



REFLECTIONS & FUTURE CONSIDERATIONS: THE OAS @ 70

The Future of Regional Integration and particularly Political Dialogue in the Western Hemisphere

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Abstract: *The Western Hemisphere has experimented with various integration initiatives for almost two hundred years but these have been frustrated by several factors including territorial disputes, political instability, ideological conflicts and a huge trust deficit. The OAS was a US-led effort to integrate the hemisphere primarily as a bulwark against Soviet expansionism. Its failure to achieve that objective led to the United States engaging in overt and covert activities to effect regime changes or secure conformity leaving behind a legacy of hostility and mistrust that continues to outlive the end of the Cold War and pose formidable obstacles to integration possibilities. Yet, all is not lost. Democratic systems have become more deeply entrenched, the spectrum of economic philosophies has narrowed and globalization is challenging our separateness. Sharp differences remain but with visionary leadership and inclusive relationship-building, there is more to unite us than there is to divide us. That is the context in which the OAS must rediscover itself.*

Keywords: Regional Integration; Political Dialogue; Western Hemisphere; The OAS

The Western Hemisphere, if one uses the political rather than geographic definition, comprises 35 countries (without including more than a dozen small dependent territories) stretching over 15,000 kilometers from the Arctic Ocean in the north to Cape Horn

in the south. It has a combined population of close to one billion, land area of over 40 million square kilometers and aggregate GDP of 25 trillion US dollars. It accounts for one-third of the world economy but with that prowess heavily concentrated in the north, the United States alone making up three-quarters of that share. Of all the regions in the world, it is the most diverse in terms of race, ethnicity, culture, climate and natural resources.

Distance is an inescapable challenge to the integration of the hemisphere, notwithstanding the fact that the continents of North and South America are joined together by the Isthmus of Panama. Chicago is nearer to Brussels than it is to Rio de Janeiro; even Miami is just as close to Lisbon as it is to Santiago de Chile. Yet, with modern means of communication and transportation, this should not be an insurmountable obstacle.

The region has witnessed a myriad of efforts at integration in various configurations and depth and with different objectives and outcomes for almost two centuries beginning with the Congress of Panama organized by Simon Bolivar in 1826. So many have been these initiatives that simply listing them would devour the rest of this page and more.

By far, the greatest challenge to hemispheric integration has been political. Although constituting what is historically known as the New World with a shared experience of colonization, struggle and liberation, the central and southern portions of the region have been bedeviled by political instability and territorial disputes sometimes resulting in armed conflict. Integration efforts have also been hampered by a deep sense of insularity and mistrust among member countries wrapped up in intense nationalism and an inward-focused notion of sovereignty. This is, in part, a legacy of their struggles against colonial powers. In fact, the early attempts at integration were driven primarily by the felt need to ward off any attempt by the European powers to recolonize countries that had won their independence.

The Cold War that largely defined international relations for more than 30 years after World War II had a profound effect on hemispheric relations and the integration efforts. The Latin American and Caribbean sub-region was destined to become a fierce battlefield in the ideological war between Washington and Moscow.

EMERGENCE OF THE OAS

It was in this context that the Organization of American States (OAS) came into being in 1948 encompassing all the then sovereign states within the hemisphere except Canada which subsequently joined in 1990. Its original Charter signed at Bogota, Colombia in 1948 clearly recognized the challenges to the integration process and enunciated the principles around which member countries would find a common purpose and on which the organization would operate. These included:

- Recognition of the fundamental rights of the individual, especially personal liberty and social justice;
- Promotion of representative democracy and democratic institutions;
- Respect for the sovereignty of member states and non-interference in their internal and external affairs;
- Peaceful settlement of disputes between or among member states and the adherence to international law; and
- Cooperation among member states in the pursuit of economic, social and cultural development.

The events that unfurled as the Cold War raged exacerbated the divisions within and among member states and severely tested not only the commitment to these principles but the desirability of integration itself. The path for the OAS as a vehicle for hemispheric unity and integration was made arduous, some of its core principles having been shunted aside and the repulsion of communist infiltration within the region being synonymized with collective security and becoming its primary focus.¹

NEW HOPES AND LINGERING FEARS

Much has changed since the end of the Cold War. Democratic governance, respect for human rights, an independent judiciary, civilian control of the military, freedom of the press and the emergent role of civil society, while not uniformly embedded throughout the region, have become not only dominant but a defining standard. Even communist Cuba is undergoing its own brand and pace of reforms. Diametrically opposed economic orthodoxies have yielded much space to greater convergence around macroeconomic stability, liberalization, private investment and market forces as the key pillars of economic strategy.

Yet, many of the anxieties of the past, borne of insularity and mistrust, have persisted. Integration efforts have been fragmented due, in part, to apprehensiveness on the part of some Latin American countries to US dominance and the perceived possibility of the US becoming the “imperial center” of the region. As a result, several groups and associations were formed within the Latin American subset, the most recent being the Pacific Alliance in 2012. Some of them were undisguisedly designed to exclude the US and Canada and as a counter to the OAS and the multilateral agencies in which the US exerts considerable influence.

The extent to which these efforts have moved the integration process or achieved even their limited stated objectives is modest. Most of these initiatives have focused mainly, if not exclusively, on trade without fully appreciating that trade is an outcome of several other factors and that maximizing trade opportunities in mutually beneficial ways requires considerable harmonization and complementarity in economic policies and management, in other words, deeper integration. While the spectrum of political and economic philosophies has narrowed, there remain sharp differences that stand in the way of economic integration even if limited to trade. It is therefore no surprise that over the last 15 years, according to data published by the International Trade Center², intra-regional trade as a percentage of total trade has hardly ever exceeded 20% both among Latin American countries and within the wider hemisphere. This compares with the European Union where intra-regional trade accounts for two-thirds of total trade as well as the East Asia-Pacific region and NAFTA itself, in each of which intra-regional trade equals one-half of total trade. In the latter case, trade among NAFTA countries (US, Canada and Mexico) accounts for more than 80% of intra-regional trade within the wider hemisphere.

Trade liberalization within the hemisphere, in and of itself, does not necessarily lead to shared benefits among participating countries. The asymmetries within the region are vast, the highest per capita GDP in 2016 (United States US\$57,500) estimated to be more than seven times the median per capita GDP for the hemisphere of US\$7,750³. Wide disparities among the countries in terms of size, level of development and diversification, infrastructure and institutional capacity render the play uneven no matter how level the playing field may be. This huge disparity contributed to the collapse in 2005, after more than 10 years of negotiations, of the US-proposed Free Trade Area of the Americas

(FTAA), resulting in the US pursuing, instead, separate trade agreements with individual or groups of countries.

SHIFTING PRIORITIES OF THE US

Still, the shape and substance of Western Hemisphere integration depends much on the United States and the position that Latin America and the Caribbean occupies in its strategic foreign policy agenda. But, as Professor Allen Wells puts it “Latin America, which had been such a flashpoint during the Cold War, fell off the geopolitical map. No longer of strategic value, Latin America was left to rebuild its shattered economies with little or no assistance from either of the two superpowers”.⁴

As much as that may be an overstatement, the reality is that US priorities have been impacted by several factors. The threats to US security emanating from within the region during the Cold War had substantially receded, and greater attention then had to be paid to the emerging democracies of central and eastern Europe following the collapse of the Soviet Union. Also, the US turned much of its attention to debt relief, poverty-alleviation and institution-building initiatives in Africa to support its embrace of democracy and market-oriented economic policies. Importantly, the war on terrorism following the 9/11 attacks profoundly reshaped US foreign policy priorities and its allocation of resources. In this regard, the fact that Latin America and the Caribbean is, so far, the region least penetrated by international terrorist organizations appears to have moved it further toward the periphery of US strategic concerns.

In spite of the many obstacles and setbacks, the need for greater integration of the hemisphere remains strong even if not compelling. The potential synergies, given its contiguity and diversity of resources, are considerable. It is not a hyperbole to suggest that it could become an economic powerhouse with a global impact that extends far beyond economics. However, such a prospect faces formidable challenges that would have to be overcome. It is useful to indicate what these are.

TOWARD GREATER INTEGRATION

Firstly, progress toward greater integration requires visionary leadership that is not imprisoned by a fixation on national sovereignty and capable of seeing the big picture of a “conglomerate

of sovereigns" greater than the sum of its constituent parts with shared benefits for all of those constituent parts. This applies as much to the south as it does to the north which must see the hemisphere as shared living space and not Latin America and the Caribbean as its "backyard". Importantly, that brand of leadership has to be sustained for the long haul because while such leaders have emerged intermittently, they are invariably succeeded by others much less disposed to hemispheric integration or even collaboration. Meaningful integration cannot be achieved within the short electoral cycle that democracy requires and will not make steady progress if its gears are frequently shifting between forward and reverse. It is therefore of immense importance for the people themselves to be engaged in meaningful dialogue toward this adventure as they are most capable of determining the policy direction of political parties and their leaders.

Importantly, too, the objectives of integration must be seen by member states to be of sufficient value to their own enjoyment of peace, security and prosperity that it transcends the political pluralism that is inevitable and ensures that it is not allowed to undermine the attainment of that ultimate good.

Secondly, the fear – both active and latent – of US hegemony in the hemisphere has to be placed squarely on the table and convincingly allayed. This is no easy task, given the experiences of the past, but it is undoubtedly the most significant impediment to hemispheric integration. The US has acknowledged its own role in the turbulent past and has affirmed its commitment to partnership and cooperation with Latin American and Caribbean countries. The former Commander of the US Southern Command, retired Admiral James Stavridis asserted that the common heritage between the US and Latin America so effusively proclaimed by President John Kennedy in launching the Alliance for Progress in 1961 "has at times been overshadowed by the unbalanced, and often resented, history of U.S. military and political intervention in the region in the 19th and 20th centuries. This particular legacy of heavy handedness and gunboat diplomacy still poses challenges to the building of bridges between north and south. But we've made great strides to develop a legacy of partnership and cooperation over the last few years".⁵

Retired General John Kelly, who also commanded the US Southern Command and currently serves as White House Chief of Staff, was equally sanguine, hailing the fact that "about thirty years ago, we stopped doing the interventions, really and truly".⁶ President Barack Obama lent his authority to these assurances in

2015 when he declared “The days in which our agenda in this hemisphere so often presumed that the United States could meddle with impunity, those days are past.”⁷

The extent to which these assurances and the expressed desire for partnership are being manifested is open to debate. They are hardly in sync with President Donald Trump’s declaration in August 2017 that he might consider a “military option” to resolve the current internal political crisis in Venezuela.⁸ Many are still in a quandary as to whether utterances like this are to be taken “literally but not seriously” or “seriously but not literally”. Those who fear that old habits die hard cannot but be unsettled by the response of Vice President Mike Pence who, when asked to clarify his President’s statement, responded that “President Trump is a leader who says what he means and means what he says”.⁹

Thirdly, wider hemispheric integration will require a conducive, consistent and enduring US policy toward Latin America and the Caribbean. There are two dimensions to this. US priorities appear to be sharply focused on its “supply-side” war on drugs and immigration control while those of Latin American and Caribbean countries have to do with the economic and social problems confronting them. The two are not unrelated or incompatible but they are yet to be interwoven in a way that would allow an enthusiastically shared agenda to emerge.

In addition, sharp policy shifts that sometimes attend changes in US administration do not inspire trust and confidence or a long-term commitment to the integration process especially given the deep-rooted misgivings that have endured among not only governments but the Latin American people themselves. Recent pronouncements emanating from Washington regarding tighter restrictions on immigration, protectionist trade policies that would impede vital export flows from Latin America and the Caribbean into the US, a rollback of the Obama-initiated rapprochement with Cuba, the slashing of the foreign assistance budget by as much as one-third, radical changes to NAFTA and the abandonment of the Trans-Pacific Partnership send worrying signals. They suggest, at least for the immediate future, US disinterest in and disengagement from the integration process.

Fourthly, Latin American countries have considerable work to do to build sustained consensus on critical economic policy issues without which deeper integration will be impossible and broader integration considerably difficult. The convergence that has emerged over the last quarter of a century is being undermined, the

Venezuelan situation apart, by the all too frequent return to the state-centered strategies of the past including the nationalization of enterprises and inflammatory rhetoric against the US. What has allowed this to happen, to a large extent, is the failure even of market-friendly governments to effectively implement the economic reforms necessary to generate sustained growth and enhance their ability to improve the quality of life of their populations. The unhappy outcome for many has been “pain without the gain” leading to what Professor Sidney Tarrow refers to as the “cycle of contention”¹⁰ that provides renewed appeal for leftist posturing.

Fifthly, the approach to integration of the hemisphere, if it is to gain adequate traction, has to take account of the asymmetries within the region and the integration architecture has to be designed in a way to ensure that “the small boats rise with the big ones instead of being capsized by them”, to borrow a poignant phrase from IMF Managing Director, Christine Lagarde.¹¹ Such an architecture would have to allow for special and differential treatment tied, appropriately, to performance targets so that it becomes a stepping stone and not a crutch. This is of particular importance for the small island Caribbean countries which make up almost one-third of the countries of the hemisphere.

ASSESSING THE OAS

The current scenario in hemispheric relations behoves a critical examination of the role and performance of the OAS, the world’s oldest regional organization. Shedding the image of being a tool of US foreign policy is a battle that has not yet convincingly been won and needs constantly to be factored into its thinking and actions. This is absolutely critical in building its credibility and stature which, alone, determine its effectiveness since it has no supranational authority. Cuba’s unwillingness to return to the OAS after its 1962 expulsion was rescinded in 2009 as well as Venezuela’s easily-arrived-at decision to withdraw from the OAS in response to its stance on that country’s internal political crisis both call into question its effectiveness and prestige. The OAS may have done itself a great disservice by the way in which it has handled the Venezuelan crisis. However, right is its cause, the spectacle of supreme court judges being “sworn in” virtually in exile at the OAS headquarters in Washington is unfortunate.

One of the core functions of the OAS is to seek the peaceful settlement of disputes among member states. Its record in this regard has been mixed, for while it has played a significant role in resolving or averting some conflicts that have or might have arisen, territorial disputes – a formidable impediment to integration – involving more than a half dozen countries remain unresolved and potential flashpoints for the future.

Times and circumstances have changed and while the OAS has instituted some changes over the years, a comprehensive review of its Charter as well as its programmes and operating procedures needs to be carried out, although now may not be the most appropriate time to do so, given the uncertainties in Washington and the political turbulence in Venezuela and Brazil. The original notion of a NATO-type collective security mandate has already given way to “cooperative security” but that needs to be more clearly defined and its modalities spelt out. The Charter commitment to non-interference in the internal and external affairs of member states needs to be reconciled with the role of the OAS in engaging itself in internal conflicts that arise with a fair amount of frequency in the region and for which external intervention conducted in accordance with agreed rules and protocols is not only appropriate but may be necessary and beneficial.

REDEFINING PRIORITIES

Importantly, the OAS urgently needs to review its scope of work and redefine its priorities. While its work programmes have expanded significantly, the organization has been bedevilled for decades by financial difficulties often bordering on crises, forcing at different times major staff cuts and programme curtailment. Much of its programme activities depends on external donor contributions but these are not likely to be assured if the organization cannot meet its operating costs. The accumulation of arrears of subscription by member states which has contributed to the problem is, perhaps, a good indicator of the value that member states attach to the OAS, their own fiscal challenges notwithstanding. The heavy reliance (more than 60%) on the US to fund the budget, although justifiable on the basis of ability to pay, is undesirable if the organization is to achieve the internal neutrality that both its mandate and checkered history require.

The OAS is over-extended. In order to achieve financial sustainability, it needs to shed some of its programmes that are not

essential to its mandate. Issues such as the promotion of human rights and democracy, improving the institutions of government including a fair and efficient justice system and anti-corruption mechanisms as well as the empowerment of civil society are clearly activities directly aligned to its mandate and important elements of integration capability. These must be continued and enhanced. Facilitating interaction and cooperation among member countries in inculcating these values and participating in joint programmes to promote them should most definitely be on the “must-do” checklist.

The OAS is not equipped to resolve conflicting economic policies, settle trade issues or devise appropriate anti-narcotics strategies. Nor was it chartered to do so. But it can play a critical role in creating the framework and political environment in which those issues can find resolution. In order to do so, it must acquire, and, once acquired, cherish and preserve the status, prestige and moral authority that will ensure that its imprimatur is valued and highly sought after and its reprobation feared and avoided. It must be the honest broker in a region where honest brokering is so frequently needed.

The permanent resolution of border disputes through dialogue and negotiation should be made a priority. Given the critical role of the US, the OAS must make greater efforts through interaction with the White House and Congress, to influence US policy toward the region rather than struggle to react to it. It needs to embark on a concerted programme throughout the region to build public awareness of and support for its core principles – democracy, human rights and peace and harmony among the countries of the hemisphere – and to translate these in practical ways that ordinary people can understand and identify with. It needs to engage the people of the hemisphere in an expansive way, helping to build and strengthen civil society organizations to play a more active role in the political and governance processes. It must interact strategically with the wider international community and especially with critical players like the European Union, China and the multilateral agencies to build a relationship that sees the hemisphere as a significant entity rather than just an amalgam of bilateral arrangements with individual member states.

Deeper integration among groups of countries within the region is to be encouraged and assisted but the OAS should seek to influence these processes to ensure that such efforts are not antagonistic to the greater integration of the wider hemisphere.

The most recent uncertainties regarding US policy toward Latin America and the Caribbean, the sporadic occurrences of political

crisis in and among countries of the region and the lack of sustained effort toward meaningful integration suggest the need for the OAS to take a deep, introspective look at itself, its role, agenda and future direction. If it is to be an agent of real change, it must make things happen – not allow things to happen to it.

NOTES ON CONTRIBUTOR

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NOTES

¹ *The Declaration of Solidarity for the Preservation of Political Integrity of the American States against International Communist Intervention* in 1954 defined a communist government within the region as a threat that would justify “appropriate action in accordance with existing treaties”.

² www.intracen.org

³ Source: World Bank data

(<https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>)

⁴ *Latin America During the Cold War* – Background Essay (Primary Source Library – 2012)

⁵ *Partnership for the Americas* - National Defense University Press 2010.

⁶ Interview with Melissa Lockhart of the Pacific Council on International Policy, October 2015.

⁷ Address by US President Barack Obama at a Civil Society Forum in Panama City, Panama, April 10, 2015

⁸ Remarks made by US President Donald Trump to journalists at Bedminster, New Jersey on August 11, 2017.

⁹ Remarks made by US Vice President Mike Pence at a press conference in Cartagena, Colombia on August 13, 2017.

¹⁰ *Power in Movement - Social Movements and Contentious Politics* (2011)

¹¹ Address delivered at Stanford University, California February 25, 2014