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**THE BUSH ADMINISTRATION:
A NEW APPROACH TO LATIN AMERICA?**

Roy Gutman
Newsday, Washington, D.C.

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PREFACE

Roy Gutman has reported on national security issues for *Newsday's* Washington bureau for the past seven years. For eleven years prior to that, he was a Reuters correspondent in Washington, Britain, West Germany, and Yugoslavia. Mr. Gutman has published articles in *Foreign Service Journal*, *Foreign Policy*, and the *Washington Post*. He is also the author of the critically acclaimed book, *Banana Diplomacy: U.S. Policy in Nicaragua 1981-1987* (1988). He has a B.A. in history from Haverford College and a M.S. in international relations from the London School of Economics.

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Occasional Papers Series Dialogues

THE BUSH ADMINISTRATION: A NEW APPROACH TO LATIN AMERICA?

Eleven weeks ago, at his Senate confirmation hearings, James Baker laid out the Bush administration's foreign policy agenda. The highest concern of the new administration was the survival of democracy in Latin America. Foreign policy, Baker said, begins at home. It must be rooted in our values. It gathers its strength from how well we do with our immediate neighbors. Second on the U.S. agenda was our links with Western Europe and with our trading partners on the Pacific rim. Third priority went to global problems such as narcotics, terrorism, and the environment. U.S. relations with the Soviet Union came fourth and the Arab-Israeli dispute arrived in a distant fifth place along with other regional disputes.

The order of his presentation received less attention than it deserved. Those who noticed it were puzzled. When you consider the tangle of its politics, the economic and social mire of so many countries, and the no-win nature of so many of its problems, why would anyone set such a priority on Latin America? Baker, Bush, and Scowcroft, moreover, are pragmatic types and political animals, people who like winning, not the existential reward of struggle--like you and me. Certainly, Carter-style idealism or moralism was not at work here either.

One answer lies in the transition period. Not only did the experts in both parties, ranging from Sol Linowitz to George Fauriol, produce intelligent, thoughtful papers to the transition but to a very large degree they converged in their advice. Bush and Baker also had an unusual amount of exposure to Latin views. The president-elect traveled to Houston to meet Mexican president-elect Salinas de Gortari. Carlos Andrés Pérez visited

Washington. Azcona and Alfonsín also visited. David Rockefeller sat down with Bush for a fair spell of time in mid-December. All gave a reinforcing message: crisis is looming. Clean up the policy mess in Central America. Get an early start.

In mid-February, as Baker left on his first trip to Europe, Latin experts who, for the most part, had managed to contain their expectations breathed a sigh of relief. The only thing worse than no attention to the region was too much attention and too hurried or unconsidered an approach. And when American Middle East diplomacy kicked off a few weeks ago with Moshe Arens's visit to Washington, it was more evidence of business as usual.

We can now conclude that Baker had laid out his true intentions on January 17. To a remarkable extent he has followed through. Perhaps he was just making a virtue of necessity. But of necessity there was plenty.

Nicaragua was the single most divisive issue of the previous administration and the one that had caused the most grief for U.S. diplomacy internationally. A draft report prepared by the General Accounting Office summed up the policy. It said U.S. goals were confused. At times they are geared toward a destabilization of the Sandinista government. At times toward establishing a more pluralistic system within the Sandinista framework. Little success has been achieved in either objective. American economic sanctions, it said, had not reduced government power, but were forcing the educated middle class and the potential opposition leaders out of the country. The United States, it said, had taken a very visible and bilateral approach to Nicaragua, allowing the Sandinistas to characterize this as a confrontation between a Latin state and U.S. imperialism. The Sandinistas also had used U.S. sanctions and aid to the contras as a pretext for their economic failures, for restrictions

of civil liberties, and for the size of the militaries. This analysis came from a group of accountants who don't usually look into foreign policy.

In going to Congress with his own new approach, Baker has made it clear that he accepts the verdict not only of the GAO but also of the leaders of the region: due to Ronald Reagan's obsession with military overthrow of the Sandinistas, the United States had virtually dealt itself out of the diplomatic game during Reagan's last year and a half. Baker has made that point since in talking with Congress. The conclusion was inescapable after the February 14 summit at Tesoro Beach.

I was with Baker on his whistle-stop tour of NATO. While he was soliciting the support of NATO allies to condition their financial aid to Sandinista democratic reforms, the Central Americans got the commitments we wanted without telling us what they were doing. For two days he did not comment. He felt he had been blindsided. Baker does not like to be blindsided. At one point, a member of his inner circle asked me if I could explain the dynamic that led to that agreement. You know reporters have virtually no access to the usual sources when traveling on that plane. Just imagine if you are secretary of state, have every source and resource known to man and can't figure it out. Something had to be done.

The other shoe fell just two weeks later. What better demonstration could there have been of the economic pressures on the region's fragile democracies than the riots in Venezuela, the most stable democracy in South America, and a country that had introduced reforms sought by the United States and the IMF.

To give the administration credit, and I think it is due, they not only saw things coming but in the case of debt made it an urgent priority. You could not have asked for

an earlier response than the Brady plan, announced within five weeks of inauguration. It has its inadequacies, particularly concerning the amounts of debt that are to be forgiven, but as a vehicle addressing the problem in a timely way and for gathering a consensus, it has certainly had an impact.

Politically and diplomatically, it took a little longer to organize--more than forty hours of negotiations by Baker with Congressional leaders over three weeks, particularly with Jim Wright and other Democrats. The upshot was equally timely and precedent setting as the Brady plan. The Baker initiative centered on obtaining another year of non-lethal aid for the contras, but paid the price by throwing U.S. support for the first time behind regional efforts at democratic reforms and peaceful settlement to include, in language that papered over political differences, the removal of the contras from Honduras.

I should make an observation or two about the way Baker works, based on this particular incident. He is an able negotiator and he likes to work in secrecy. He surrounds himself with old hands from his previous jobs, but it isn't clear yet just what their role is. He puts enormous personal energy into his endeavors. He defined this particular problem as a political rather than a policy problem, and acted accordingly--consulting with Congress instead of with the regional players. Perhaps he figured that the House Democrats were still in close touch with the region and would represent their interests. If so, ironically he was right.

U.S. policy may be in the process of a turnaround. But we are still at the stage of words, not deeds. To understand the extent of the change, let me recall how the previous administration worked. In fact, Baker told Congressional leaders that one of the Reagan

administration's biggest mistakes was in not embracing Esquipulas II, the accord concluded by the Central Americans in August 1987.

At the time the agreement was reached, veteran trouble-shooter Philip Habib, who was then a special U.S. envoy for Central America, told his boss, Secretary of State George Shultz that this was a victory for U.S. policy. "We're home free." He said the Guatemala accord was a great achievement for U.S. policy and U.S. interests, though it would require some polishing. The idea was with the contras in place around Nicaragua, and the region eager for a negotiated solution, the United States could test the possibilities for internal reforms in Nicaragua and resolve the security differences with the Sandinistas. Habib had proposed visiting the entire region, including Managua. But the hard-liners got to Reagan first, and he put off a decision. So Habib quit.

Now recall the sequence of events. Far from embracing the peace process, within a month of Esquipulas II, George Shultz proposed \$270 million in contra aid. And U.S. military advisers with some skill encouraged the contras to mount major military assaults. The only thing lacking from an expanded war was Congressional support. Instead, Esquipulas II provided an alternative route. The timing of the peace accords, after the Iran-contra scandal, weakened Reagan's political strength at home, and gave House Democrats the strength to block any further military aid.

The formula that Habib had favored was to ask for military aid and keep the contras in place while conducting diplomacy. By early 1989, however, Congress was in no mood to provide military aid under any circumstances.

Eighteen months later, the problem for Baker in embracing Esquipulas II was that you can't run the film backwards and rewrite the plot. A secondary problem was that he couldn't pronounce it.

The contras left Nicaragua in the second half of 1988. So there was little possibility of any military leverage.

The regional leaders, impatient for U.S. action, had at Tesoro Beach in February, made a serious advance on Esquipulas II, by promising to demobilize and disperse the contras. The Sandinistas simultaneously agreed to move up elections and hold them under international monitoring.

So Baker concocted a new approach that for the moment, until proven otherwise, might be described as a diplomatic approach without direct diplomacy.

Unlike Philip Habib's time, it so far does not involve a special high-profile U.S. envoy touring the area, just routine contacts. That omission contains a message that we can guess at, but from the way Baker works, it would be safe to assume that there is, among other things, a good political reason. Habib did not leave in good odor among conservative Republicans.

The Baker initiative also does not involve direct talks with the Sandinistas. Again one suspects largely domestic political reasons. So far it involves strong rhetorical support for the Esquipulas II process.

Another component is to rhetorically assault the Soviets and Cubans and to demand they cut aid to the Sandinistas. Baker is most effective when he speaks quietly. So again, one can suspect that loud rhetoric has a domestic target audience.

Despite the differences, there are some interesting carry-overs from the thrust of the Reagan administration.

The Baker initiative was put together mainly in the context of the politics at home, what the traffic would bear, rather than in the context of what really fit in with the dynamic going on in the region. I am speaking literally about how it came about rather than will it make good foreign policy.

As already mentioned, no direct talks are foreseen with the Sandinistas for the time being, and if there are any talks, they will be in a multilateral context. This conforms to the Reagan approach since early 1985.

The Soviets are verbally assaulted for continuing to support the Sandinistas--a favorite theme of the Reagan years.

The region is described as highly important for U.S. interests and not at all important for Soviet interests. Yet other than the rhetoric, there is no definition given to U.S. interests nor is there much suggestion on how those interests will be upheld. Again vintage Reagan.

Then he approached the European aid donors and before he had any plan formulated asked them to add a condition to their aid to Nicaragua: not to provide it unless and until Nicaragua fulfills all its commitments to democratic reforms under Esquipulas. This was vintage Ronald Reagan and was received as such.

The most regrettable of all the lapses into Reaganism is the lack of definition of exactly what we want in Nicaragua. What kind of democracy do we expect there? A Salvador style democracy? A Honduran style? A Costa Rican style? Or American style? And what is the standard? Who is to judge fulfillment? I asked Brent Scowcroft this a few weeks ago, and he replied: "good question."

What do these contradictions signify? Either that we have Reagan redux, just more kind and gentle, and the intention is to avoid biting the bullet. Frankly one must keep one's mind open to this possibility. Or that the administration is groping without an exact road map towards something that will help it fulfill its newly stated vision. For the time being, with all due skepticism, one should consider the latter still a live possibility.

The problem is Ronald Reagan also had a vision. And the way he pursued it was, to quote James Baker, a failure. How the administration goes about pursuing its latest vision is important.

Yet there is a vision. It is somewhat vague at the moment. But it is taking shape at the hands of one of the ablest speech writers to cross the threshold of room 6263, the office of the assistant secretary for inter-American affairs. Baker said it in Atlanta last week.

The vision is that "the guns of war can stand silent throughout Central America" so that "we get on with the urgent work of economic integration and development for which the people of that war-torn region deeply yearn." It is to help the debt-ridden Latin American countries facing the challenge of economic reform, to reduce U.S. trade barriers, to cut drug demand as well as supplies, to revitalize the collective institutions, and to allow democracy not only to survive but to prosper.

In the process, the United States wants a partnership based on mutual respect and shared responsibility. As Baker put it last week, "We really do have a lot to learn from each other."

Baker's ultimate vision is Bolivar's vision: an entirely democratic hemisphere. Not so wild a dream if you accept the superficial definition of democracy that Reagan did. Not

a strategy in there, but some goals to be sure. But consider this: the context in which Baker delivered the remarks was at the Jimmy Carter Center in Atlanta, a Democratic bastion, as those things go; and it just turned the place upside down.

Now the vision is vague in what it denotes. But what it connotes for the first time is a sense that there may be a positive linkage between U.S. policy in one part of the isthmus with another. I am reluctant to predict successes or failures. But I can suggest some possible spill-overs. For one thing, there might be a spill-over effect onto El Salvador of a resolution of the Nicaragua issue. Just as Gorbachev has gained authority from the Afghanistan withdrawal and other unilateral steps, Bush and Baker could gain credibility and authority by supporting the Central American peace process in Nicaragua. I would take it a step further, but this would be well down the road. If with skillful diplomacy the Bush administration can resolve its problems with Nicaragua and later El Salvador, Panama may in time follow. These issues are interconnected, though in subtle ways. Anyone who has talked with Noriega knows he has closely watched the U.S. floundering in Nicaragua. Recall Nicaragua's 1984 elections when hard-liners at the White House like Constantine Menges blocked Tomás Borge from coming to this country for a get-acquainted trip. We later knew he wanted to run for president against Daniel Ortega. When I saw Noriega the following year, he expressed bafflement at U.S. policy. He could not understand why the United States did not encourage the rivalry between Ortega and Borge. Undoubtedly, however, he made good use of his observation in 1987 and 1988 in deciding how to play off the State Department against the Pentagon.

Regarding the attitude of the various players toward the Cubans and Russians, so far all we have is a great deal of rhetoric and little substance. We are back, regrettably, to the

emotional language, hype and pre-emptive public relations of Reagan years--demanding that the Soviets cut all aid to the Sandinistas and get out of the region because it is our backyard, charging the Sandinistas with subverting El Salvador without providing convincing evidence, saying the Sandinistas have an army bigger than all the others combined in Central America, ignoring the actual figures of the IISS. I suspect domestic politics underlie the campaign of the past week because it sure is no way to get anything done in the real world. Because the administration has shown a good deal of pragmatism in other areas, I prefer for the moment to view this campaign as a smoke screen and to reserve judgment until some patterns emerge.

Since I have put so much stress on the absence of plans for any direct talks with the Sandinistas about security issues, I will briefly discuss the various available options. Such talks are inevitable, although I would place no bets on the timing. This is the test of seriousness against which the Bush-Baker initiative will ultimately be judged.

The most roundabout way of talking with the Sandinistas is by way of the Russians, and at that through public exchanges rather than a real serious knocking-together of heads. Moreover, the United States knows well what the Soviet positions are. Gorbachev has consistently said that they will negotiate only a global reduction in arms transfers to Central America with the United States, not a trade-off of aid to the contras for aid to the Sandinistas. Thus they will completely cut military aid to Managua if we do the same in San Salvador and Tegucigalpa. This makes military containment of the Sandinistas almost inconceivable and would severely limit the U.S. relationship with other military establishments. There is some debate among experts whether this is a starting position and a deal is lurking out there somewhere. I suspect no deal is lurking out there and that the Soviets

are simply raising an ante so high as to signal that they are not planning to sell the Sandinistas down the river any time soon. For reasons I do not understand, Jim Wright has been pushing this proposal as has, rhetorically, Jim Baker. Of the three possible scenarios, this would be the least advantageous for U.S. interests. Pressing on with the rhetoric is quite acceptable in terms of U.S. domestic politics, however.

Honduran foreign minister Carlos López Contreras has proposed a second plan. For the past year and a half, he has urged direct U.S.-Sandinista talks and offered Honduras as a location for them. As an alternative, he has offered multilateral talks with Nicaragua on the elimination of the Cuban presence there. Simultaneously, he would negotiate over the U.S. presence in Honduras and outside support in El Salvador. This would put U.S. presence in Honduras on an equal footing with Cuban presence in Nicaragua and result in the removal of the very sizable U.S. presence in Honduras. Not a great deal from the perspective of U.S. interests, but a better one than that offered by the Soviets. Why does López Contreras offer it? It is a subtle way of highlighting the conclusion that there is no substitute for direct talks.

The third proposal is that of Nicaragua itself. It is willing in exchange for a commitment to nonaggression and normalization by the United States to commit to negotiate an end to Cuban presence in Nicaragua, limits on new arms types and prohibition of Soviet bases. No word about the U.S. presence in third countries. It clearly is the least disadvantageous approach from the perspective of U.S. interests, but perhaps the least attractive in terms of domestic politics.

Are U.S. security interests important, or is it just a matter of rhetoric? That remains to be seen.