taking place. The Salvadoran guerrilla movement has proposed a plan to end the civil war which has devastated their country. The newly-elected conservative government has agreed to a series of meetings to consider the proposal and agreed to Roman Catholic and International Organization participation. There seems to be a basis for cautious optimism that the bloodshed which cost 70,000 Salvadoran lives may at last be winding down.

Another player in the Central American game is now the European Economic Community. In late February representatives of the foreign ministers of the EEC met in San Pedro Sula, Honduras, to map out plans for supporting integration and peace efforts. Four hundred and fifty million dollars of economic assistance in 1989 has already been allocated by the EEC, and the prospect exists for further amounts in development loans if peace can be acheived in the area. Further conversations between the EEC and Central Americans have continued.

Apparently in response to these initiatives, the Bush administration has circulated a draft policy paper which outlined a projected diplomatic offensive in Central America. While its specifics were not clear, beyond continued humanitarian aid to the Contras, it did contain positive elements such as an offer to remove the economic boycott of Nicaragua and to increase diplomatic contacts on the condition that Nicaragua moved to ensure democratic freedoms. The implementation of these moves

apparently awaits the outcome of Nicaraguan elections in early 1990.

In addition to the general hemisphere-wide issues mentioned, the Bush administration faces a long series of problems involving the U.S. and individual governments of Latin America which call for presidential or other high-level policy guidance. To cite a few examples we could begin with the Southern Cone.

Argentina is still most resentful for what is seen there as the U.S. break with hemispheric solidarity in its support of Britain in the Malvinas/Falklands crisis. The specter of Malvinas still looms large in the background of any Argentine/U.S. relationship. And this is in addition to Argentine fiscal problems, possibly the worst in the hemisphere. Newly-elected president Menem has indicated his determination to address his nation's crisis in a fortright manner but it is much to early to see if he can succeed.

In neighboring Chile relations with the United States are tense all across the poitical spectrum. General Pinochet and the military establishment are deeply resentful of what they see as unwarranted U.S. involvement in the Chilean political process through attacks on the regime's human rights record and the outspoken and anti-Pinochet stance of former U.S. ambassador Harry Barnes. ruling military profess profound The disappointment at what they see as the failure of the United States to appreciate their 1973 ouster of the Marxist/Leninist government of President Salvador Allende. The moderate. centrist, anti-Pinochet political groups which succeeded last year in mustering sufficient voters to defeat General Pinochet's attempt to perpetuate himself in the presidency are still suspicious of U.S. motives because of the Allende overthrow caper and then for not taking stronger steps against Pinochet during the 16 years of his rule. On the left, the communists and left-wing socialists find it difficult to forget the apparent U.S. support for the overthrow of their elected president, Allende. On the extreme left, the Manuel Rodriguez guerrilla group has targeted the U.S. together with Pinochet as the hate-objects of their terrorist activities. Thus U.S. relations with the entire spectrum of Chilean political opinion needs careful and positive attention.

In Paraguay the relationship of the United States with the

newly-installed government of General Rodriguez also presents problems. How can the U.S. Government support and encourage movement towards responsible and democratic government by this new administration which has so many ties to the venal and corrupt Stroessner dictatorship.

With Brazil, the only other hemispheric nation with superpower potential, U.S. policy-makers face a series of thorny problems to be played out against the backdrop of the developing Trade issues includ Brazil's world's largest external debt. determination to protect its nascent computer industry, disputes over the functioning of the International Coffee Agreement, U.S. countervailing duties against Brazilian leather goods, Brazil's refusal to sign the Nuclear Non-Proliferation Agreement, and resentment against U.S. efforts to intervene in opposition to West German sales of nuclear technology to Brazil. complications in relations result from Brazil's rejection of foreign advice or attempts at involvement in Amazonian development plans which appear to threaten the world's largest rain forest and biota reserves. Nationalism runs strong and deep in Brazil. In this, Brazil can count on support from the other nations of the Amazon basin. Recently, seven signatories to the 1978 Amazon Pact denounced foreign pressures to save the Amazon rain forest, declaring that they would not take orders from abroad in their ecological policies.

Intimately related to the drug issue but having possible repercussions in the whole arena of political relationships in the question of Panama. The U.S. targeted Panamanian strongman General Manuel Antonio Noriega over a year ago. His indictment on drug charges by a Florida court was the trigger of what was expected to be an easily-managed ouster. However things did not go as Washington planned. Economic sanctions and a clumsy attempt to engineer a coup by some of his military colleagues had no effect. The only result of this Reagan policy was the growing impoverishment of the Panamanian middle class and the development of an increasingly hostile populist government totally controlled by Noriega and his drug-running henchmen. After the nullification of the presidential election of last May and the installation of a Noriega-controlled puppet regime, the U.S. no longer recognizes any government of

Panama. But with the country in a state of economic chaos and various U.S. actions required by early 1990 by the terms of the 1976 Panama Canal Treaty, it would seem that pressure for indication of U.S. planned policy will soon have to be forthcoming. Recommendations by some elements of the Panamanian opposition to Noriega, the U.S. military commander in the region and U.S. members of the Canal Company Board that negotiations be undertaken with Noriega were rejected by the Reagan administration in late 1988 and may well be ready for reconsideration. But with the passing of time it would appear that the U.S. bargaining posture is weakening rather than strengthening. In the meantime, long-time opponents of the Canal Treaty in the U.S. Congress who failed to block it in the Carter administration are reported to be preparing actions designed to try to abrogate the Treaty if Noriega remains in power. This move might play well in certain sectors of the U.S. public, especially in view of the Noriega drug connection and the general public frustration with the issue. In Latin America, however, it would have a very negative impact and severely complicate U.S. relationships with the rest of the hemisphere.

The bilateral relationship which overshadows all other is, of course, that between the United States and its nearest southern neighbor - Mexico. Beginning with the fact that over half of what was Mexican territory at the time of its liberation from Spanish domination is now part of the United States, the relationship is a delicate one. Mexican sensitivity is extremely high to any U.S. move which could be interpreted as affecting Mexico. Immigration, environment, water resources, narcotics, foreign investment, security, tourism, telecommunications, cultural exchange - all of these issues enter in Mexican/U.S. relations and their management requires careful and constant attention. That the Bush administration is aware of the importance of the Mexican/U.S. interface is evidenced by the fact that in December, as presidents-elect, Bush and Salinas de Gortari met for informal discussions. Also, the first Bush ambassadorial appointment in Latin America was to Mexico. Incidentally, the nominee, John Negroponte, was not well received by the Mexican media and the Mexican Congress voiced its opposition as well. Negroponte was U.S. ambassador in Honduras in the early 1980's and was

reputedly heavy-handed in his relations with the government of Honduras. Nevertheless he is a highly-regarded career foreign service officer who obviously enjoys the personal confidence of President Bush.

Finally there is the question of superpower confrontation and Latin America. Since so much of the United States' interest in Latin America in the last half-century has been related to perceived Soviet threats of Soviet encroachments in the area, we cannot speak of Bush administration policies toward the Caribbean and Latin America without some examination of just how the superpower confrontation influences U.S. policy there.

The major element in this confrontation is, of course, Cuba. We do not have the time or the expertise to analyze the background to Cuba's integration into the Soviet sphere of influence. It suffices to say that Cuba is a Soviet ally which in many ways serves the Soviet Union's foreign policy goals in the Western Hemisphere and elsewhere. It is a valuable intelligence base, a potential military base, and a conduit for Soviet money and arms to anti-U.S. insurgency movements in the hemisphere.

Cuba cannot be ignored in any discussion of U.S. poicy formulation for Latin America. This is particularly so with regard to the Sandinista government in Nicaragua which looks to Cuban premier Fidel Castro as its mentor and to the guerrilla movements in El Salvador and Nicaragua which receive moral and probably military support from Cuban sources. As a revolutionary who has kicked "Uncle Sam" in the face and gotten away with it, Castro and his martyred side-kick, Che Guevara, are also hero shrines to the innumerable student groups throughout the area who look upon the U.S. as the source of all the evil that has befallen Latin America and the Caribbean.

Cuba's economic model attracts few followers these days, but as a charismatic visionary Castro's political impact cannot be discounted. In his campaign rhetoric in 1980 and through the speeches of his bellicose first Secretary of State, Ronald Reagan talked ominously of "going to the source" and made implied threats of invasion against the Cuban government. Such threats disappeared with the resignation of Alexander Haig, and the Bush administration has no such ideological baggage to influence its policy toward Cuba.

On the other hand, Bush is not without domestic constraints regarding his policy toward Cuba. The right wing of his Republican Party, and particularly the powerful Cuban exile community based in Miami, has never relaxed its strident attacks on Castro. It has used its political power and wealth to maintain pressure on the U.S. Congress to keep Castro isolated and the 1961 economic blockade in place. It succeeded in forcing the establishment of Radio Marti, an anti-Castro radio station located in the Florida Keys, and is presently lobbying strongly and fairly successfully for the opening of TV Marti to telecast into Havana. They have also succeeded in having Armando Valladares, a 20-year political prisoner of Castro's, named U.S. ambassador to the UN Human Rights Committee, where the U.S. in 1988 used up all its political capital in vainly seeking support for a resolution condemning human rights violations in Cuba.

Any change in the present status of U.S./Cuba relations would not seem probable at this time. Nevertheless there is one gleam of light in this situation. Last year, low-level official conversations did take place in New York between Cuba and the U.S. on the issue of drug smuggling. The danger of drug addiction, particularly among the large number of troops returning from Africa, may push Cuba into considering some sort of exchange of information or even cooperation on drug smuggling in the Caribbean.

Other elements of concern related to the superpower confrontation include the possibility of Soviet air or submarine bases in Nicaragua. Sandinista peace offers to include guarantees against the use of their territories by extra-hemispheric powers in bilateral conversations with the U.S. have so far been ignored. A Soviet military training mission in Peru and arms sales to Peru and Argentina are also possible issues.

In the economic and commercial sphere the Soviets have become the major purchaser of Argentine wheat and, in the past two years, a buyer of Honduran and Dominican sugar and Costa Rican coffee. A Soviet fishing agreement with Peru has generated considerable controversy in Lima.

All of this together is of very minor economic importance, but it does have a psychological impact and provides both sides - the Latins and the Soviets - with increasing-expertise in such

dealings.

With the Iron Curtain becoming increasingly porous with every passing month - Europe's east-west frontier is crossed regularly in both directions - the possibility of blocking Soviet/Latin American intercourse on all levels is ridiculous. U.S. policy in the western Hemisphere must reflect the realities of a world far different form that which inspired NATO, the Marshall Plan, and the Rio Treaty. In 1992 a united Europe will become a world economic superpower. Japan is already there, and ASEAN is well on the way. U.S. policies in the Western Hemisphere must respond to these new realities.

To sum up then: the Bush administration faces south to a great number of difficult and challenging issues, none of which is of easy or rapid solution. Superpower confrontation in a military sense is not in the front rank. Rather, the challenges of the next decade are in the fields mentioned at the beginning of this presentation. Debt, development, demography, drugs, as well as defense, must be addressed as the priority issues. In the course of the next few months we should begin to see how this new administration plans to attack them. Early moves in the field of Central American peace initiatives and Latin American debt and positive reactions to these initiatives would seem to indicate that the tide is turning. Let us hope that this new administration can maintain its impetus, keeping in mind the words of Shakespeare in Julius Caesar:

"There is a tide in the affairs of men. Which, taken at the flood, leads on to fortune; Omitted, all the voyages of their life Is bound in shallows and miseries."