Light and shade *(chiaroscuri)* of a continent

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Latin America has long been a continent in dispute and despite its geographical proximity and historical political subordination to the United States, this macro-region continues to carry out political and social transformations that run counter to neo-liberal diktats. Thus, Latin America and the Caribbean, notwithstanding their endogenous difficulties and external challenges can be seen to represent the only pole in the international system with anti-neoliberal governments recently engaged in developing processes of regional integration autonomous of the United States. Even at a time of deep and prolonged economic crisis in the core capitalist countries, post-neoliberal Latin American governments have not stopped expanding their economies and, above all, fighting poverty and inequality.

A brief review of recent political events in the continent reveals a very fluid situation, marked by electoral victories by the centre-left and left in numerous countries (Argentina, Bolivia, Peru, Honduras, and Chile). Recently, the focus has been on Colombia, where presidential elections are scheduled for 29 May, with a possible victory for Gustavo Petro, candidate of the centre-left and the left. This would be a landmark result, given that, since Bill Clinton's 'Plan Colombia', the country has acted as the base of US aggression against the transformation processes of the continent (starting from Venezuela and Bolivia) and exports mercenaries all over the world, as well as cocaine.

However, there is no doubt that all eyes are on Brazil, with Luiz Inácio Lula da Silva leading in the polls for next October's elections in the South American giant, de facto leader of the region and locomotive of the South American pole. Thanks to the governments of Lula and Dilma Roussef, Brazil is still among the world's leading economies, despite the Bolsonaro disaster. The expectations of Lula's electoral victory are enormous, including among the millions of people who followed the farcical trials against the ex-president to prevent him from standing for election. With that judicial phase over, Lula has resumed the political and electoral battle.

Many Washington oriented pundits heralded the definitive end of the recent 'progressive' cycle after the 'mild coups' (as in Bolivia) and the victories of the centre-right and extreme right in many countries (Brazil, Ecuador, Paraguay, Chile, Colombia, etc.) led to the return of a strong political role for these forces. The causes of these defeats of course include the mistakes of 'progressive' governments, as well as the successes of the continent’s right-wing. These right-wing elements have always enjoyed the support of the United States, with their interminable record of coups and destabilisation of transformation processes and, more recently, with a key role in the creation and articulation of the "Grupo de Lima" (now moribund), the "Foro de Madrid" (with the Spaniards of Vox at the forefront) and the Pacific Alliance.

But several lessons have been learned from the defeat of that first cycle and today the wind has changed.

A BATTLEGROUND BETWEEN POWERS

The relative decline of the hegemony of the United States and of the dollar as the reference currency of international trade, in a context of permanent and planet-wide exceptionalism where the geopolitical barometer is moving sharply towards the peripheries, is increasingly marked. However, the old is not yet defunct, and the new is not yet born and, as Antonio Gramsci recalled, monsters are generated in the interregnum of transition. Therefore, far from being a thing of the past, under the umbrella of the "Monroe Doctrine", Washington's historic interference is still the agenda in the "backyard", now modestly defined as "our area of responsibility" by a senior military command in a very recent hearing before the US Senate.

Several days ago, US generals in charge of 'hemispheric security' declared that the threats to the US in the region come mainly from Russia, China and transnational criminal organisations, accusing Mexico of hosting the largest Russian military *intelligence* contingent in the world. The accusation was immediately rejected by President Lopez Obrador, whose government was advised by Washington to break with Russia and send weapons to Ukraine, without however achieving any results.

General Laura Richardson, head of US Southern Command (Southcom), said the Western Hemisphere is under assault from cross-border challenges that directly threaten the United States. According to the stars and stripes general, "Latin America and the Caribbean are facing insecurity and instability, exacerbated by Covid-19, the climate crisis, and the People's Republic of China, which continues its relentless march to expand its economic, diplomatic, technological, informational, and military influence and challenge US influence in these areas".

According to General Glen VanHerck, head of US Northern Command (Northcom), 'drug trafficking, migration and human trafficking as well as transnational criminal organizations are symptoms of a larger problem. The instability they generate provides opportunities for actors such as China, Russia and others who may have plans for activities with disastrous consequences to seek access and influence in ***our area of responsibility***, from a national security perspective'.

PANDEMIC AND ECONOMIC CRISIS

Despite the pandemic, 2021 was a year of economic recovery in Latin America, exceeding expectations for many countries. After experiencing the largest coronavirus-related contraction in the world in 2020 (-7%), Latin America recovered faster than the world average in 2021, growing at 6.3%. However, according to the pessimistic forecasts of the International Monetary Fund, the recovery has already started to slow down and, in 2022, real GDP growth will only be 2.4%.[1]

[1] https://www.imf.org/en/Publications/WEO/Issues/2022/01/25/world-economic-outlook-update-january-2022

Of course, these IMF figures (which should always be treated with caution) are influenced by both domestic and international factors.

There is no doubt that **domestic factors** play a key role in economic recovery, starting with monetary and fiscal policies, and uncertainties in the political environment.

In some countries, political uncertainty scares 'the markets' and can be a brake on new investments, both domestic and foreign. For example, in Peru, the ruling elites have not yet accepted last year's election result and are trying to obstruct Pedro Castillo's government, while legislation on investment in the important mining sector remains unclarified in parliament.

Chile has entered a new political (and economic) phase, both with the election of Gabriel Boric, the first left-wing President since the end of the dictatorship, and with the drafting and the possible approval of the new Constitution. The expectation is that state involvement in the economy will increase, but it is still too early to know how the boundary between the role of the state and that of the market will be redrawn. If in Argentina the recent agreement with the IMF, to deal with the debt crisis caused by former president Macri, has caused a split in the government and within its support base, in Brazil and Colombia the uncertainty is linked to the upcoming presidential elections, and possible political overturning.

Moreover, after years of low **inflation** in the region (apart from Argentina and Venezuela for very different reasons), in 2021 price growth returned to high levels (hitting the purchasing power of the popular classes), despite interest rates being raised by the central banks of several countries on the continent.

With regard to international factors, the boom in commodity prices is positive, with the war in Europe and the presence of the United States in the region as counterarguments.

After the acute phase of the pandemic and before the war in Europe, high growth rates were forecast for the United States, China and the European Union and high demand for imports from Latin America was also expected. It is clear that if the boom in primary material commodity prices continues, foreign demand should support growth in Latin American countries. In 2021, for example, Brazil recorded the largest trade surplus in its history, amounting to USD 61 billion[2].

In the midst of the crisis of neoliberal globalisation (as we have known it heretofore), the Whitehouse wants to strengthen economic relations with the region. The Biden Administration has the declared aim of curbing Chinese expansion in the region. The continent is part of the G7's **Build Back Better for the World** (B3W) initiative, strongly supported by Biden as an alternative to China's **Belt and Road Initiative** (BRI). It is therefore not surprising that, in line with the post-pandemic trend, some US multinationals are increasing their presence to shorten and diversify their production chain. This is the case of INTEL[3], which recently increased its

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[2] https://www.reuters.com/markets/us/brazil-posts-2021-record-trade-surplus-61-billion-2022-01-03/

[3] https://www.cinde.org/en/essential-news/intel-costa-rica-increases-investment-to-$600-million-and-triples-the-number-of-announced-jobs

presence in Costa Rica, drastically reduced in 2014 in order to invest in Asia. As is well known, the Chinese initiative has the support of several Latin American governments that do not want to be excluded. For its part, the New Development Bank (NDB), the development bank of the BRICS countries (Brazil, Russia, India, China, South Africa), has just decided to invest 140 million dollars in two projects in Latin America. [4]

Finally, in addition to the risk of capital flight, a further element of uncertainty lies in the effects of the Omicron variant contagions that are affecting the region.

In addition, this year the Summit of the Americas, an important institutional meeting between the heads of state of the entire American continent, will be held in the United States, where Biden will present his policy towards the region.

NON-SUBALTERN REGIONAL INTEGRATION AND MULTIPOLARITY

The existence of the Cuban revolution and the international strategy of Bolivarian Venezuela have enabled the development of new relations between a wide group of Latin American and Caribbean countries. Concrete results are integration mechanisms such as PETROCARIBE, the Bolivarian Alliance for the Peoples of Our America (ALBA), the Union of South American Nations (UNASUR), the Community of Latin American and Caribbean States (CELAC), and Venezuela's entry into the Southern Common Market (MERCOSUR).

It is no coincidence that one of the first measures taken by right-wing governments on the continent was the decision to abandon UNASUR and CELAC, accused of being "ideological alliances".

The development of a counter-hegemonic television (TeleSur) was of a strategic nature, while two important projects did not take off: the creation of the Latin American Defence Council (without the cumbersome presence of the United States) and the creation of a new regional and global financial architecture through the Bank of the South.

Bolivarian foreign policy has also had an impact on Africa, with the implementation of the Summits between South American and African Countries (ASA). In terms of diversifying diplomatic, political and commercial relations, Caracas' ties with China, Russia, Vietnam, North Korea, Iran and Turkey have deepened. At no other time in its history has Venezuela developed such a broad and diversified foreign policy both for its own benefit and that of other nations, despite external aggression, unilateral coercive measures (misnamed sanctions), the economic, commercial and financial blockade imposed by Washington and the theft of its financial resources, mainly by the United Kingdom and the United States.

In these scenarios of tentative post-neo-liberal globalisation, the governments of Cuba, Venezuela, Bolivia, Mexico and Argentina, among others, are striving to build the Latin

[4] https://www.bnamericas.com/es/noticias/new-development-bank-aprueba-u140mn-para-proyectos-de-infraestructura-en-brasil

American and Caribbean pole, and a regional integration independent of the United States towards a multipolar international system in the 21st century. The world's centre of gravity no longer lies in the more developed 'capitalist centres alone.

THE ROLE OF SOCIAL MOVEMENTS

There is no doubt that the social movements with their huge and rich variety will play a central role in the new political phase on the continent and in the transformation processes. In particular, the feminist movement, the environmental movement and the first nation movements have acquired an important leading role whilst the modes of organisation, grassroots participation, initiatives and social control over the actions of governments, including 'friendly' ones, differ widely.

The need for autonomy on the part of the movements (not a false 'neutrality'), means that the nodes of the relationship between movements and governments, parties and governments, and movements and parties remain dialectically open. One of the main challenges this poses in the new cycle that is opening is the avoidance of possible short circuits and ruptures, and the maintenance of dialogue despite the inevitable dialectical tension (even when harsh and contradictory) Expectations are high, perhaps too high, and the risk of frustration is always just around the corner.

In the continental scenario, the other risk is that of a division between the governments of the 'carnivorous left' and those of the 'vegetarian left', a classic 'divide and rule' that would be a disaster for hopes of change. The sirens of empire and those of the former social democracy (in deep identity crisis) are pushing to separate the 'good' from the 'bad', the 'reasonable moderates' from the 'radical extremists'. Some may be enchanted by this, perhaps convinced by the immobilising gradualism or the 'we want everything now' without taking into account that changing a historically dependent 'development model' is certainly not easy. Whether we like it or not, **unity in diversity** is an obligatory path for the continent's transformational forces.

The challenge lies in putting popular actors at the centre, not to make cosmetic and superficial changes, but to change structural reality through a new wave of popular, progressive and left-wing governments on the continent, starting from a concrete analysis of their own situations.