INTRODUCTION

During the 1970s and the beginning of the 1980s, many observers of Latin America’s history and politics commented on what they perceived as the region’s increasingly assertive posture in the international arena. By the mid-1970s, the study of Latin America was being complemented by a veritable plethora of academic works which sought to document and analyse the growing complexity that progressively characterised the external behaviour of these countries. The critical message conveyed by these studies was that active foreign policies were no longer the exclusive domain of highly developed nations. Rather, small and middle-sized countries, even in the geopolitical sphere of a major superpower, could assert influence with respect to their neighbours, with the hemispheric superpower itself or with other countries outside the hemisphere. Also, as one recent survey of the literature on Latin America’s international relations reveals, three themes are recurrent: the desire to maximise national and regional autonomy; the quest for development through intra-regional cooperation; and the persistent presence of the United States as a major factor in the region’s external and domestic options.

In the late 1970s, there was also a proliferation of newer writings on the dependency theme which differed from the earlier studies of the mid-sixties by concentrating on international relations and proposing that Latin American dependencia could be overcome through strategies involving either the ‘diversification of dependency’ or the process of ‘Latin American cooperation’. This was an added dimension to the earlier works which characterised dependency in a holistic fashion, in terms of the capitalist system, and which were primarily interested in explaining and trying to solve the problem of under-development. The ‘diversification of dependency’ idea stressed the
expansion of international contracts towards Europe, the socialist countries and the other Third World nations as alternative actors in the foreign relations of Latin America. The process of Latin American cooperation, while not new, was now being emphasised in its political and cultural dimensions, rather than in its historic, economic, technical and juridical aspects.

CHANGES IN LATIN AMERICAN GEOPOLITICAL ENVIRONMENT

For a time, the perceived changes as reflected in the literature, appeared to coincide with reality. United States’ policy makers seemed disposed to concede the existence of a more assertive Latin America and to accommodate initiatives designed to promote the region’s control over national resources. For much of the 1970s, détente with the Soviet Union, the relative absence of any defined threats to US security in the region, the deemphasis of traditional military security concerns towards the hemisphere following the Vietnam catharsis, all contributed somewhat to a changed context in US–Latin American relations. If one judges by the diplomatic activism of the period, perhaps some Latin American policy makers and leaders were overconfident and anticipated even more regional strength and autonomy than actually came to pass. However, some advances were made. In several countries, historic bilateral dependence (political, economic and military) on the US was reduced during the 1970s; international markets and intra-regional relations expanded and diversified; and for those states which were members of OPEC, or reproduced OPEC’s success by increasing prices in petroleum or other traditional export commodities, the economic gains were doubly impressive. Rapid economic growth for many countries of the region was encouraged by the remarkable generosity with which international commercial banks made loans to Latin American governments. Such practice increased the debtor governments’ capacity for manoeuvre because, despite the variable (and often high) servicing costs associated with such commercial financing, it carried ‘less economic conditionality than loans from official multilateral sources and less political obligation’ than bilateral assistance from other governments. One other major disadvantage was that the majority of sovereign commercial lending was denominated in US dollars (even when the