

**The United States and Latin America:
The New Agenda**

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CHAPTER 2

US-LATIN AMERICAN RELATIONS DURING THE COLD WAR AND ITS AFTERMATH

Jorge I. Domínguez

Did the Cold War matter for US-Latin American relations? In many respects, the answer is no. The United States had faced military, political, and economic competition for influence in the Americas from extracontinental powers before the Cold War, just as it did during the Cold War. The United States had pursued ideological objectives in its policy towards Latin America before, during, and after the Cold War. And the pattern of US defence of its economic interests in Latin America was not appreciably different during the Cold War than at previous times. From these singular perspectives, it is difficult to assert that the Cold War was a significantly distinctive period of US-Latin American relations; it looked like 'more of the same'.

Nonetheless, the Cold War emerges as significantly distinctive in US relations with Latin America because ideological considerations acquired a primacy over US policy in the region that they had lacked at earlier moments. From the late 1940s until about 1960, ideology was just one of the important factors in the design of US policy towards Latin America. The victory and consolidation of the Cuban revolutionary government changed that. In its subsequent conduct of the key aspects of its policy towards Latin America, the US government often behaved as if it were under the spell of ideological demons.

Moreover, from the mid-1960s to the end of the Cold War in Europe, this ideologically-driven US policy often exhibited non-logical characteristics. I will argue that US policy was illogical when at least one of two closely related criteria were met: 1) the instruments chosen to implement US policy were extremely costly and certainly disproportionate to the goals that were sought; or 2) the instruments chosen to implement US policy were markedly inappropriate to reach the goals that were sought. These two criteria were often associated with stunning failures of accurate diagnosis of the nature of a problem.¹ (To say that a policy is instrumentally rational need not require that it be applauded, of course; such rationality establishes common grounds for civil disagreement over policy.)²

To focus on the most important cases, this chapter concentrates on those instances when the United States promoted or orchestrated an attempt to overthrow a Latin American government or when the United States used military force to seek to achieve its aims. Force is the most potent instrument any state can employ, and the overthrow of other governments is the most intrusive policy one state can pursue against another short of annexation. The President of the United States

adopted these decisions to use force; thus at these times the US government was more likely to behave as a 'unified actor'.

I will argue that the United States deployed military force or otherwise sought to overthrow a Latin American government whenever it felt ideologically threatened by the prospects of communism in a Latin American country, and only then. In contrast, the United States did not engage in such actions, even when other Latin American governments acted in ways seriously adverse to US interests, if there was no ideological threat of communism. That is, the active engagement of the Soviet Union in particular cases, or the expropriation of the property of US citizens and firms, did not by themselves trigger a US use of force if the Latin American government that was acting contrary to US preferences signalled credibly that it harboured no hint of association with communism.

The primacy of ideology as the shaping factor in US relations with Latin America vastly increased the likelihood of US military intervention in Latin America even though US goals could have been achieved by other means at much lower cost. Ideological politics led often, consequently, to illogical US actions. This is what made the Cold War distinctive in the Americas.

Explaining the Cold War in the Americas: I

Superpower Competition?

US-Soviet competition was the central feature of the Cold War. The United States and the Soviet Union were the only major powers capable of exerting influence everywhere throughout the world as each sought to 'balance' the other. The predominant scholarly approach for the analysis of competition between major powers has been 'neorealism'. Three fundamental neorealist assumptions have been: 1) that the most important actors in world politics are territorially organised entities called states; 2) that the behaviour of states is substantively and instrumentally rational; and 3) that states seek power, and calculate their interests in terms of power, relative to the nature of the international system that they face, which is marked by the absence of effective centralised international authority, i.e. inter-state anarchy.³ Neorealists understand the Cold War everywhere, and certainly in the Americas, as a function of US-Soviet competition.

The most rigorous effort to apply neorealism to US-Latin American relations has been developed by Michael Desch, although he found it necessary to modify several neorealist propositions. Desch argues that the United States had a strategic interest in Latin America only in order to 'prevent an adversary from presenting a wartime, military threat to its ability to defend itself or defend intrinsically valuable areas of the world' (Desch, 1993, p. 137). Under those circumstances, Latin America had considerable 'extrinsic' value to the United States, to employ Desch's terminology; otherwise, Latin America mattered little to the United States.

That analysis implies that the Cold War was not an analytically significant departure in US-Latin American relations. US strategic interests and concerns were not significantly different when the United States faced the Soviet Union,

imperial Germany, or Nazi Germany. Indeed, Desch analyses detailed case studies of each of these instances. Secondly, neorealists understand US strategic interests as focused on Mexico and the Caribbean islands: the physically bordering countries and the sea-lanes. Neorealism cannot explain either US preoccupation with Argentina's domestic policies under Juan Perón at and after the end of World War II nor the US anti-communist crusade in Central America and the Caribbean in the 1980s: 'These expansive policies', seeking to influence the internal political structures of these small countries, 'turned out to be not only impractical but also counterproductive' (Desch, 1993, p. 140).

Neorealist scholarship leaves us with several insights. International competition between the United States and a major extra-hemispheric power precedes the Cold War. US concern with the territory of its neighbours and near-neighbours – and the US use of military force – can be understood as an attempt to keep such major powers from exercising power in the Americas. That was as true of the Roosevelt Corollary at the beginning of the 20th century as of the US intervention in Grenada in 1983. As a pre-eminent US scholar of US interventions in the first fifth of the 20th century, Dana Munro, put it: 'What the United States was trying to do [through its military interventions] ...was to put an end to conditions that... [posed] a potential danger to the security of the United States' (Munro, 1964, p. 531). The Cold War as such adds no analytically significant explanation to this form of US behaviour. Neorealism sheds light also on another point: for the most part, the United States did not deploy its military force in South America. Neorealism is a parsimonious and effective guide, therefore, both to the areas of long-standing US concern and to the relative US abstention from the use of force in South America.

And yet, neorealism leaves us with a puzzle. There is too much unexplained US behaviour. It does not suffice to note that US policies towards Perón in the mid-1940s or towards Central America in the 1980s may have been misguided and counterproductive. They did occur and, consequently, neorealism is an insufficient scholarly guide to US relations with the region.

Moreover, both standard neorealism and Desch's partially modified version leave us with a strong prediction: the end of US competition with an extra-hemispheric power is likely to lead to a significant decline in US attention to Latin America, presumably including a decline in the practice of US military intervention (Desch, 1993, p. 149; Desch, 1998). But as the Cold War was barely ending in Europe, the United States invaded Panama militarily to overthrow its government. In 1994, the United States invaded Haiti militarily towards a similar end. And after the Cold War ended in Europe, the United States signed on to the North American Free Trade Agreement (NAFTA) and promoted a hemispheric free trade agreement – a form of economic behaviour neorealists might understand more readily while the US faced an adversarial superpower than when it did not.

In short, neorealism explains well important aspects of continuity in US foreign policy but it leaves unexplained – for the distant past, the present, and the Cold War periods – what it must consider cases of anomalous US behaviour.

Ideological Contest?

The Cold War was also an ideological struggle, not just a contest between superpower 'billiard balls'. US presidents were committed to combat communism, not just the Soviet Union. To that end, some were prepared to 'pay any price, bear any burden'. Others were convinced that the United States faced nothing less than an 'evil empire'. During the Cold War, most US elites and much of the public believed profoundly in the righteousness of their cause and deeply feared and loathed what they understood as communism. This ideology explains US military intervention, direct and indirect, and other belligerent US actions during the Cold War.

And yet, the Cold War did not give birth to the significance of ideological themes either in US foreign policy generally or in US relations with Latin America specifically. The US Declaration of Independence bristles with ideology, and US policy has embodied explicit ideological themes since the proclamation of the Monroe Doctrine. This doctrine is often presented as a statement in the tradition of *Realpolitik* – the first comprehensive statement by a US president consistent with neorealist expectations: the Monroe Doctrine sought to deter European reconquest in the Americas (European powers could retain the colonies they still held). And yet, that reading is a half-truth. The key sentence of President James Monroe's Message to Congress (2 December 1823) features an ideological policy:

We owe it, therefore, to candour and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety.⁴

It was not just their power but also their *system*, which was 'essentially different', that Monroe sought to keep away. Monroe's ideological intent was instantly understood by Austrian chancellor von Metternich. The United States, he wrote to his Russian counterpart, had 'distinctly and clearly announced their intention to set not only power against power, but, to express it more exactly, altar against altar'.⁵

The main impediment to the US pursuit of ideological objectives in the 19th century was its relative military weakness. The United States could defeat Mexico, but it could not project its power much beyond. By the late 19th century, the United States was ready to fight European powers for the first time since 1812. On 11 April 1898, President William McKinley explained his justification for declaring war on Spain and for intervening in Cuba:

First. In the cause of humanity and to put an end to the barbarities, bloodshed, starvation, and horrible miseries now existing there, and which the parties to the conflict are either unable or unwilling to stop or mitigate. It is no answer to say this is all in another country... and

is therefore none of our business. It is especially our duty, for it is right at our door...⁶

Of course, McKinley had other reasons for the declaration of war, but this first reason was no mere fig leaf. Many US citizens joined him in the belief that the United States had this humanitarian *duty*. (This first clause is also an eerie forecast about a possible future in US-Cuban relations.) From the outset, US imperialism was clothed as a moral crusade. The ideological concerns of US foreign policy reached a climax during Woodrow Wilson's presidency. Sustained and systematic intervention in the internal affairs of Mexico, Central American, and Caribbean states marked this epoch of US-Latin American relations.

Thus, it was noteworthy when President Bill Clinton's National Security Adviser, Anthony Lake, proclaimed that the Clinton administration considered itself an example of pragmatic Wilsonianism committed to a policy of 'enlargement' of the areas of democracy worldwide (White House, 1995). These ideological motivations explain, in part, the US military intervention in Haiti in 1994 and some aspects of US policy towards Cuba in the 1990s; recall the names of the key legislation: the 'Cuban Democracy Act' of 1993 and the 'Cuban Liberty and Democratic Solidarity Act' of 1996.

Ideology explains the neorealists' anomalies, namely, US intervention in cases where no competing superpower credibly threatened it. For nearly two centuries the US government has claimed a right to exclude certain 'systems' from the Americas, and during the 20th century it has claimed to know which system ought to prevail throughout the hemisphere. The Cold War was thus not very different from periods that preceded it. Before, during, and after the Cold War, ideological considerations have been front and centre in US policy towards Latin America, even if other considerations have mattered as well. (Franklin Roosevelt's Good Neighbor Policy stands as a brief interlude in an otherwise sustained US commitment to intervene in the domestic affairs of its neighbours.) Neorealist and ideological perspectives agree on one point: the Cold War was but one episode in a long and continuous US policy towards Latin America.

A difficulty with an ideological explanation, however, is that its very timelessness makes it difficult to understand why the US ideological demons are activated and mobilised at particular times. What renders them salient at some times more than at others? US policy towards Latin America, in practice, was not particularly ideological before 1898 and, until the Cold War, ideology was the predominant factor in US policy towards the region only during Woodrow Wilson's first term. We shall return to these issues.

The Defence of Capitalist Rules?

The first successful US overthrow of a Latin American government during the Cold War occurred in Guatemala in 1954. The US Central Intelligence Agency (CIA) orchestrated the process that brought down the constitutional government of President Jacobo Arbenz. One reason for intervention was the perceived need to protect the United Fruit Co. from expropriation. The next US attempt to overthrow

a Latin American government occurred in Cuba; although this one did not succeed, nonetheless US policy was once again motivated, in part, by the commitment to protect the interests of many US citizens and firms from wholesale expropriation.

Tempting though it may seem to understand US policy during the Cold War as an effort to make the Americas safe for capitalism, the historical record does not support it. US military interventions in the Dominican Republic in 1965 and in Grenada in 1983 cannot be understood with reference to the protection of US economic interests. Nor did the United States seek to overthrow every government that expropriated US firms. For example, a military government seized power in Peru in 1968. Over the next several years, it would expropriate many US firms. Instead of overthrowing this government – a government that also purchased a military arsenal from the Soviet Union – the United States patiently negotiated a mutually satisfactory settlement.

Nor does this record with regard to the defence of capitalist interests distinguish well the Cold War years from those that preceded it or those that followed it. True enough, many US interventions in the domestic affairs of its neighbours and near-neighbours in the early 20th century resemble the Guatemala 1954 case; US economic interests were threatened, and the US intervened, among other reasons, to protect them. But the United States dealt with Mexico's expropriation of foreign-owned petroleum firms in 1938 in ways that foreshadowed its dealings thirty years later with the Peruvian military government: after some delay and much diplomatic conflict, a mutually satisfactory settlement was reached. Since the end of the Cold War in Europe, moreover, the US military interventions in Panama in 1989 and in Haiti in 1994 seem unrelated to the defence of economic interests.

A perspective focused on the US defence of the interests of private US firms concurs with the neorealist and ideological analyses on one point: US policy towards Latin America during the Cold War is not markedly different from US policy towards the region before or after the Cold War. On the other hand, whereas both the neorealist and the ideological approaches shed some light on important aspects of US policy towards Latin America, the relationship between US policies to overthrow Latin American governments, on the one hand, and the motivation to protect economic interests, on the other, is weak.

Explaining the Cold War in the Americas: II

The Cold War was a distinctive period in the history of US relations with Latin America for two general and somewhat contradictory reasons. First, the Cold War was the one period in the history of US policy towards Latin America when ideology was repeatedly more important than balance-of-power or economic considerations; at no other moment in that history did ideological considerations so dominate US policy across many presidents from different political parties. Ideology was so overpowering that US policy towards Latin America exhibited marked nonlogical characteristics.

Second, the Cold War was the only moment in the history of US relations with Latin America when a country in this region became a military and political ally of the chief adversary of the United States. Cuba and its foreign policy shaped (and mis-shaped) much of US policy towards the region. Because Cuba was a real adversary, the US government had rational reasons to seek to counter Cuban (and Soviet) influence. Thus, there is a tension between these two distinctive features of the Cold War in the Americas. The illogic of US policy would become evident only when the US response to the 'Cuban threat' went well beyond a reasonable cost-benefit calculation concerning means and ends or when inappropriate means were employed systematically.

The 'Normal' Logic of US Policies towards Latin America

During the first half of the 20th century the key US policies towards Latin America can be understood as rational responses to the opportunities and dangers present in an anarchic international system. The United States acted 1) to gain territory and influence; 2) to exclude rival powers; and 3) to protect and advance the material economic interests of its citizens and firms.

The United States went to war against Spain in 1898 to seize territory; although the humanitarian intervention to stop the carnage during the Cuban war of independence was no doubt an important consideration, it was not the US government's principal concern. The United States seized Panama from Colombia in order to build the canal. Imperialism was, above all, about dominion.

US interventions, military and otherwise, throughout much of the Caribbean and Central America in the early years of the 20th century can be logically understood. At long last capable of enforcing the Monroe Doctrine, the United States sought to keep European powers out of the Americas. The United States intervened to pre-empt rivals from doing so. The background to the Roosevelt Corollary to the Monroe Doctrine was a genuine fear of the prospects of European military deployments in the 'American Mediterranean'. In 1902-3, British, German, and Italian gunboats were deployed off the coasts of Venezuela. They sank three Venezuelan gunboats, blockaded the mouth of the Orinoco river, and bombarded Puerto Cabello. During World War I, Germany systematically though unsuccessfully sought to establish a naval base in the Caribbean, and an alliance with Mexico that culminated in German Foreign Minister Arthur Zimmermann's formal offer to Mexico of a military alliance to reconquer the lost northern territories. Once European military threats eased after World War I, US interventions in Mexico, the Caribbean and Central America were gradually liquidated, paving the way for the Good Neighbor Policy.

These US interventions, and especially the years characterised by what is known as 'dollar diplomacy', were also motivated in part by a desire to promote and defend US economic interests. In many cases, the US government took the lead in luring US firms to invest in Latin American countries. The Good Neighbor Policy also sought to foster US economic interests in the region while, at the political level, it constructed a hemispheric alliance against the Axis powers during World War II.

The only instance when ideology overwhelmed other factors was President Woodrow Wilson's decision in 1914 to authorise a military intervention in Mexico at the port of Veracruz. Neither balance-of-power nor economic considerations explain that outcome. Wilson's policies helped to bring down the government of General Victoriano Huerta, the Mexican leader most favourably disposed towards US investors during the decade of the revolution. The decision to use military force to help shape Mexico's domestic circumstances reveals nonlogical features: those means could not have reached the hoped-for goal, while the US military action was wholly disproportionate to Mexican provocations (Quirk 1962). Even Woodrow Wilson came to terms with the Mexican revolutionary government as the United States prepared to enter World War I; ideology and the pursuit of Pancho Villa were sacrificed in 1917 in order not to drive Mexico into a war alliance with imperial Germany.

During the Cold War, US actions against Fidel Castro's government in Cuba were motivated by the Cuban-Soviet alliance and by Cuba's expropriation of US economic interests. Arguably, some US policies in 1959 and 1960 made a difficult situation worse, but the Cuban revolutionary government's decisions in international and domestic affairs stemmed from its own volition.⁷ Fidel Castro was not pushed into the arms of the Soviet Union; he took the lead.⁸ US policies to prevent or reverse Soviet military deployments to Cuba, Cuban military deployments to other countries, Cuban military and financial support of revolutionary movements elsewhere, and Cuban actions against the property of US citizens and firms can be readily justified rationally even if one may differ with specific policies. Most US policies towards Cuba were not disproportionate; US coercive measures were also appropriate given the nature of Cuban government actions. In time, the US government also behaved rationally when it curtailed its trade embargo policies (in 1975) so as not to impinge on third countries and when it reached bilateral agreements with Cuba over migration and air piracy, among others. (US government-sponsored terrorism against Cuba in the 1960s was counterproductive and, in my view, both illogical and immoral, however.)

In response to Cuban support for insurgencies in various Latin American countries, other aspects of US policy were also rational and cost-effective: there was a plausible relationship between the means used and the ends pursued. For example, the United States supported Venezuela's demand for collective inter-American sanctions on Cuba in retaliation for Cuban support for insurgent forces in Venezuela and the landing of Cuban military personnel in Venezuela. Such actions enlisted Latin American support for what was already US policy towards Cuba. Similarly, US counterinsurgency training, finance and equipment for the Bolivian army to defeat Ernesto (Che) Guevara's expedition to Bolivia was also cost-effective; with modest US effort and expenditure, this policy contributed significantly to the failure of Cuba's policy to support revolutions in South America.

In short, most US policies towards Latin America related to the use of force before the Cold War and some such US policies during the Cold War were quite logical. They reflect the rational behaviour of a major power in an anarchic

international system seeking territory, influence, the exclusion of its rivals from its zones of influence, and the protection of the economic interests of its citizens.

The Persistent Illogic of US Policy towards Latin America

Cuba's alliance with the Soviet Union, and its capacity to survive a no-holds-barred US effort to bring down Fidel Castro's government, traumatised US policy towards Latin America, however. The United States came to exaggerate systematically the nature of the threat to its interests and began to incur costs well beyond what rational calculations of the relationship between ends and means would suggest.

In some cases, just an ideological whiff of communism triggered US actions that were premature, excessive, or very costly. In many instances of US over-reaction, the Soviet Union was either wholly uninvolved or only marginally so. Also in many instances there was either no threat to US economic interests and no means of advancing them, or there were clearly less costly ways to protect US economic interests well short of military intervention or other efforts to bring down a Latin American government.

During the Cold War and before the Cuban revolution, there was already one case of the dominance of ideology in US policy: the overthrow of President Jacobo Arbenz's government in Guatemala. US actions to overthrow the Arbenz government were motivated principally by the interest in preventing any government in the Americas from developing an *entente* with the Soviet Union and by concern for United Fruit's interests. The means chosen to overthrow Arbenz were cost-effective: no US troops were employed and little CIA money was spent. On the other hand, Guatemalan relations with the Soviet Union and Eastern European communist countries were incipient at best, and in part understood as Guatemala's defensive response to US hostility. The Guatemalan communist party was weak. The United States greatly exaggerated the import of Soviet-Guatemalan relations though it did not exaggerate the threat to United Fruit; on the other hand, the United States made no serious attempt to pursue negotiations as an alternative to the use of force. Anti-communist ideological concerns no doubt were the key motivating factor. US means were disproportionate and inappropriate for the goals at stake.

The significance of the ideological factor in the Guatemalan case is clearer through a comparison to nearly coterminous events in Bolivia. The 1952 Bolivian revolution expropriated the tin companies, the largest of which was incorporated in the United States and had important US investors. The US government accepted a negotiated settlement to compensate for the expropriation of the tin mines; over the course of a decade, the companies received approximately one-third of what they claimed was their due (Krasner, 1978, pp. 282-5).

The United States had no fear of communism in the Bolivian case and was, therefore, capable of advancing its interests quite rationally. The principal difference to the very same Eisenhower administration between the Guatemalan and Bolivian cases was the ideological 'threat of communism' in Guatemala and its absence in Bolivia. Without such ideological fear, the United States and

Guatemala might have reached a comparable property settlement.

On 28 April 1965, the United States intervened militarily in the Dominican Republic, eventually deploying 23,000 US soldiers ashore. They were the first combat-ready US forces to enter a Latin American country in almost forty years. As Abraham Lowenthal (1972, p. 153) well put it: 'The US government's preoccupation with avoiding a "second Cuba" had structured the way American officials looked at the Dominican Republic throughout the early 1960s.' Although accidents and other motivations were an important part of this story, President Lyndon Johnson and his closest advisers believed above all that a 'second Cuba' was simply unacceptable. It turned out that there was no 'second Cuba' in the making. The Soviet Union was wholly uninvolved and Cuba was involved only trivially. There was no threat to US economic interests which, in any event, were not sizeable. The US response was illogical: the United States deployed massive force to ward off a threat that did not exist.

On 4 September 1970, Salvador Allende won a plurality of the votes in Chile's presidential elections. His Popular Unity coalition was led by the socialist and communist parties. Eleven days later President Richard Nixon instructed CIA Director Richard Helms to 'leave no stone unturned... to block Allende's confirmation' as President.⁹ The CIA instigated a coup to block the constitutional process. Thus, the United States attempted to subvert Chilean democracy out of the ideological fear that an Allende government might become a second Cuba, too.

During the nearly three years of Allende's presidency, the United States deployed a broad panoply of overt and covert policies against it.¹⁰ It was reasonable for the United States to oppose the uncompensated Chilean expropriation of US firms, but these expropriations did not require Allende's overthrow. Rather, a settlement could have been reached through negotiations, as a settlement would be reached in the nearly coterminous case of Peru (see below). Allende's foreign policy had strong pragmatic elements.¹¹ It was reasonable to expect that Allende's government would settle the two most contentious expropriation cases (copper and telephone) in part because it already had been negotiating many more compensation cases than the Peruvian government had at the same time (Blasier, 1985, pp. 258-70).

Nor did the United States have reason for fearing Soviet-Chilean relations. The Soviet Union dealt with Allende's Chile within the same broad framework for its relations with other Latin American governments that did *not* become the object of such US policies (Blasier, 1987, pp. 38-41). The Soviet Union did not subsidise Chilean imports or exports, did not provide free military equipment, did not absorb huge bilateral trade deficits, and did not become an important factor in Chilean international economic relations – all in contrast to Soviet policies towards Cuba. The nature of the Soviet-Chilean relationship could hardly justify US policies towards Allende's Chile. The intense US opposition to Allende's election and government derived principally from ideological fears; the means chosen to address those fears were disproportionate and inappropriate.

As with the comparison between Guatemala and Bolivia in the early 1950s, so too the ideological character of US policy towards Chile can be better understood

by examining a parallel case where a Latin American government gave comparable provocation to the US government but the very same Nixon administration chose the path of negotiation, not overthrow. The Peruvian government of General Juan Velasco Alvarado had much more extensive military relations with the Soviet Union than Allende's Chile ever did. In 1972, Peru purchased 250 T-55 tanks from the Soviet Union and, in the years that followed, it would go on to purchase supersonic fighter bombers, helicopters and more tanks. Hundreds of Soviet military trainers were deployed to Peru. In the mid-1970s, Peru accounted for one-fifth of Latin America's total arms imports; about half of Peru's military imports came from the USSR (Berríos, 1989). Peru also expropriated a large number of US firms during the first half of the 1970s; Peru's hard-line stance against compensation for the International Petroleum Company was as tough as the Allende government's position with regard to the copper and telephone sectors. As noted above, by the time of Allende's overthrow in 1973, Peru had negotiated fewer compensation agreements than had Chile (in part because the Peruvian government had expropriated fewer US firms than Chile had). On the objective merits of these cases, Peru posed a greater threat to US interests. And yet the Peruvian military government, albeit radical in a number of its social and economic policies, never 'smelled' communist. The US government did not fear the Peruvian government ideologically and it was, therefore, quite ready to bargain with it. In 1974, the United States and Peru reached a satisfactory comprehensive settlement of the expropriation disputes, while the United States chose to tolerate the Soviet-Peruvian military relationship. If it had not been for the ideological demons, US policy toward Chile might have been the same.

Ronald Reagan's policy towards Nicaragua in the 1980s underscored again the centrality of ideology for US policy towards the region. President Reagan's closest advisers were willing to break the law to supply weapons to the Nicaraguan Resistance (better known as the *contras*) despite the explicit prohibition of such actions by the US Congress (Tower Commission, 1987). In putting the president at risk of impeachment, they revealed how important they thought Central America was for US policy.

Reagan himself devoted perhaps more time and gave more speeches on Nicaragua than on any other single issue of foreign policy during his second term. The President escalated his rhetorical commitment to the cause of overthrowing Nicaragua's Sandinista government. In April 1983, Reagan addressed a special joint session of Congress to defend his Central American policy: 'If Central America were to fall, what would be the consequences for our position in Asia, Europe, and for alliances such as NATO? If the United States cannot respond to a threat near our own borders, why should Europeans or Asians believe that we are seriously concerned about threats to them?' In Lars Schoultz's apt phrase, this rhetoric was the 'ultimate simplification' – the results of transforming an ideological faith into the test of credibility for the United States worldwide.¹² And in his 1985 State of the Union address, President Reagan argued that support for 'freedom fighters', such as the *contras*, was 'self-defence' required to enable Nicaraguans to 'defy Soviet-supported aggression and secure rights which have

been ours from birth'. Days later, Reagan defined his policy more briefly. His support for the contras would stop when the Sandinistas 'say uncle'.¹³

Nicaragua's Sandinista government expropriated property belonging to the Somoza family and its associates, and also some property belonging to wealthy Nicaraguans. There was, however, relatively little US direct foreign investment in Nicaragua and most of it remained unaffected by expropriation policies. The US government had two reasons for concern about Sandinista policies. The first was Nicaragua's relations with the Soviet Union. The second was Nicaragua's support for revolutionaries in El Salvador.

The Soviet Union and other Eastern European governments delivered significant military assistance to the Sandinista government, including tanks, armed transport vehicles, rocket launchers and armed helicopters. (On the other hand, the Soviet Union did not offer security guarantees or a military alliance to Nicaragua; it did not supply weapons that could have been readily used for offensive purposes beyond Nicaragua's borders, such as MiG fighter aircraft; many of the tanks supplied were quite heavy, useful to intimidate opponents but not readily manoeuvrable in Central America's rugged tropical terrain.) The Soviets and the East Europeans also supplied significant financing for Nicaraguan international economic transactions.

Nicaragua and Cuba helped the Salvadorean revolutionaries. They provided safe havens where those revolutionaries could rest, recover from wounds, and train. They permitted the revolutionaries to store large caches of weapons. Certainly in 1980-81, both Nicaragua and Cuba supplied significant military assistance to the Salvadorean revolutionaries (Blasier, 1987, pp. 144-53). Cuba would continue to supply material assistance to the Salvadorean insurgency until 1991 (*Granma*, 18 June 1991, p. 8).

It was rational for the United States, therefore, to support the government of El Salvador politically, economically, and militarily to defend itself. It was rational for the United States to act coercively towards Nicaragua to prevent its international aggression and to increase the cost to the Soviet Union of continuing with its military assistance.¹⁴ But it would have been much more cost-effective for the United States to have pursued simultaneously a strategy of serious negotiation to achieve those same ends. Such a strategy was readily available. It would have addressed all major US concerns, but it would have left the Sandinista government in power in Nicaragua – an outcome that the Reagan administration was simply unprepared to accept ideologically.

Instead, the Reagan administration systematically opposed and undercut the various attempts at negotiations, either under the auspices of the so-called Contadora Initiative (organised by Colombia, Mexico, Panama and Venezuela) or under the later Arias Plan or Esquipulas Plan (inspired by Costa Rican President Oscar Arias and organised by the Central American presidents). The Reagan administration also opposed negotiations within El Salvador to settle the internal war (Carothers, 1991, pp. 86-92). The ideologically driven US policies prolonged the wars in Central America and increased their cost to the people of the region and to the United States. US policy was illogical.

Peace came to Nicaragua and El Salvador only with the end of the Cold War in Europe. The Bush administration, ably led by Assistant Secretary of State for Inter-American Affairs Bernard Aronson, negotiated directly with the Nicaraguan government in 1989 (paving the way for the 1990 elections that the Sandinistas lost) and subsequently played a decisive role in facilitating the internal negotiations within El Salvador. The Bush administration was prepared to accept a Sandinista government in Nicaragua or a government of the left in El Salvador if they were to win the elections – the outcome the Reagan administration always rejected ideologically. But this highly rational and successful outcome belongs to the post-Cold War period.

The 1983 US intervention in Grenada exemplifies US ideologically driven policies as well. The New Jewel Movement (in power between 1979 and 1983) did not threaten US economic interests. On the contrary, Grenada's economic growth depended on promoting tourism from the United States. To that end, Grenada had contracted with Cuba for the construction of an airport. The Reagan administration portrayed that airport as a serious strategic menace even though its configuration was what would be expected from its ostensible purposes (after the US invasion, the United States completed the airport).

The New Jewel Movement was, indeed, a communist party. It sought close relations with the Soviet Union and Cuba. It received military and financial support from both, although that support was modest. Grenada lacked naval or air forces to project military power. It had not intervened in the domestic politics of neighbouring countries; it had correct state-to-state relations with its neighbours. After the US invasion of Grenada in October 1983, US troops captured important Grenadan documents that demonstrated the extremely limited support that the Soviets were giving to Grenada. At the time of the US invasion, there were 784 Cubans working in Grenada; of these, 636 were construction workers (Dominguez, 1989, pp. 162-71).

The US intervention in Grenada was, therefore, a costly, massive deployment of US force to kill a threat that existed only in ideological terms. The US government saw red in Grenada, and it charged ahead.

Implications for the Post-Cold War Period

There are at least three legacies from the Cold War years for the period since the end of the Cold War in Europe. They are the tendency of US policy to rely on force and coercion; the transformation (but not disappearance) of ideological policies; and the policy towards Cuba.

From the mid-1920s to the mid-1960s, US combat troops did not enter a Latin American country to occupy its territory or overthrow its government. As part of its ideological crusade against communism in the Americas, however, the United States deployed its own troops to the Dominican Republic and Grenada and waged a sustained war on Sandinista Nicaragua. US forces were deployed throughout the region in counter-insurgency operations. Each of these operations was a military

success. And at the end of each episode of the use of military force, the Latin American government was friendlier towards the United States. This was true in counter-insurgency operations in the 1960s, in the invasions of Grenada and the Dominican Republic, and in the electoral defeat of the Sandinistas. More expansively, the invasions of the Dominican Republic and Grenada would be credited with establishing the bases for enduring democratic rule in each country. (In fact, the Dominican Republic's democratic experience owes much more to events well after, and apart from, the US invasion; the US invasion restored power to those closer to the country's authoritarian past. The argument that the US invasion contributed to democracy in Grenada is stronger because the invasion destroyed the New Jewel Movement's military power. In neither case, however, was the establishment of democracy a reason for the invasion.) As a result, US officials acquired the habit of thinking that military force was an appropriate instrument for frequent use in the region.

Since the end of the Cold War in Europe, the United States militarised those aspects of its policy towards drug-trafficking that dealt with drug interception in source countries. The main resistance to such militarisation came from US military officials. US government civilians, however, embraced the use of military instruments much more readily (Council on Foreign Relations, 1997).

In December 1989, President Bush ordered a military invasion of Panama to overthrow its government, accused of participating in drug trafficking. The restoration of democracy to Panama was also cited as a goal of the US invasion. In the years that followed, not much progress was made towards ending Panama's role in international drug money-laundering – the main role Panama had long had in this international trade. However, the US destruction of the Panamanian military did make a direct and powerful contribution to setting a sounder basis for democracy in Panama.

In September 1994 President Clinton ordered the US military to occupy Haiti and overthrow its government. The US government sought to create more manageable circumstances to cope with the flow of undocumented Haitians to the United States; having established a constitutional government in Haiti, the United States could then refuse to accept refugees or asylum-seekers from Haiti. Nonetheless, the establishment of constitutional government in Haiti was itself an important goal of the US military action.

In each of these two cases, a plausible counter-factual case can be made that more cost-effective means might have been employed. In the case of Panama, the United States lost patience with multilateral efforts and with bilateral negotiations that had a reasonable chance of success in inducing General Manuel Noriega's departure from power. In the case of Haiti, the Clinton administration in 1993 had achieved a negotiated solution to the crisis; only the White House's own ineptitude sabotaged the settlement and required, in the end, the massive military deployment one year later.

These counter-factuals are somewhat less persuasive, however, than those mentioned earlier for the Cold War years. A negotiated solution in Panama in 1989 or in the early 1990s would not have destroyed the Panamanian Defense

Force. And yet the destruction of this military force is almost certainly an essential basis for constructing democracy in Panama in the 1990s and beyond. Similarly, a negotiated solution in Haiti in 1993 would not have weakened the military power structure as much as did the 1994 invasion; the extended international police and military presence in Haiti following the 1994 invasion were necessary to give constitutional government a chance. Thus, troubling as the tendency to use force may be, a stronger case can be made for the period since the end of the Cold War in Europe than for the years of the Cold War: in the 1990s, at long last, the use of military force turned out to be *appropriate* in important respects to the achievement of the ideological goal of fostering democracy – a goal that was part of the explicit rationale for the invasion – even if the use of such considerable military force could probably have been avoided to reach other reasonable US objectives.

These reflections suggest, in turn, both the persistence and the transformation of US ideological objectives in its relations with Latin America. The United States has come to value the defence and promotion of democracy as a significant foreign policy objective. This transformation began already during the Cold War in the US Congress and during the Carter presidency. It acquired broad bipartisan support only when the Reagan administration endorsed the promotion of democracy as a key objective during its second term (Carothers, 1991).

Beyond the invasions of Panama and Haiti, the United States has invested considerable effort and substantial diplomatic resources to defend democratic institutions in Peru, Guatemala, and Paraguay either to mitigate the effects of a coup (the Peruvian case) or to prevent the coup altogether in the two other instances. In each of these cases the United States has chosen to act in concert with other Latin American governments, often – though not exclusively – through the Organisation of American States. The Clinton administration also sought the UN Security Council's prior authorisation for its military occupation of Haiti – the first time ever that a US government had requested prior multilateral endorsement for its use of military force in the Americas (Vaky and Muñoz, 1993; Valenzuela, 1997).

If these trends persist, then the Monroe Doctrine would be transformed into a multilateral instrument though, interestingly, not repealed. The key difference is that, as the 20th century ends, nearly all the countries of the Americas believe in their collective right to intervene in the domestic affairs of any American state where democracy is threatened.

The third legacy of the Cold War is the persisting conflict between Cuba and the United States – the reason why this chapter has insisted that the phrase 'end of the Cold War' always be modified by 'in Europe'. The objectives of a rational US policy towards Cuba have been reached, and the United States could declare victory. The Soviet-Cuban alliance has ended and the new Russian Federation has withdrawn its troops from Cuba and suspended all subsidies to Cuba. Cuba has repatriated all its troops from Angola, Ethiopia and Nicaragua, and smaller missions from other countries. Cuba has terminated its military assistance to revolutionary movements. And its government has changed policy to welcome

direct foreign investment.

Instead, the US government in the 1990s – unthreatened by any other power or by the Cuban government itself – embarked on a crusade to overthrow the Cuban government. It did so through legislation (the Cuban Democracy Act, most closely associated with then US Representative Robert Torricelli, and the Cuban Liberty and Democratic Solidarity Act, better known as the Helms-Burton Act) to impose US policies on its main allies and trading partners, flouting international trade practices and its own past opposition to secondary trade boycotts. The new policies assisted the much-weakened Castro government to rally nationalist support. These new US policies were costly to US foreign policy generally and counterproductive for the new US goals of democratising Cuba. In the last act of the Cold War, the United States at long last adopted illogical policies towards Cuba.

Conclusions

US relations with Latin America during the Cold War exhibited important continuities with preceding US policies. The Cold War years proved distinctive, however, because anti-communist ideological objectives overwhelmed other US foreign policy goals towards Latin America in each and every case when the United States chose to deploy its military forces or chose to overthrow a Latin American government through some other means. (The only exception was the assassination of the Dominican Republic dictator Rafael Trujillo in 1961.)

The most likely reason for this behaviour is found in the politics of decision making. From the perspective of a policy-maker, the price for failing to stop a defeat is much higher than the price for over-reacting and incurring higher costs.¹⁵ The price for failing to stop a defeat is paid by the policy-maker; the price for incurring higher costs is paid 'only' by taxpayers and soldiers. Thus, arguments about proportionate means and costs apply principally to the foreign policy of the United States as a state, but much less so to the actions of individual foreign policy-makers.

When the ideological fear of communism was absent, the United States did not deploy its military forces nor seek to overthrow Latin American governments that expropriated a great many US firms (as had revolutionary Bolivia, and Peru under General Velasco). The difference between Bolivia and Guatemala and Peru and Chile was not expropriation, but the whiff of communism in Guatemala and Chile; otherwise the offending behaviour was quite similar. Since there was no ideological fear of communism, the United States did not seek to topple General Velasco's government in Peru even though it developed the closest military relationship with the Soviet Union that any Latin American government other than Cuba had attempted to that date. The United States had greater reason to be alarmed by Velasco's Peru than by Allende's Chile, but the latter, and only the latter, raised the ideological fear of communism. Since the fear of communism was present in this case, the United States invaded the Dominican Republic even

though there was no threat to US economic interests and no Soviet or Cuban involvement, and it sought to overthrow Chile's constitutional order even before Salvador Allende had a chance to do anything.

A spectre haunted the United States. It was the spectre of communism anywhere in the Americas. Every US president during the Cold War fervently believed in that opening boast from *The Communist Manifesto* as if Marx and Engels had had the Guatemalan highlands and the Chilean lake region in mind when they wrote it. That ideological fever was more dangerous than the behaviour of the rival superpower, more frightening than property expropriation. Peru's many expropriations and its relations with the Soviet Union, and Bolivia's expropriation of the tin mines, could be tolerated so long as their governments knew, as Metternich had forewarned, before which altar they should kneel.

So powerful was the Cold War that its legacies of militarisation and ideology endure, even if the latter is being transformed in the 1990s in constructive ways. The Cold War's ideological demons are making their own last stand in the new US government zealotry towards Cuba. Could the following text be used to justify US military intervention in Cuba in the years ahead?

The present condition of affairs in Cuba is a constant menace to our peace and entails upon this Government an enormous expense... [Given] the expeditions of filibustering that we are powerless to prevent altogether, and the irritating questions and entanglements thus arising – all these and others that I need not mention, with the resulting strained relations, are a constant menace to our peace and compel us to keep on a semi war footing with a nation with which we are at peace.

President William McKinley
11 April 1898¹⁶

Notes

1. These ideas first occurred to me years ago upon reading Krasner (1978).
2. My approach does not question the rationality or worth of the 'grand' values or goals of US policy over time. Were one to question such values and goals, then the case for the illogicality of much of US policy becomes stronger.
3. The preeminent neorealist scholar has been Kenneth Waltz (1979). For discussion, see also Grieco (1995, p. 27), and Keohane (1983, p. 507).
4. Quoted in Perkins (1963, pp. 56-57).
5. Quoted in Perkins (1963, p. 392).
6. Text in Richardson (1898, pp. 10:139 and ff.).
7. For a thoughtful examination of alternative hypotheses, see Welch (1985).
8. See the memoirs of the first Soviet envoy to Cuba, Alexeev (1984).

9. See the analysis and memoirs by Nathaniel Davis (1985), US Ambassador to Chile (1971-73). Quotation from page 7. Confirmation was required by the Chilean Congress because Allende did not win a majority of votes cast.
10. For a discussion of the magnitude and nature of US actions, see US House of Representatives (1975) and Davis (1985, chap. 12).
11. See, for example, Fortín (1975). Fortín was the last Ambassador-designate from Chile to the United States in the Allende government.
12. Both quoted passages from Schoultz (1987, pp. 269-70).
13. Quoted in Pastor (1987, p. 250).
14. The most intelligent scholarly defence of Reagan administration policy towards Central America was Ronfeldt's (1983).
15. I am grateful to Laurence Whitehead for bringing this point to my attention.
16. Text in Richardson (1898, pp. 10; 139 and ff.).