

THE INTER-AMERICAN SYSTEM AS A LIBERAL "PACIFIC UNION"?

Mark Peceny
University of New Mexico

- WHEN THE THIRD WORLD MATTERS: LATIN AMERICA AND UNITED STATES GRAND STRATEGY.* By Michael Desch. (Baltimore, Md.: Johns Hopkins University Press, 1993. Pp. 218. \$38.50 cloth.)
- THE UNITED STATES AND LATIN AMERICA IN THE 1990s.* Edited by Jonathan Hartlyn, Lars Schoultz, and Augusto Varas. (Chapel Hill: University of North Carolina Press, 1992. Pp. 328. \$39.95 cloth, \$15.95 paper.)
- CONVERGENCE AND CONTINUITY: THE AMERICAS IN 1993.* By the Inter-American Dialogue. (Washington, D.C.: Aspen Institute, 1992. Pp. 74. \$10.00 paper.)
- LATIN AMERICA IN A NEW WORLD.* Edited by Abraham Lowenthal and Gregory Treverton. (Boulder, Colo.: Westview, 1994. Pp. 265. \$59.95 cloth, \$17.95 paper.)
- WHIRLPOOL: U.S. FOREIGN POLICY TOWARD LATIN AMERICA AND THE CARIBBEAN.* By Robert Pastor. (Princeton, N.J.: Princeton University Press, 1992. Pp. 338. \$35.00 cloth, \$14.95 paper.)
- AMERICA LATINA Y LA INICIATIVA PARA LAS AMERICAS.* Edited by Francisco Rojas Aravena. (Santiago, Chile: FLACSO, 1993. Pp. 351.)
- THE UNITED STATES AND DEMOCRACY IN CHILE.* By Paul Sigmund. (Baltimore, Md.: Johns Hopkins University Press, 1993. Pp. 254. \$38.50 cloth, \$13.95 paper.)
- JAPAN, THE UNITED STATES, AND LATIN AMERICA: TOWARD A TRILATERAL RELATIONSHIP IN THE WESTERN HEMISPHERE.* Edited by Barbara Stallings and Gabriel Székely. (Baltimore, Md.: Johns Hopkins University Press, 1993. Pp. 240. \$32.50 cloth.)
- AMERICAN FOREIGN POLICY TOWARD LATIN AMERICA IN THE EIGHTIES AND NINETIES: ISSUES AND CONTROVERSIES FROM REAGAN TO BUSH.* By Howard Wiarda. (New York, N.Y.: New York University Press, 1992. Pp. 363. \$50.00 cloth, \$17.50 paper.)

Nearly two hundred years ago, Immanuel Kant argued that the spread of republican government, liberal philosophy, and international commerce would inevitably lead to greater cooperation and peace, to a

“pacific union” among liberal states.¹ These themes have resurfaced in the last decade and a half and have been reemphasized by contemporary scholars of international relations. Some have argued that democracies do not fight each other because republican institutions constrain a state’s abilities to go to war and because liberal states share a philosophical commitment to self-determination.² Others have suggested that the expansion of mutually beneficial international trade encourages states to cooperate and makes war less likely.³ Still other scholars have focused on how the emergence of transnational issues and actors in a world of increasing “complex interdependence” has reduced the autonomy of states and the usefulness of force while increasing the need for international cooperation.⁴

In stark contrast to much of the previous literature in the field of inter-American relations, a review of recent literature suggests an emerging consensus that the inter-American system is indeed becoming a Kantian pacific union of liberal states. The newer literature argues that the spread of democracy, free trade, and complex interdependence is bringing about a new era of unprecedented peace and cooperation in inter-American relations.

This review essay seeks to accomplish three tasks. First, it will briefly discuss the surprising breadth of the emerging consensus. It will then link systematically the specific analyses made by the various authors to the three main Kantian theoretical arguments just outlined. Finally, the few nonliberal selections in this group of books will be used to illuminate some of the possible problems that liberal arguments will face in attempting to explain contemporary inter-American relations.

Convergence toward Liberalism

The breadth of the liberal consensus in the recent literature is striking. Of the nine books under review, only Michael Desch’s realist account of U.S. security policy in the region, *When the Third World Matters: Latin America and United States Grand Strategy*, clearly departs from the liberal approach. Even a large majority of the contributions to the edited volumes make liberal arguments of one kind or another.

The prominence of liberalism in many of these volumes should not be surprising, given the past records of the authors and sponsoring agen-

1. Immanuel Kant, “To Perpetual Peace,” in *Perpetual Peace and Other Essays on Politics, History, and Morals*, translated by Ted Humphrey (Indianapolis: Hackett, 1983), 107–43.

2. Michael Doyle, “Kant, Liberal Legacies, and Foreign Affairs: Part I,” *Philosophy and Public Affairs* 12, no. 3 (Summer 1983):205–35.

3. Richard Rosecrance, *The Rise of the Trading State* (New York: Basic Books, 1986).

4. Robert Keohane and Joseph Nye, *Power and Interdependence*, second edition (New York: HarperCollins, 1989); and James Rosenau, *Turbulence in World Politics* (Princeton, N.J.: Princeton University Press, 1990).

cies. The Inter-American Dialogue, for example, has consistently tried to build a hemispheric consensus in support of a cooperative, liberal inter-American system. Thus it is to be expected that the two works sponsored by this organization, *Convergence and Continuity: The Americas in 1993* (its 1993 report), and *Latin America in a New World*, edited by Abraham Lowenthal and Gregory Treverton, would emphasize liberal themes. In this sense, *The United States and Latin America in the 1990s*, edited by Jonathan Hartlyn, Lars Schoultz, and Augusto Varas, is comparable with the Lowenthal and Treverton collection. Similarly, it is not surprising that Paul Sigmund's *The United States and Democracy in Chile* would provide a sympathetic liberal interpretation of U.S. efforts to promote democracy in Chile. Perhaps the single best exposition of the liberal argument, *Whirlpool: U.S. Policy toward Latin America and the Caribbean*, also comes from a predictable source, Robert Pastor.

What is exceptional about the recent literature is that liberal arguments are also emerging from unexpected sources. For example, Howard Wiarda has been a major exponent of the view that Latin Americans have an authoritarian corporatist political culture that makes installing liberal democracy (and by extension, creating a liberal pacific union) difficult at best. But in most of the essays in his new book, *American Foreign Policy toward Latin America in the Eighties and Nineties: Issues and Controversies from Reagan to Bush*, Wiarda wholeheartedly embraces the Kantian liberal perspective (see especially pp. 304–17 and compare with pp. 139–51).

At the other end of the spectrum, Barbara Stallings has been one of the most sophisticated proponents of a radical or dependency perspective on inter-American relations.⁵ Yet she, her coeditor Gabriel Székely, and the other contributors to *Japan, the United States, and Latin America: Toward a Trilateral Relationship in the Western Hemisphere* are beginning to explore the possibilities that the United States, Japan, and Latin American nations could forge mutually cooperative relations that would benefit all parties.

Perhaps even more striking is the dominance of liberal arguments among Latin Americans. Rosario Espinal's and Marcelo Cavarozzi's contributions to the Hartlyn, Schoultz, and Varas collection recount how the convergence toward liberalism has occurred in the Latin American political arena (pp. 86–130). Thus it appears that both the "new right" and the "renovated left" are now more likely to accept the possibility that a cooperative inter-American system based on liberal principles can be constructed. The majority of the essays by Latin Americans in the edited volumes and in *América Latina y la Iniciativa para las Américas*, edited by Francisco Rojas Aravena of FLACSO-Chile,

5. See, for example, Stallings, "Peru and the U.S. Banks: Privatization of Financial Relations," in *Capitalism and the State in U.S.–Latin American Relations*, edited by Richard Fagen (Stanford, Calif.: Stanford University Press, 1979), 217–53.

argue that mutually beneficial cooperation in the region is more possible today than at any time in the past. Only the Brazilians remain hesitant (see, for example, Hélio Jaguaribe's essay in the Lowenthal and Treverton volume, pp. 53–64).

This emerging liberal consensus revolves around a set of three interlocking arguments: first, the spread of democracy in the region enhances the possibilities for regional cooperation; second, neoliberal economic reforms are increasing the possibilities for mutually beneficial trade relations; and third, growing complex interdependence encourages greater regional cooperation for solving mutual problems. Each of the arguments will be addressed in turn.

Democracy

Recent literature in inter-American relations suggests that the spread of democracy throughout the region will help build a more peaceful and cooperative inter-American system than has ever existed before. Howard Wiarda lays out the "pacific union" argument perhaps more strongly than more consistently liberal analysts in observing, "We have also learned that democracies do not start wars (Argentina in the Falklands), do not try to subvert or destabilize their neighbors, do not aid guerrilla groups in neighboring countries, and do not muck around in their neighbor's affairs" (p. 315).⁶ Wiarda's sentiments are echoed by Augusto Varas in his contribution to the volume he coedited with Hartlyn and Schoultz. Varas suggests that the end of the cold war and the deepening of democracy in the region could lead to a fundamentally more cooperative set of collective security arrangements in the hemisphere to replace the U.S.-dominated models of the past (pp. 46–63).

While Wiarda, Varas, and others perceive enhanced peace and cooperation among the democracies in the region, they see greater obstacles to cooperation between democracies and nondemocracies in the region.⁷ Many authors agree with the Inter-American Dialogue that the central political goal of the inter-American alliance will be "the collective defense of democracy" (pp. 21–39; see also Heraldo Muñoz's essay in the Lowenthal and Treverton collection, 191–202).

Yet "the collective defense of democracy" inevitably implies in-

6. Wiarda seems to contradict the Kantian argument at one point, however, when he argues in another essay in this volume that the spread of democracy in the region may actually increase international tensions (see p. 74).

7. This interpretation would be consistent with the general empirical findings on this question. Although democracies rarely, if ever, fight one another, they are as likely as any other kind of state to go to war. See Steve Chan, "Mirror, Mirror on the Wall . . . Are the Freer Countries More Pacific?" *Journal of Conflict Resolution* 28, no. 4 (Dec. 1984):617–48; and Zeev Maoz and Nasrin Abdolali, "Regime Types and International Conflict, 1816–1976," *Journal of Conflict Resolution* 33, no. 1 (Mar. 1989):3–35.

creased intervention and conflict between democratic and nondemocratic states in the region. The intrusive guidelines outlined at the Santiago meeting of the General Assembly of the Organization of American States in June 1991 and the sanctions imposed on the governments of Peru and Haiti following authoritarian coups in those countries demonstrate this fact. Robert Pastor probably captures the significance of this dynamic best (and places the collective defense of democracy in the most favorable light) in his analysis in *Whirlpool* of the importance of international actors in the Nicaraguan elections of 1990 (pp. 234–51).

The prominence of the theme of the collective defense of democracy stems from widespread concern that Latin America's fragile democracies will find it difficult to survive. Samuel Fitch's contribution to the Hartlyn, Schoultz, and Varas volume provides an excellent example of this preoccupation (pp. 181–213). Meanwhile, democratic political leaders are hoping that a vigorous multilateral defense of democracy, in cooperation with the United States, can help buttress their own shaky regimes.⁸ This goal is the essence of a revised and more powerful version of the Betancourt Doctrine in Latin America.

Many analysts question nonetheless whether the United States can be trusted to cooperate in this endeavor. The history of U.S. intervention in the region appears to support the argument that the United States has rarely behaved as a liberal state in its relations with Latin America.⁹ Yet the literature reviewed here generally envisions a more potent and positive role for U.S. liberalism in shaping U.S. policy toward the region.

In *Whirlpool: U.S. Foreign Policy toward Latin America and the Caribbean*, Pastor argues persuasively that U.S. intervention in the Caribbean Basin has always been determined by domestic politics and the country's liberal culture. He agrees with previous studies of the export of democracy that U.S. efforts to promote democracy have been fundamentally tied to U.S. security interests. But Pastor raises the fascinating question of why the United States has so consistently made the promotion of democracy a central part of its security policies toward the region, given that such policies have often failed to serve U.S. security interests. He argues that the United States nearly always responds to the imminent fall of a declin-

8. This argument does not match a conventional Kantian explanation for the frequency of wars between democracies and nondemocracies as ideological crusades on the part of liberal regimes. See Michael Doyle, "Kant, Liberal Legacies, and Foreign Affairs: Part II," *Philosophy and Public Affairs* 12, no. 4 (Fall 1983):323–53.

9. Much of the recent literature on U.S. efforts to promote democracy in the region, for example, has emphasized that the dominance of security and economic considerations in U.S. policy accounts for the limited success of these efforts. See *Exporting Democracy*, edited by Abraham Lowenthal (Baltimore, Md.: Johns Hopkins University Press, 1991); and Thomas Carothers, *In the Name of Democracy* (Berkeley and Los Angeles: University of California Press, 1991).

ing dictator by calling for elections and working to build a centrist political alternative (pp. 122–44).¹⁰ Then U.S. policymakers inevitably enter into a spiral of mutually reinforced hostility with subsequent “illiberal” revolutionary regimes (pp. 145–67). Finally, policymakers consistently launch “Marshall Plans” and regionwide efforts to promote democracy in order to prevent the spread of the “revolutionary virus” (pp. 168–202).

Pastor believes that the promotion of democracy can serve U.S. security interests. He argues, however, that U.S. policymakers have had little choice other than to support electoral solutions to succession crises, even if such solutions are “born of America’s national experience, not the other country’s” (p. 142) due to the constraints imposed on decision makers by domestic politics and U.S. culture. Support for dictators is not sustainable because U.S. citizens imbued with liberal culture would find it immoral (p. 140). These liberal sentiments often find their way into the political process, usually through the U.S. Congress, thus placing constraints on any president who might otherwise judge it prudent to pursue a different policy (pp. 104–17).

One of most troublesome cases for the pacific union argument is the U.S. effort to overthrow the democratically elected government of Salvador Allende in Chile. In *The United States and Democracy in Chile*, Paul Sigmund’s analysis of what he argues was a limited U.S. role in Allende’s overthrow places the liberal argument in an interesting light (see pp. 48–84, 202–4). To the extent to which the liberal United States aggressed against liberal Chile, according to Sigmund, it did so because the cold war short-circuited the political dynamics predicted by the Kantian argument. U.S. President Richard Nixon circumvented the institutional constraints of republican governance by launching covert actions directed by the U.S. Central Intelligence Agency against the Allende regime (p. 202). In Sigmund’s view, anti-Allende U.S. policies were legitimated as an effort to defend “democracy against a regime that was increasingly dominated by the violent left. In retrospect this looks like ‘destroying democracy in order to save it’” (p. 204). Nixon had to convince the people of the United States that the Chilean government was illiberal and antidemocratic in order to legitimize a crusade to “save democracy” in Chile. Otherwise, the perception of a shared liberal commitment to self-determination would have constrained U.S. policy.

What has been termed the “democratization of the foreign-policy process” beginning in the 1970s made it increasingly difficult, although not impossible, for U.S. presidents to circumvent republican institutions in formulating their foreign policy toward Latin America (see Hartlyn, Schoultz, and Varas, pp. 6–9). Moreover, the end of the cold war has

10. Pastor made a similar argument in his earlier book, *Condemned to Repetition: The United States and Nicaragua* (Princeton, NJ.: Princeton University Press, 1987).

removed the distorting lens on anticommunism, making it more difficult to claim that right-wing dictators are forces for democracy or that all leftist social democrats are communists.

This process was already at work during the late 1980s, as the cold war receded. The support of the U.S. President Ronald Reagan's administration for a democratic transition in Chile during the late 1980s and the fact that this policy met with almost universal approval domestically indicates the fundamental changes that have been taking place in U.S. policy toward Latin America. Sigmund's sympathetic account of U.S. policy during this era is therefore likely to elicit little if any controversy, at least in comparison with his discussion of the 1970s (pp. 154–200). This point is reinforced by the fact that the most significant U.S. efforts to promote democracy during the 1990s have sought to return a radical leftist priest to the Haitian presidency and to impose sanctions against an authoritarian regime fighting a radical leftist insurgency in Peru.

Howard Wiarda summarizes best how U.S. liberalism is likely to shape national policy toward Latin America in the era following the cold war. His arguments about the domestic politics of democracy promotion, from his essay "The Democratic Breakthrough in Latin America: Challenges, Prospects, and U.S. Policy," in *American Foreign Policy toward Latin America* are noteworthy:

Most important, democracies make it easier on an administration to have good relations with the Congress instead of poisonous ones, to give it political space to carry out other important policies, to have good rapport with the media and less for them to wax indignant about . . . , to keep the religious and human rights lobbies off the administration's back, to reduce the nastiness and divisiveness of the domestic debate in favor of a more consensual and supportable policy. . . . Having an active and vigorous pro-democracy/ pro-human rights policy—quite apart from any moral or ethical considerations—enables an administration to avoid great doses of grief and to carry out its policies in a more or less calm and reasoned fashion. (P. 315)¹¹

In sum, the "democratization" of the U.S. foreign-policy process and the end of the cold war have made promotion of democracy the most likely source of a new foreign-policy consensus in the United States. As Wiarda argues, "This consensus is so strong that one cannot conceive how any future American administration of either political party could not have democracy and human rights at the heart of its foreign policy" (p. 315).¹²

11. This viewpoint represents a distinct shift from his earlier views. As late as 1986, Wiarda argued forcefully that a policy of exporting democracy was unlikely to succeed in Latin America. For an example, see his essay "Can Democracy Be Exported: The Quest for Democracy in U.S.–Latin American Policy" in *The United States and Latin America in the 1980s*, edited by Kevin Middlebrook and Carlos Rico (Pittsburgh, Pa.: University of Pittsburgh Press, 1986), 325–52.

12. For a persuasive argument against this optimistic view, see Andrew Hurrell's contribution to the Lowenthal and Treverton collection (especially pp. 180–82).

Free Trade

The emerging consensus in the literature on international economic relations in the inter-American system is that all states will increasingly turn to regional free trade because such liberalization will benefit everyone who participates in that relationship. Furthermore, increased commitment to free trade in the region will also lead to mutually beneficial relations with other states outside of the hemisphere.

Albert Fishlow's essay in the Lowenthal and Treverton collection provides perhaps the best brief overview of this trend. His argument is simple: capitalism has "triumphed" (p. 65). Latin American states have realized that a fundamental liberalization of their domestic political economies and an international strategy of regional economic integration are "likely to be the most effective source of growth in future years." Furthermore, the economic dynamism that could be generated by this new economic strategy could benefit all states in the region via free trade. Thus Fishlow asserts that aggressive support for regional free trade "holds the promise of a broad hemispheric allegiance. Certainly, the large number of countries interested in adherence to such a model provides a basis for greater regional solidarity than at any time since the initial proposal of the Alliance for Progress" (p. 76). This sentiment is echoed in *Convergence and Continuity: The Americas in 1993*, the recent report of the Inter-American Dialogue. It emphasizes (as one of three major themes) the need to pursue greater liberalization of trading relationships in the hemisphere, at regional as well as subregional levels (pp. 1–20).

In keeping with the liberal argument, neither Fishlow nor the authors of the Inter-American Dialogue report view creation of a regional free-trade area as conflicting with the goal of increased free trade with extrahemispheric states. Indeed, Andrew Hurrell's excellent contribution to the Lowenthal and Treverton collection (one of the best essays in any of the edited volumes) points out that the increasing scope of the global liberal economy makes it extremely difficult to create any purely regional trading blocs (pp. 173–74).

In this context, although Latin American states have appealed to European states and Japan (or the former Soviet Union) in the past in order to create a counterweight to the power and influence of the United States, increasing connections with other states are now likely to coincide with a deepening of ties with the United States. Lowenthal and Treverton's *Latin America in a New World*, a collection containing essays on Latin American relations with Europe, Japan, Russia and China, clearly emphasizes this theme.

Perhaps the best example of this argument can be found in the Stallings and Székely's *Japan, the United States, and Latin America*. The editors present a "trilateral model" of cooperation between the United

States, Japan, and Latin America and suggest that it is possible to create a mutually beneficial “partnership” among these states. They argue, however, that “a general environment of cooperation . . . is necessary for trilateralism to work. As long as Japan is not perceived as a threat to the United States, Latin America may search for innovative and ingenious ways to enhance its leverage with its powerful neighbor through a closer association with Japan” (p. 32). For this relationship to work, however, Latin American states need to reach a “domestic consensus about a new development strategy focusing on openness to the international economy” (p. 33).

Subsequent discussion of the Chilean and Mexican cases by Neantro Saavedra-Rivano and Székely suggests that a combination of neoliberal economic strategies and “trilateralism” with the United States and Japan has proved very successful for these states and could achieve even more in the future. The essay on Brazil by Ernani Torres suggests that the Brazilians’ failure to adopt a neoliberal strategy has cost them dearly. The substantial Japanese investment in the Brazilian economy is now being reduced because of Japanese dissatisfaction with the political and economic instability in that country. These case studies illustrate the argument effectively because they are exceptionally well disciplined by the model set out in the introductory chapter.

As in the debate over the impact of democracy, many analysts, especially Latin Americans, have expressed concern that the United States may not live up to its side of the Kantian bargain. The consensus of the contributors to the volume edited by Francisco Rojas Aravena, *América Latina y la Iniciativa para las Américas*, is that the Enterprise for the Americas Initiative could lead to a positive economic agenda based on mutual benefit for all participants in the hemisphere (pp. 13–24). Many worry nevertheless that the United States would not adequately open up its own protected markets to Latin American products. Most of the contributors cite as evidence the limited implementation of the EAI by the administration of U.S. President George Bush. Similarly, Roberto Bouzas’s contribution on hemispheric trade relations in *The United States and Latin America in the 1990s* argues that the aggressive and protectionist trade policy pursued by the United States during the 1980s raises major doubts about the possibilities for mutually cooperative trade relations in the future (pp. 163–77). Thus creation of a mutually beneficial regional trade order, and by extension the success of contemporary neoliberal economic strategies in the region, depends on continued liberalization of U.S. trade policy.

Complex Interdependence

Contemporary scholars of inter-American relations have also argued that increasingly complex interdependence in the region is leading to a

more cooperative inter-American system. Abraham Lowenthal has been at the forefront of those proclaiming that new “intermestic issues” that cross national boundaries compel greater cooperation among states to solve these problems (see Lowenthal’s essay in Hartlyn, Schoultz, and Varas, pp. 73–75). The economic dimension of this dynamic has already been discussed. Other “intermestic issues”—such as the drug trade, immigration, and the environment—are mentioned by most authors as issues that will have to be addressed through greater regional cooperation.

In his contribution to *Latin America in a New World*, Andrew Hurrell points out that the arguments regarding complex interdependence probably apply best to the U.S.-Mexico relationship. The challenge of managing immigration flows, the drug trade, and environmental pollution along the Rio Grande has already compelled both countries to enter into a variety of cooperative agreements, culminating in (but not limited to) the NAFTA agreement (pp. 176–77).

Bruce Bagley and Juan Tokatlian present a perceptive essay along these lines in the Hartlyn, Schoultz, and Varas collection. It argues that the fundamental reason for the failure of the Reagan-Bush drug war was that these administrations failed to see that the drug trade was a problem of complex interdependence. Both Reagan and Bush tried to use military force and state-to-state relations to address the problem. Instead, they should have perceived the drug issue as the dark side of the emerging liberal inter-American order. Drug cartels are transnational actors responding to liberal market forces. Consequently, only multilateral cooperation can lead to a successful outcome in this area (pp. 214–34).

These transnational issues will not only compel states to cooperate with one other, they will also strengthen governmental and nongovernmental transnational actors that can enhance regional cooperation. In his contribution to the Lowenthal and Treverton volume, Heraldo Muñoz argues that regional consensus on promoting democracy will lead to a greater role in that area for the Organization of American States. In his view, fighting for the “collective defense of democracy” will become the central goal of a reinvigorated OAS.

Alternative Perspectives

Although liberal arguments dominate the recent literature, fortunately one finds a few realist and radical selections in the literature under review that emphasize the conflict inherent in inter-American relations rather than the possibilities for cooperation. Realists point to the extreme disparities in power between the United States and Latin American states as a source of conflict. Radicals emphasize the potentially destructive impact of the expanding neoliberal economic order in the hemisphere.

Although the liberal scholars already discussed recognize the “asymmetries” between the United States and its neighbors to the south, their emphasis on shared beliefs and common interests systematically underemphasizes the importance of power. Perhaps the most telling evidence of this oversight is the absence of another central theme in the literature on inter-American relations for the past fifteen years: the presumed decline of U.S. hegemony in the region and the need for the United States to give up its “hegemonic presumption.”¹³ This theme has been downplayed in the recent work in the field precisely because, as Lowenthal and Treverton note, “the United States is almost everywhere more important to Latin America, not less, than it was twenty years ago” (p. 2). As a result, U.S. power over the destiny of Latin American states has increased rather than decreased in recent years.

Michael Desch, the only author to make a consistently realist argument among the books being reviewed, presents in *When the Third World Matters* a well-crafted and tightly argued review of U.S. grand strategy in Latin America during the twentieth century. His general recommendations attempt to steer between the pitfalls of excessive intervention out of concern for the credibility of U.S. commitments and insufficient intervention because of a perceived lack of direct security interests to uphold. Desch’s counterargument holds that the United States has intervened in Latin America in the past and may need to intervene in the future because Latin America’s geographic proximity makes it “extrinsically important” for the pursuit of more pressing security interests (pp. 9–12).

Although the structure of Desch’s argument is evenhanded, the execution of his case studies betrays a significant bias. While Desch discusses U.S. concern about instability in Mexico during World War I, he neglects to mention the numerous interventions that took place in the Caribbean Basin before, during, and after that war. While he analyzes the Cuban missile crisis in depth, he ignores the Alliance for Progress of that same period. While he argues for the potential danger presented by Cuba to U.S. sea lines of communication (SLOCs) during the 1980s, he ignores the overriding concern with the Contra war in Nicaragua that consumed Washington during the 1980s.

Desch’s emphases reflect his primary interest in countering the arguments of neorealists like Stephen Van Evera, who believe that the United States should ignore most of what has been called the third world. In the process, however, Desch misses the fundamental insight made by Lars Schoultz that the United States has intervened more often in Latin America than was necessary because of inflated concerns about the credibility of U.S. commitments and the mistaken belief that setbacks in stra-

13. Abraham Lowenthal, “The United States and Latin America: Ending the Hegemonic Presumption,” *Foreign Affairs* 55 (Fall 1976):199–213.

tegitally unimportant areas could have a negative impact on the global balance of power.¹⁴

Ironically, given the end of the cold war, Desch's approach would probably lead to U.S. neglect of Latin America in the contemporary era, an outcome also predicted by Van Evera. Howard Wiarda reiterates this point in *American Foreign Policy toward Latin America in the Eighties and Nineties* in arguing that "the main and virtually only reason the United States has been interested in Latin America over the last forty years is because of the Cold War. As the Cold War winds down, therefore, U.S. interest and attention will likely decrease as well" (p. 316).

Realists and radicals agree on one point: the United States will probably exercise its power over Latin America in the economic realm. In the more realist formulation of this tenet, Hélio Jaguaribe's essay in the Lowenthal and Treverton volume argues that the Enterprise for the Americas Initiative represents the use of U.S. power to make the Western Hemisphere into an exclusively U.S.-dominated economic bloc or "megamarket" created to compete with an East Asian bloc dominated by Japan and the European Community dominated by Germany (p. 5). Hurrell too discusses this view in his contribution to the same collection. In this context, Jaguaribe views MERCOSUL not as a regional bloc fundamentally compatible with a larger hemispheric free-trade area but as an alternative bloc designed to encourage local protected high-technology industries and to serve as a counterbalance to U.S. power (pp. 60–63).

Another interesting essay in the Lowenthal and Treverton volume combines elements of the realist and radical approaches. Jorge Castañeda's contribution argues that military intervention will not be necessary to achieve U.S. objectives in the contemporary global political economy:

For any Latin American government, there are direct, often immediate and frequently dire economic consequences of pursuing a policy contrary to Washington's desires or interests . . . ; the price of any departure from the tenets of free-market orthodoxy is exorbitant. . . . The true constraint Latin American elites—and popular movements or oppositions—must cope with today is the perspective of seeing sources of credit, investment and aid dry up and both sympathy and export markets contract if they follow policies deemed hostile, different or simply unwise. Nationalizing natural resources, emphasizing social policies or placing restrictions on foreign trade or investment no longer necessarily invite invasion or destabilization, nor are they even likely to do so. They simply entice financial scarcity and economic ostracism. (Pp. 32–33)

Thus according to Castañeda, Latin American states adopt neoliberal policies not because they foresee mutually beneficial trade relations but because they have no other choice. The power of the United States and

14. Lars Schoultz, *National Security and U.S. Policy toward Latin America* (Princeton, N.J.: Princeton University Press, 1987), 268–307.

the global capitalist system compel states to pursue these policies even if they provide no benefits—there are simply no realistic alternatives.

At least a couple of essays suggest that neoliberal policies entail substantial costs. In his essay in the Hartlyn, Schoultz, and Varas volume, Steven Sanderson convincingly blames existing inequitable patterns of international economic transactions and overuse of scarce resources in the developed countries for environmental degradation in Latin America. The pursuit of neoliberal economic policies in the region is likely to exacerbate the problem. In contrast with the liberal approach to this issue, Sanderson asserts that some form of redefined state in Latin America based on an “eco-populist” coalition combined with substantial economic transfers from developed to underdeveloped countries are necessary for dealing with the environmental crisis (p. 255).

Unfortunately, the radical perspective pays little sustained attention in the literature reviewed here to one of the most serious problems with shortcomings of the liberal argument: its failure to come up with persuasive solutions to the problem of socioeconomic inequality.¹⁵ The report of the Inter-American Dialogue counts the problem of equity as one of the three major issues in inter-American relations that need to be addressed. Yet many of the proposed solutions seem destined to failure, such as the suggestion that “all governments must sustain sound growth-oriented macroeconomic policies” or that “programs to reduce poverty and inequality must be consistent with macroeconomic stability and therefore should be financed through some combination of increased taxes, the reallocation of existing expenditures, and external aid” (p. xii). Riordan Roett’s contribution on debt in the Hartlyn, Schoultz, and Varas collection exposes the problem well. The “courageous and successful process of economic restructuring” undertaken during the past decade also led “somewhat ironically” to extraordinary hardship for the poor of Latin America (p. 131). But while Roett recognizes the connection between neoliberal reforms and increasing poverty and inequality, he believes (for reasons not entirely clear) that it is possible to “maintain the outward looking economic model of recent years and address the human development challenge” (p. 149).

Conclusion

This review essay has emphasized the widespread agreement in the recent literature on inter-American relations that the spread of democracy, free trade, and complex interdependence are making the inter-American system fundamentally more cooperative. Readers should be

15. Robert Bach provides a partial exception to this statement in his essay on hemispheric migration patterns, his contribution to the collection edited by Hartlyn, Schoultz, and Varas.

wary of this emerging consensus. Every time agreement appears in the field of Latin American politics, events seem to undermine consensus. A wholesale breakdown of liberal regimes in the region would certainly imperil the basic expectations of the Kantian argument. And even if democracy and neoliberal economic reforms consolidate further, the liberal argument has great difficulty in addressing the problems created by U.S. power or the costs associated with neoliberal economic models.

Liberal models have come to dominate the field for a reason, however. The movement toward democracy in the region has proven itself remarkably robust thus far and is taking place in the most supportive international environment in history.¹⁶ Inter-American relations appear to have become genuinely more cooperative in the last few years, and the Kantian theory provides a persuasive set of arguments for why that might be the case. It also points toward a larger set of international events and experiences with which the recent inter-American experience can be compared. As Jack Levy has argued, "The absence of war between democracies comes as close as anything we have to an empirical law in international relations."¹⁷ This record suggests that there is reason to believe that the spread of democracy can lead to greater peace and cooperation in the Western Hemisphere.

16. Karen Remmer, "Democratization in Latin America," in *Global Transformation and the Third World*, edited by Robert Slater, Barry Schutz, and Steven Dorr (Boulder, Colo.: Lynne Rienner, 1993), 91–112.

17. Jack Levy, "Domestic Politics and War," in *The Origin and Prevention of Major Wars*, edited by Robert Rotberg and Theodore Rabb (New York: Cambridge University Press, 1988), 88.