

# GLOBAL REVIEW

Politik Und Kritik Weltweit  
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## INTERVIEW WITH LATINAMERICA EXPERT DR. EVAN ELLIS ( US ARMY WAR COLLEGE): “IN GENERAL, THE SITUATION IN LATIN AMERICA IS PLAYING OUT AS I HAD FEARED, BUT WITH SOME UNEXPECTED DEVELOPMENTS, BOTH THE POSITIVE AND THE NEGATIVE.”

📅 9. Januar 2023 (<https://www.global-review.info/2023/01/09/Interview-With-Latinamerica-Expert-Dr-Evan-Ellis-Us-Army-War-College-In-General-The-Situation-In-Latin-America-Is-Playing-Out-As-I-Had-Feared-But-With-Some-Unexpected-Developments-Bot/>) 👤 Ralf Ostner (<https://www.global-review.info/author/ralf-ostner/>)

Global Review had the pleasure and honor to talk with Latin America expert Dr. Evan Ellis about the situation in Latin America.

Dr. R. Evan Ellis is a research professor of Latin American Studies at the Strategic Studies Institute, U.S. Army War College, with a research focus on the region's relationships with China and other non-Western Hemisphere actors. He previously served for 1 year at Secretary of State Mike Pompeo's Policy Planning Staff. He has presented his work in a broad range of business and government forums in 27 countries on four continents. He has given testimony on Latin America and Caribbean Security Issues to the U.S. Congress, and has discussed his work regarding China and other external actors in Latin America on a broad range of radio and television programs, including CNN International, CNN En Español, The John Bachelor Show, Voice of America, and Radio Marti. Dr. Ellis is cited regularly in the print media in both the United States and Latin America for his work in this area, including *The Washington Times*, *Bloomberg*, *América Economía*, *DEF*, and *InfoBAE*. Dr. Ellis has published over 270 works, including *China in Latin*

*America: The Whats and Wherefores* (2009), *The Strategic Dimension of Chinese Engagement with Latin America* (2013), *China on the Ground in Latin America* (2014) and *Transnational Organized Crime in Latin America* (2018). Dr. Ellis holds a Ph.D. in political science with a specialization in comparative politics.

**Global Review:** Dr. Ellis, you once wrote a very programmatic and alarming article;

### **“Preparing for Deterioration of the Latin America and Caribbean Strategic Environment**

When a military leader perceives that the tide of battle is turning against their forces, prudence dictates changing posture to cover emerging vulnerabilities. When a leader assesses that the battle is lost, the imperative shifts to preserving the force and repositioning to most effectively fight another day. The leader may be tempted by the prospect that “if headquarters only gives me another brigade, we can turn this around.” Yet a good commander, upon assessing that such reinforcements are not coming, moves quickly to reposition for another day and a different fight.

Although the outcome is not inevitable, Latin America and the Caribbean are currently on the precipice of a downward spiral into populist authoritarian governments, economic collapse, social unrest, and expanded presence and influence of China across the hemisphere—and it does not look like “the calvary is coming” to turn the situation around. Although those dynamics are just now becoming clear, numerous reinforcing dynamics are driving the strategic environment of the region in a very troubling direction. For the moment, the skies of the region are still mostly clear, but the storm is coming.

### **The Reinforcing Effects of Leftist Authoritarian Populism, China, and Covid-19**

The region’s worrisome trajectory is the consequence of three mutually reinforcing phenomena (<https://dialogo-americas.com/articles/populism-china-and-covid-19-latin-americas-new-perfect-storm/#.YYa39W3MKUk>): the Covid-19 pandemic, engagement with China, and the spread of a particular model of leftist authoritarian populism. The dynamic is enabled by long-standing citizen discontent with poverty, inequality, corruption, insecurity, and poor governance that fails to address those ills. While right-wing populism is also problematic, the dynamics that lead left-wing populists to turn away from free markets and embrace the People’s Republic of China (PRC) as an alternative source of resources present unique challenges for U.S. foreign policy and the U.S. strategic position in the hemisphere”

Do you still think your analysis is appropriate or is the situation even worse today?

**EE:** In general, the situation in Latin America is playing out as I had feared, but with some unexpected developments, both the positive and the negative. With the exception of Guillermo Lasso’s victory in Ecuador, the political shift to the left has played out even more completely than I expected it would have. This includes the victories of Castillo in Peru, Boric in Chile, Petro in Colombia, and Lula in Brazil. Moreover, the social protests against the generally pro-US Cortizo regime in Panama and the continued political difficulties of Guillermo Lasso in Ecuador are reminders that the economic and social strains in Latin America have even put the long-term viability of the few center and right-oriented regimes in the region in question. In addition, the direction taken by the Bukele regime in El Salvador, and the possibility that Santiago Peña, the Horacio Cartes-backed candidate within the Colorado Party could win this year’s election in Paraguay ,highlights that even ideologically “non-left” regimes may take policy directions that impede cooperation with the US, and lead them to be more open to working closely with the PRC.

One ray of hope that has emerged since my original article is that inflation, debt and perceived mismanagement by the Peronists in Argentina have raised the prospect that a right-oriented coalition could recapture power there in 2024. That, if it occurred, would represent the first major shift “away” from the new pink tide. The strength of such a possibility, however, is unclear. Christina Fernandez’ decision to renounce competing following her corruption conviction makes a comeback by the right in Argentina less likely, insofar as it obliges the Frente de Todos to find a candidate not tainted by the corruption and economic mismanagement that is part of her legacy. In addition, the Argentine right is yet to show solidarity around a clearly competitive alternative.

With respect to the current group of leftist governments in the region, the US position has arguably become more fragile, although the Biden Administration has found common ground with, and set a positive tone with several regimes whose interests are fundamentally different from that of the US.

On one hand, thanks to Biden Administration attempts to negotiate with Venezuela’s Maduro, the lifeline given to him by Petro in Colombia, and the support for bringing him “back into the fold” by Argentina, Mexico, Brazil and others, Maduro’s economic and political viability as part of that regional left is recovering more rapidly than I anticipated, although he remains a pariah.

The principled position of Chile’s Boric in support of democracy, and the initial promise of the new Boularte government in Peru highlights the diversity of the Latin American left, leaving a space for “like minded democratic partners” that the US can still work with in the region.

Despite such diversity, the fundamental challenge to the stability of the region, and by implication, the position of the US, arguably remains the same: inexperienced new regimes with questionable political bases, in deeply polarized societies, with grave socioeconomic needs and limited fiscal space to deal with them and committed to statist responses that may cause capital flight and economic weakening, compounding problems before it helps. In this context, the failure of the referendum on the new constitution in Chile, the poor choices that ultimately led to Castillo’s ouster in Peru, and Petro’s difficulties thus far in turning his proposals into constructive action, illustrate that the path to deeper problems across the region may not be nefarious leftist plots, but mismanagement of an almost impossible situation.

With respect to the position of the PRC in the region, in general terms, its economy is still fragile, with the Evergrande crisis illustrating the vulnerabilities of enormous debt and other distortions. With Xi’s easing of covid restrictions, there is still the possibility that the transition from the economic stagnation of zero covid, to an overwhelmed medical system with massive infections, could compound the fragility of the debt situation and other structural weaknesses to cause an economic meltdown. If it does not, however, the opposite could very well be true. The greater policy clarity coming with Xi’s installation in his third term in office, the ebbing of Covid-19 restrictions in Latin America and their relaxation in China, could combine to enable significant new PRC engagement in the region.

Although the political and economic chaos impacting Latin America in its relations with others would also cause problems for PRC-based companies, Latin America’s leftist governments of both democratic and authoritarian persuasion would arguably be in particular need for loans and investment from the PRC, with guarantees and other conditions on terms favorable to it.

**Global Review:** Another thesis is that you claimed that while left-winged populist movements had a supporting international environment in the 2000s and following decades, this had changed and that leftist movements would face more instability and negative effects of the world market and the domestic situation. If we look at Peru, Bolivia or Chile the left populist seem not really to have success. There is one coup and anti-coup after another and in Chile the masses rejected the left new constitution which should abolish the neoliberalist constitution of the Pinochet era and the Chicago boys. Why does the left populism have such setbacks and backlashes?

**Dr. Evan Ellis:** The challenges of the new Latin American left come from the inescapable dynamics of economics, and the internal political dynamics of the regimes.

As noted previously, independent of the ideology of the regime in power, Covid-19 left Latin America not only with an enormous death toll, but weakened or destroyed small businesses, pushed workers from the formal into the informal sector, and increased social discontent, while leaving a legacy of expanded government debt from Covid-19 spending that obliged unpopular and economically damaging tax increases, and restricted government's ability to launch new initiatives and respond to societal needs. Compounding these challenges, Russia's invasion of the Ukraine caused supply chain shocks that have greatly increased the prices of basic foodstuffs and fuels for heating and cooking as well as for transport, hurting Latin America's most vulnerable. All of this has created a combination of economic needs, sociopolitical pressures and fiscal constraints that put all of Latin America's governments, not just the left-oriented ones, in a near-impossible management position.

In the context of such enormous challenges, the new left governments generally have relatively new and inexperienced leaders, whose proposed statist agendas are impeded by a lack of presence of their parties, or fragile support coalitions in legislatures, to carry out their often controversial and ambitious proposals to expand government and raise taxes to pay for it. This fragile political situation of the left is compounded by groups on the right who are deeply suspicious of the agendas and intentions of the new governments. Politically, the new governments also face polarized societies and groups deeply suspicious of and resistant toward their agenda.

Such political dynamics have played out differently in each country but have generally gone badly in all. President Boric, in Chile, following the defeat of the referendum on the constitution and gaffes by several of his inexperienced ministers, was obliged to reorganize his cabinet and turn to a more pragmatic course for the moment. In Argentina, where the leftist Peronist government faces enormous enormous inflation and debt problems, the conviction of Vicepresident Kirchner on corruption charges obligated her to renounce her ambitions to run for the Presidency, or even the Senate in the next elections.

In Peru, the obstacles confronting President Castillo from a fragmented Congress and economic pressures were compounded by the President's inexperience and political isolation, ultimately leading to his poorly considered attempt to dissolve Congress, and his ouster by Dina Boluarte who, although more technocratically skillful, arguably lacks a true political base, with not only the right, and her previous party, led by Cuban-trained Marxist politician Vladimir Cerron ambiguous in their support for her, but also confronted by the supporters of Castillo.

In Colombia, the right is both politically and economically entrenched and deeply suspicious of Petro. Although Petro is experienced as a politician, he has historically been stronger as an orator than as an administrator, as reflected in repeated problems during his prior tenure as mayor of Bogota. That style has already been borne out in his chaotic

policy performance, including ambitious pronouncements through speeches and tweets, that later must be walked back by his cabinet ministers, as well as his New Year 2023 announcement of a “5-party” peace accord with Colombia’s principal combatants, only to have the government rescind the statement after the ELN announced publicly that they had not agreed to such a ceasefire.

In Brazil, it is too soon to observe the course of Lula’s new term, but there are danger signs. He confronts a far more politically polarized country than he governed in 2003, with less enabling international economic conditions. Increasing the risk of deteriorating economic and political conditions, this time around, Lula has also has felt less need to act conservatively to reassure investors, from the very beginning signaling an interest in expanding government programs to wage an expanded war on hunger and poverty, expand protections of the Amazon possibly at the expense of agricultural and other economic growth, reverse Bolsonaro-era privatization of the petroleum, energy and other sectors, and do away with constitutional spending caps. Indeed, the Brazilian stock market and Real both fell upon his assumption of office and early policy pronouncements, and GDP growth has been revised down to a meager 2.1% for the coming year.

**Global Review:** The only success stories seem to be Lula’s Brazil, Kirchner’s Argentina and Colombia’s new left government- the first after decades of conservative rule. But the situation also seems to be polarized as Bolsonaro could prepare for a return, Argentina is at the brink of state bankruptcy and Lula has not the same favorable global environment as before. How do you think the Brazil, Colombian and Argentine left populism will affect the situation in LA? Or do you think they also will experience such setbacks as in Peru, Bolivia or Chile?

**Dr. Evan Ellis:** Per the previous answers, the difficulties of the left regimes in Brazil, Colombia and Argentina, and their relationships with other states in the region, will each have unique effects. Petro’s policies in Colombia, including reestablishment of relations with Maduro, and fully reopening the Colombia-Venezuela border will provide significant diplomatic, as well as economic energy for the Maduro regime. At the same time, the expanding cocaine production and transport, illegal mining revenues, human trafficking, extortion, and other illicit revenue by criminal groups in Colombia and Venezuela will likely feed off of each other, magnified by expanded human and economic connections across the shared border where many of the groups operate.

The inability of Maduro to control the ELN and other illegal armed groups on Venezuelan territory will compound Petro’s difficulties in reaching a true peace with those groups in his own territory. Argentina’s left orientation, if not reversed in the next election, will continue to bolster the left block in general, particularly while Argentina remains head of CELAC.

Argentina will also be, on one hand, one of the principal conduits for PRC economic, political and military engagement in the region, particularly with respect to lithium, infrastructure projects, and possible PRC participation in the new polar logistics base at Ushuaia. On the other hand, its protectionism and economic difficulties will continue to generate problems for Mercosur, particularly for Uruguay, even while the later benefits, like many times before in its history, from Argentine capital flight.

Brazil is likely to have the strongest, albeit most moderate influence on the politics of the region, particularly South America and Mercosur, and possibly beyond the region, although as historically, the degree of that influence will depend on the degree to which Lula is consumed by internal political polarization and economic problems, drawing

his attention and Brazilian resources away from the external role to which the country has historically aspired.

**Global Review:** In Venezuela Maduro seems to be stronger than ever. Biden wants to import Venezuelan oil, the opposition has officially toppled its interim president Guaido and the relations with Colombia which under conservative rule was the main adversary of Maduro becomes under the new left government a cooperative partner who reopens the border and trade and started talks with the ELN and other guerilla groups and Maduro. Which role is left for the USA and the EU? Is regime change or a democratization still a option or should the USA readjust its policy and make Realpolitik with an authorial regime?

**Dr. Evan Ellis:** In my opinion, negotiating with Maduro in the hope of securing oil for the US economy and the return of Maduro to the bargaining table was a grave error that has only strengthened Maduro's hand and decreased the prospects of a return to democracy, or even meaningful negotiations toward that end, in Venezuela. The reengagement with Maduro by Colombia, and various levels of support by leftist regimes in Mexico, Argentina, Bolivia, Nicaragua, and Colombia, among others, and the termination of Guaido's status as National Assembly head and de jure President by his own coalition, effectively ends the ability of the US to bring about meaningful change through the political and economic pressures it can reasonably bring to bear, in conjunction with European and other allies. The question now turns to whether the legal status of the National Assembly committee overseeing Venezuela's assets abroad, in conjunction with the disposition of the US, European and other governments to protect them, will be sufficient to prevent legal initiatives by the Maduro regime to seize them. Reciprocally, if the US does not provide legal protection of CITGO, it could unleash an international legal free-for-all by creditors owed money by Maduro to seize them.

With respect to the posture toward the Maduro dictatorship, is probably better for the US to maintain sanctions against the regime and the key figures engaged in antidemocratic and criminal acts, if only as a message to other leaders elsewhere that would do the same, and as a vehicle for containing, to some extent, the latitude of those individuals. Otherwise, it sends the message to dictators and regimes deeply engaged in criminality everywhere, including Russia, Iran and others, is that the best strategy is to sustain repression and a united front and outwait sanctions and other pressures until Western democracies grow bored with the lack of progress, abandon the Democrats who have sacrificed in the name of democracy, and come to terms with the dictatorships and their criminality.

**Global Review:** Has Russia and China since the Covid crisis and the Ukraine war gained diplomatic, economic, military and political clout, leverage and "territory" in LA at the expense of the USA and the EU or is it more a mixed picture with no clear tendency? What about the relations of Brazil, Argentina, Chile, Colombia, Venezuela and other LA countries with Russia and China? Are there any dramatic changes?

**Dr. Evan Ellis:** Russia has lost significant clout in the region since its unprovoked invasion of the Ukraine. Its actions, including evidence of massive human rights violations, and the brutality of its continued targeting of Ukrainian civilians have made it awkward for moderate and democratic states in the region to embrace it, although the region has still been reluctant to provide military and significant economic support for the Ukrainian people. The invasion has also significantly undermined the attractiveness of Russia as a security partner, showcasing problems in Russian training and doctrine, while also creating difficulties for Latin American states to maintain previously acquired Russian military equipment. Anti-US authoritarian regimes in Venezuela and Nicaragua, and to a lesser extent Cuba, have not

surprisingly doubled-down on military and other forms of cooperation, although Russia's dedication of military resources and attention to the Ukraine makes it unlikely that Russia can provide any form of economic or substantial military benefit to those partners for their support. The region has also been strongly prejudiced by the inflationary effects of Russia's invasion, with increases in food and petroleum prices hitting the region's most vulnerable the hardest...although the degree to which such hardship has contributed to negative feelings toward Russia in the region is unclear. The support of Bolsonaro for Putin, beyond Brazil's often overstated interest in Russian fertilizers and the Russian agricultural market, was arguably idiosyncratic, reflecting Bolsonaro's admiration of Putin as a strongman and his resentment of the lack of attention to his person from the Biden administration, although it is unlikely that the incoming pragmatic Lula regime will turn Brazil in a strongly anti-Russian direction. Within Latin America's diverse new left, others, such as the Fernandez regime in Argentina and the Arce regime in Bolivia, to varying degrees, are attempting to straddle "neutrality" towards Russia while avoiding associating themselves too closely with Russia actions.

With respect to the PRC, Covid-19 temporarily slowed the PRC advance on the ground in Latin America, but also strategically set the stage for its accelerated advance, likely beginning this year. On one hand, Covid-19 restrictions on travel and business-government interactions in both the PRC and Latin America, and the associated negative impact on economic and fiscal conditions, all contributed to putting numerous projects on hold. Those tendencies were reinforced by conditions in the PRC, including debt issues best illustrated by the problems of Evergrande in the construction sector, as well as Xi's anti-corruption campaign and pushback against PRC-based tech companies and potential rivals as he positioned himself for his unprecedented third term in office. Now, with the transition to Xi's third term past, Covid-19 restrictions largely lifted, and the PRC economy slowly working through its debt overhang and other economic issues, PRC-based companies are positioned to begin re-engaging in Latin America and elsewhere. In Latin America, they find a diverse array of left-oriented governments embarking on new statist projects under delicate fiscal and economic conditions, making Chinese loans, as well as investments and commodity purchases even more important than before. The signs of China's expanding engagement in 2023 are already in evidence, including the visit to the PRC by Cuban President Miguel Diaz-Canel, visits in the first months of the year by Gabriel Boric of Chile and Lula of Brazil, the PRC gambit to buy El Salvador's debt, the just completed negotiations on a free trade agreement with Ecuador, the beginning of FTA negotiations with Uruguay, and the likely restart of FTA negotiations with Panama, among other items.

**Global Review:** The Bush jr. government once wanted a free trade area from Canada to Chile, a panamerican freetrade zone. As the USA due to Trump's economic protectionism and nationalism canceled all free trade agreements, be it TTIP or TPP and only renegotiated NAFTA, free trade as an US geopolitical tool seems to be out of question. However, as a response to China's New Silkroad BRI, the Biden administration started B3W and the EU Global Gateway as the American and the European Silkroad with infrastructure building worldwide. Do you think there should be some sort of Panamerican New Silkroad with connecting infrastructures as alternative to free trade zones? Do you think that the US Congress and a Republican US would support such an idea?

**Dr. Evan Ellis:** In the new left-dominated political landscape of Latin America, and in the context of US fiscal constraints, split control of the US Congress between the Republicans and Democrats, and contentious politics in Washington in general, such major US-led initiatives are probably unrealistic. While some US-led infrastructure and development initiatives were included in Build Back Better World, the initiative was unable to pass in the prior Democrat-dominated US Congress, and even less likely to go forward now. Aside from whether such initiatives are

possible, however, the private-sector led nature of the US economy, and the democratic nature of the US political system means that the US is structurally ill positioned to try to “out-bid” the PRC with infrastructure projects or other gifts. It is better suited to helping the region to strengthen its governance, and engage with the PRC and others through a framework of transparency, rule-of-law, and technical competence in planning, the selection between competing offers, and the enforcement of laws, in order to ensure that engagement with the PRC, and other players, best supports national objectives, rather than just benefitting those who sign the deals and work the projects. The US needs to do a better job of communicating its own value proposition and interest in Latin America’s well-being stemming from its inherent geographic and commercial interdependence with the region. It also needs to restore the spirit of civility and shared purpose in Washington, in order to be a more effective advocate of why democratic-market based systems are fundamental to preserving individual freedoms, rights, and creating value in Latin America and elsewhere.

**Global Review:** While Germany and the EU have climate protection as their top priority, also in Latin America, the USA doesn’t seem to much interested in this topic, even as it reentered the Paris Accord and pushes for a Green New Deal. . While the German president visited Lula and welcomed him back to the Paris Accord again while giving money to Brazil for the protection of the Amazonas, the rain forrest as the green lung of the earth, climate protection and ecology doesn’t seem to be a high-ranking goal in the US Latinamerica agenda. Is the USA only interested in the Latinamerican market, its raw materials and possible migration flows, but not in climate protection?

**Dr. Evan Ellis:** The level of priority given to climate issues by the Biden Administration is unprecedented, including the role of John Kerry as the President’s cabinet level climate advocate. When the US re-engaged with the PRC last year, cooperation on climate, as much as traditional national security issues were at the top of the agenda. With the Lula Administration in Brazil, Petro in Colombia, Boric in Chile, and others, the climate issue has consistently been at the top of the agenda in the dialogue in a way that is arguably unprecedented in US politics. In US investment promotion vehicles such as the Development Finance Corporation (DFC), promotion of green energy projects has arguably been a leading priority. On the other hand, the PRC record regarding Climate and Latin America is arguably mixed. On one hand, PRC-based companies have made money from Latin America’s new “green focus” through hydroelectric, photovoltaic and wind energy projects, electric cars and busses, and have focused on Argentina, Chile, Bolivia and Mexico for the extraction of lithium for EV batteries. On the other hand, Chinese investments in petroleum and other extractive sectors in the region have been a key motor of the carbon economy, while their enormous demand for Brazilian soybeans, and agricultural products across the region has been one of the leading economic drivers of the deforestation of the Amazon.

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Kommentare sind geschlossen.