

Disunity new ruler of region

Fracture and conflict, not brotherly talk of unity, characterize relations within Latin America these days.

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WASHINGTON - Not too long ago, Latin America's politics were focused on the domestic: internal upheavals in countries like Ecuador, Bolivia and Haiti, and elections that ushered in one left-wing government after another.

Not anymore.

The aggressively confrontational policies of Presidents Hugo Chávez of Venezuela and Bolivia's Evo Morales have Latin America more divided than at any time since the end of the Cold War, analysts and diplomats say, opening the possibilities of dramatic shifts that could have profound implications for the Bush administration's relations with the region.

The trade bloc uniting Andean nations is in shambles after Venezuela deserted it. Brazil is angry with Morales' nationalization of his natural gas industry, hurting a Brazilian state oil company. Mexico and Peru don't even have ambassadors in Caracas. And diplomats regularly bicker at the Organization of American States over everything from texts on the rights of poor people to counterterrorism collaboration.

"We have big concerns that the crises of governments have been replaced by crises between governments," said OAS chief José Miguel Insulza, who recently issued a statement urging Latin American leaders to "do everything necessary to preserve peace and democracy."

In public, the Bush administration has tried to steer clear of the fuss. But privately, Washington is pleased that moderate leftists like Brazilian President Luiz Inácio Lula da Silva might take a more active role in containing Chávez, viewed by the White House as a troublesome influence in Latin America.

A sampling of conflicts that have flared up recently:

- Lula da Silva, facing a barrage of domestic criticism for being too meek in defending Brazil's interests in Bolivia -- its Petrobras state oil company invested over \$1.5 billion in the neighboring nation's natural gas industry -- has told Morales that he will not live "under a menace," according to Brazilian media reports.

Brazil Foreign Minister Celso Amorim also has threatened to pull Brazil's ambassador from La Paz and said that Lula da Silva has warned Chávez that his actions were creating "a personal discomfort" and jeopardizing Latin American integration projects.

- Oil-rich Venezuela quit the Andean Community of Nations trade bloc because two of its conservative-ruled members -- Peru and Colombia -- had clinched trade agreements with the U.S.

NAME-CALLING

In the ensuing uproar, Peruvian President Alejandro Toledo said he would never bow to "fat wallets and petrodollars;" Morales called Toledo "a traitor"; and Chávez attacked the left-of-center Alan Garcia, front-runner in Peru's upcoming presidential runoff, as a "corrupt, shameless thief."

Later, Chávez quit a trade pact with Colombia and Mexico, saying it was a "neo-liberal framework."

- Mexico's right-of-center government complained that Chávez was interfering in its internal affairs after Caracas hinted it backed left-wing presidential candidate Andrés Manuel López Obrador. Mexico yanked its ambassador to Caracas after Chávez called President Vicente Fox a "lapdog" of President Bush.
- Nicaragua accused Venezuela of interfering in its presidential campaign this year by offering discounted oil to municipalities run by the left-wing Sandinista party, which is fielding U.S. critic Daniel Ortega as its presidential candidate.
- Uruguay is threatening to leave the Mercosur trade pact, which it shares with Brazil, Argentina and Paraguay, and negotiate a free-trade agreement with the United States. Montevideo complains that Mercosur has failed to resolve a bitter conflict with Argentina over the construction of a \$1.8 billion paper mill complex in Uruguay, which Buenos Aires claims will pollute a river that separates the two neighbors.
- Bolivia wants to recover territories on the Pacific Ocean that it lost to Chile in a 19th century war.

Experts say tensions have been stoked by a combustible mix that includes a slew of presidential elections in 2006, disputes over natural resources, popular frustrations with economic reforms and Chávez's clash with the United States.

"The inequalities that have always been there are now much more politically volatile," said Michael Shifter, vice president at the Inter-American Dialogue, a Washington think tank, and co-author of a recent paper called *The Divided States of the Americas*.

CHAVEZ AT THE CENTER

The central protagonist in the tensions often is Chávez, whose confrontational style and oil wealth have given him a strong voice in Latin American politics. His promises of a socialist revolution on behalf of his country's poor and the integration of Latin America into a counter-Washington bloc resonate strongly in a region where some 80 million live on less than \$1 a day.

"There is a great ideological conflict -- on one side those who defend Washington's consensus and the neo-liberalism that has ravaged our people, and on the other side us, who propose a great change," he said recently.

Shifter calls Chávez "the most influential leader in Latin America today," even though he is not "influential in the sense of everybody embraces what he advocates."

The Venezuelans deny Chávez is using oil money to increase his influence in the region and blame rising tensions on provocations by Washington, not Caracas. "If this situation escalates, it is because of the United States, not because of us," says Bernardo Alvarez, Venezuela's ambassador to Washington.

Some observers say the cross-country frictions are also proving the limits of Chávez's influence.

In March, Venezuela tried to water down a resolution on terrorism cooperation at an OAS conference in Bogotá but was outvoted 33-1. Polls in Peru show that 60 percent of those questioned have a negative view of Chávez.

After his confrontation with Chávez, Peru's García saw a surge in his own poll numbers and a drop in those of his rival, Chávez-backed nationalist Ollanta Humala. Mexico's López Obrador saw his numbers drop, and those of his conservative opponent, Felipe Calderón, rise after critics ran ads suggesting he would be an authoritarian populist like Chávez.

"The big loser in the end is going to be Chávez," said Myles Frechette, a former U.S. diplomat who has been involved in inter-American affairs for 50 years.