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# **Talons of the Eagle**

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## **Dynamics of U.S.–Latin American Relations**

**Peter H. Smith**

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## **Talons of the Eagle**

***For My Students***

## Preface

This book is a personal statement.

It reflects my belief that historical perspective is absolutely essential for the comprehension of contemporary international realities. Over the past few years there has been much discussion, often naive and short-sighted, about the end of the Cold War and its presumably benevolent impact on U.S.–Latin American relations. In my opinion we can assess the novelty and significance of the current situation only by comparing it with previous epochs—not only with the time of the Cold War itself but also with the era stretching from the American Revolution up through World War II.

It reflects my commitment to interdisciplinary scholarship. The analysis attempts to blend insights from political science and international relations with the study of diplomatic, intellectual, cultural, and political history—of Latin America, the United States, and other parts of the world. There has been remarkably little communication between these apparently disparate fields. This volume seeks to draw some new connections.

It reflects my conviction that U.S. citizens—commentators, policy-makers, investors, and others—must pay close attention to Latin American viewpoints. Too often the study of inter-American relations deteriorates into the study of U.S. foreign policy. One of my central arguments is that there has existed a coherent logic, at times infernal and perverse, in the conduct of U.S.–Latin American relations; an understanding of that logic requires an understanding of Latin American feelings, attitudes, and actions.

It expresses my appreciation for the task of intellectual synthesis, as distinct from original research. This book does not present an exhaustive chronology of U.S.–Latin American relations. My goal is to offer a conceptual framework for the comprehension of changing patterns of inter-American relations over a span of nearly two centuries, and to substantiate that analysis with solid factual evidence. The result is interpretive history (or, if one permits, historical political science). Of necessity, many topics and episodes receive cursory description. As a scholar, I am acutely aware that colleagues have published entire books on subjects that warrant only a paragraph or single sentence here. As a writer, I have sought to achieve the benefits of brevity without incurring costs of superficiality. (For the sake of readability, I have placed all statistical tables in an appendix to the text.)

Finally, the volume fulfills an obligation—to the students, undergraduate and graduate, North American and Latin American, who have stimulated, provoked, challenged, and refined my thinking on U.S.–Latin American relations. Over the past quarter century it has been my privilege to work together with outstanding young men and women—at Dartmouth College, the University of Wisconsin–Madison, the Massachusetts Institute of Technology, the University of California, San Diego, and various institutions throughout Latin America. To all of them I dedicate this book.

*La Jolla*  
*May 1995*

P. H. S.

## Acknowledgments

Years of reading, observation, and reflection on U.S.–Latin American relations have left a mountainous accumulation of intellectual debts. Here I can acknowledge only a few.

From the initial conception of this book Nancy Lane, of Oxford University Press, consistently offered support, advice, and encouragement.

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I close on a personal note. During the course of this project Jennifer L. Troutner became my closest friend, partner, counselor, critic, companion, comrade-at-arms (and spouse). It is she who made the whole thing possible.



# **Contents**

Introduction: International Systems and U.S.-Latin American Relations, 3

## **I The Imperial Era**

1. The European Game, 13
2. The Gospel of Democracy, 40
3. Mr. Roosevelt's Neighborhood, 65
4. Latin America: Responses to Imperialism, 88

## **II The Cold War**

5. Closing Ranks, 117
6. Making Friends, 142
7. Crushing Enemies, 163
8. Latin America: Fighting the Cold War, 188

## **III Age of Uncertainty**

9. Hegemony by Default, 217
10. The New Economic Agenda, 235

**11. Illicit Flows and Military Force, 263****12. Latin America: In Quest of Alternatives, 292**

Conclusion: Structure and Change in U.S.-Latin American  
Relations, 321

APPENDIX: STATISTICAL TABLES, 337

NOTES, 347

SELECT BIBLIOGRAPHY, 357

INDEX, 365

## **Talons of the Eagle**



## Introduction: International Systems and U.S.–Latin American Relations

Relations between the United States and Latin America face unprecedented uncertainty. World events since 1989 have shattered long-held assumptions about international order. The ending of the Cold War—from the collapse of the Berlin Wall to the liberation of Eastern Europe to the implosion of the Soviet Union—has led to epochal rearrangements in the distribution of power, terms of conflict, and patterns of alliance. Early optimism about the creation of a “new world order” has given way to widespread apprehension about ethnic strife, religious war, economic rivalry, and international chaos. As the United States has sought to define its interests and its role in this fast-changing panorama, nations of Latin America have attempted to identify their own options and alternatives. All countries of the hemisphere confront perplexing questions: What is the effect of the end of the Cold War on U.S.–Latin American relations? What will be the governing principles of inter-American relations in the years ahead?

Widespread expectations envision the optimistic possibility that the United States and Latin America will be able to pursue shared interests in a spirit of cooperation. The Cold War exercised an essentially distorting influence on relationships within the hemisphere, according to this argument, and in its absence nations of the Americas can recognize and act upon a natural harmony of interests. Increasing trade and investment will lead to a convergence of economic purposes, the liberalization of markets will promote political democracy, and the emergence of like-minded leaders will eliminate sources of unnecessary conflict between the United States

and Latin America. As officials in Washington are wont to proclaim, the post-Cold War environment offers an unprecedented opportunity to forge a "community of democracies" throughout the Western Hemisphere.

Will this prediction prove correct? Examination of this question necessarily requires exploration of the Cold War itself. Otherwise there is no way of assessing the impact of its disappearance. From the late 1940s to the late 1980s the United States and the Soviet Union engaged in a bilateral struggle for power, and the U.S. government launched an anticommunist crusade around the world. Within Latin America the United States encouraged (or compelled) friendly governments to outlaw communist parties, to crush working-class movements, and to maintain pro-U.S. foreign policies. On occasion the United States resorted, overtly or covertly, to political or military intervention. Fear of the "communist threat" may have been greatly exaggerated, as now appears in retrospect, but it had far-reaching consequences: it shaped Washington's policy toward Latin America during the entire period. The U.S.-Soviet contest also defined the parameters of plausible policy options for Latin American countries.

The duration and pervasiveness of the Cold War also raise possibilities about potential legacies: even though it is over, the Cold War might still exert considerable influence on patterns of U.S.-Latin American relations. Is the post-Cold War environment fundamentally different from the pre-Cold War period? In what ways? Or will the hemisphere simply return to the status quo ante? Consideration of these questions requires extended examination of the pre-Cold War period. Only then will it be possible to identify long-term patterns of continuity and to pinpoint fundamental differences between U.S.-Latin American relations before and after the Cold War.

Speculation over the changing nature of U.S.-Latin American relations thus provokes complex questions of historical causality. Of logical necessity, it also requires exploration of apparently remote and distant eras. One hesitates to invoke a shopworn cliché about the need to comprehend the present through the prism of the past. The fact is that it applies to this case.

Such concerns determine the structure of this book. To examine long-term trends and transitions, this volume offers an interpretive synthesis of U.S.-Latin American relations from the late eighteenth century to the present, from the Monroe Doctrine through the Cold War to the North American Free Trade Agreement and beyond. It is my contention that U.S.-Latin American relations have displayed recurring regularities. In other words, the dynamics of the hemispheric connection reveal an *underlying logic*. Inter-American relations have not been the product of whimsy, chance, or accident. Nor have they resulted from individual caprice or personal idiosyncrasy. They have responded to the interaction of national and regional interests as interpreted within changing international contexts.

Accordingly, the goal of this study, is to concentrate on the *struc-*

*tural relationship* between the United States and Latin America. Rather than focus exclusively on U.S. foreign policy or on Latin American developmental predicaments, I examine the linkages between the two. Three related questions will be central to this inquiry:

- What has been the stance of the United States toward Latin America?
- What has been the response of Latin American countries? And what have been the variations in response?
- What have been the consequent forms of interaction?

In this fashion I seek to reveal not only structural patterns in U.S.-Latin American relations but also the transformation of those patterns over time.

### *Concepts and Approaches*

This book draws heavily upon a central insight from the study of international relations—the idea that interplay among actors in the international arena constitutes a “system,” that the system entails tacit codes of behavior, and that these rules can be thought of as comprising a “regime.” As defined by political scientist Stephen Krasner, a regime consists of “implicit or explicit principles, norms, rules and decision-making procedures around which actors’ expectations converge in a given area of international relations. Principles,” he continues, “are beliefs of fact, causation, and rectitude. Norms are standards of behavior defined in terms of rights and obligations. Rules are specific prescriptions or proscriptions for action. Decision-making procedures are prevailing practices for making and implementing collective choice.”<sup>1</sup>

My usage of the concept of regime entails an adaptation of its meaning. As currently applied, the idea usually applies to specific and limited issue-areas—such as trade, environment, petroleum (“in a given area of international relations,” in Krasner’s phrase). In this study, by contrast, I am referring to norms and principles that establish patterns of behavior within broad and general *international systems*, not just with regard to particular issues. Construed in this fashion, the logical content of norms and principles for international systems depends upon a variety of factors: the number of major powers, the nature of resources available to them, and the scope of competition.<sup>2</sup>

Systems and their codes are global in scope; they pertain to all actors in the international arena. They are of relatively long duration; individual powers might rise and fall, but rules of operation tend to stay the same. They are nonetheless subject to change, especially if leading powers arrive at the conclusion that maintenance of a given system will be more costly than its alteration.<sup>3</sup> For implementation states depend upon subjective perceptions, especially mutual perceptions of major powers, as well as upon objective realities.

My interpretation of inter-American relations stresses both the *charac-*

ter and the *transformation* of international systems and their corresponding codes. Given the subject of this volume, however, I make no pretense of examining all variations and types of international systems.<sup>4</sup> Instead I focus on those systems which have provided relevant frameworks for the conduct of U.S.-Latin American relations.<sup>5</sup>

There have been, in my view, three broad systems which have guided the management of inter-American relations. The first stretched from the 1790s to the 1930s, when the prevailing regime corresponded to the logic of balance-of-power competition and multilateral rivalry. Imperialism—the quest for land, labor, and resources—provoked rivalry between major European powers and defined the relationship between metropolitan centers and subordinate colonial holdings. It was this logic that shaped the “great war of the mid-eighteenth century,” culminating in the Seven Years’ War, and it was this logic that determined the rules of international engagement throughout the nineteenth and early twentieth centuries. The United States entered this contest shortly after achieving independence. United States leaders would seek to extend territorial reach at the expense of former European colonies, to prevent other powers from challenging this expansion, and to establish a sphere of uncontested influence within the Western Hemisphere. In effect, the fledgling United States was working out the logic of the eighteenth-century wars.

The second system lasted from the late 1940s through the 1980s, corresponding to the Cold War. The prevailing logic of this regime reflected the preeminence of bilateral rivalry between the United States and the Soviet Union on a global scale, intensified by mutual capacity for nuclear destruction. The Cold War altered the basis of inter-American relations, elevating the concept of “national security” to the top of the U.S. agenda and turning Latin America (and other Third World areas) into both a battleground and a prize in the conflict between communism and capitalism, East and West, the Soviet Union and the United States. The doctrine of “containment” led the United States to extend and consolidate its political supremacy throughout the hemisphere. By the early 1950s Washington laid down policy lines in accordance with the terms of this regime, and they persisted through the 1980s.

Third is the contemporary era of the post-Cold War. The defining characteristic of this period, in my judgment, is the absence of clear-cut rules of the game. The United States has remained the world’s only military superpower, especially in the wake of the Soviet collapse, and after the Gulf War of 1991 the United States appeared to enjoy a “unipolar moment.” At the same time U.S. relative strength appears to be declining in the economic arena, where the rise of Japan and Europe has fostered multilateral competition. The distribution of military power does not bear a clear relationship to the distribution of economic power. This disjuncture creates uncertainty.

Within the Western Hemisphere, by contrast, the United States has acquired what might be called “hegemony by default.” The Soviets/



Russians have withdrawn (from the modest extent to which they were ever there), Europeans have turned their attention elsewhere, Japanese have been slow to enter the Americas.<sup>6</sup> At the moment U.S. supremacy is therefore uncontested and complete. And while Latin America is becoming less important as a political asset for the United States, it may be becoming more important as an economic asset.

United States-Latin American relations are now unfolding within a context of multiple power arrangements. On a global level, there exist unipolar supremacy with regard to security matters (though contemporary problems are less and less amenable to military solutions) and a multipolar rivalry with regard to economic matters. Within the Americas, however, the United States wields unilateral hegemony. How these various configurations interact is, of course, one of the central questions of our time.

This broad shift in international contexts has continually shaped and revised the terms and nature of inter-American diplomacy. A central interpretation of this book thus takes counterintuitive form: the fundamental determinants of U.S.-Latin American relations have been the role and activity of *extrahemispheric* actors, not the United States or Latin America itself. In other words, the inter-American relationship has formed a sub-system with the global system as a whole.

To understand internal dynamics within the Western Hemisphere, a second conceptual concern focuses upon the distribution of power. Ever since the early nineteenth century, the United States has been stronger and richer than its Latin American neighbors. The nature and degree of this asymmetry have varied over time, but it has been a pervasive and persistent reality. This means, among other things, that the United States has usually held the upper hand: there has been little bargaining between equals, and the sovereignty of Latin nations has been under constant threat. In this light it seems wholly implausible to depict U.S. involvement in the region as the result of suction into a "whirlpool."<sup>7</sup> Throughout recent history, the United States has enjoyed by far the most freedom of action among countries in the Americas. And precisely for this reason, the study of U.S.-Latin American relations offers insight into the character and conduct of the United States: it provides an opportunity to examine, over time, how the United States has chosen to apply and exercise its perennial predominance.

This dual focus—on regimes and power—leads directly to another question: the response of nations and groups. In this account I concentrate not on intricate details of decision-making processes or on the personal psychology of decision makers, but on the formulation and pursuit of broad, long-term strategies. I assume that nations—and their leaders—seek to advance practical interests. Fundamental interests are either geopolitical, the pursuit of military security, or economic, the pursuit of prosperity. These two sets of interests often overlap. Security interests are typically advanced by governmental bureaucracies; in capitalist societies, economic interests usually represent the goals of private sectors, which might have direct or indirect representation within the apparatus of the state. While