Central America is a region not known for strong states or independent foreign policy. Geopolitically, it is in the Caribbean Basin and has been seen as part of the U.S. backyard. The region’s proximity to the United States and the enormous difference in size and power between the United States and the countries in this region suggests a very unequal relationship. An early nineteenth-century attempt to unite the Central American nations as a federation was never successful either. Thereafter, the five original Spanish-speaking nations (Guatemala, Nicaragua, Honduras, El Salvador, and Costa Rica) and the northern part of Colombia that broke off to form the nation of Panama in 1903 have been small, weak states in the Interamerican and world system (the smallest of the sardines in Juan José Arévalo’s fable *El Tiberón y las Sardinas*). As such, their sovereignty has often been compromised by the hegemonic influence of the United States and other larger states.

Central American–U.S. relations were initially more fraternal, as the United States eventually decided on a policy of supporting independence for the Spanish colonies. Contacts between the United States and the Central American states were at first sparse but often influenced by the Jeffersonian concept of relations among equal, sister republics. As the United
States began to expand through the Louisiana Purchase in 1803 and the acquisition of Florida from Spain in 1819, power was projected outward from the original 13 colonies. The Monroe Doctrine aimed to exclude European powers from dominating any of the newly independent republics, but also suggested U.S. interest in the region. After 1825 the nature of international relations began to change. Growing interest in Texas eventually projected American power South and set the stage for the Mexican American war of 1846–1848. Cornelius Vanderbilt developed financial interests in Nicaragua when he set up a stagecoach and steamship line to carry passengers across the Central American isthmus after the California Gold Rush. Soon after that, the American filibuster William Walker took over Nicaragua in 1855 and even had himself declared president after he stipulated that English was to be the official language. Later, the post–Civil War industrialization and economic expansion of the United States began to redefine the economic interests of the northern state. It would no longer be primarily a producer and exporter of raw materials like its sister republics to the south. Rather, it was becoming an industrialized creditor nation that started to search out new markets for its industrial products, additional sources of raw materials, and new locations to invest its growing investment capital. By the turn of the twentieth century, relations began to reflect the hegemonic position that it was establishing in the Caribbean Basin if not Latin America more generally. From 1803 through the 1960s, Central America witnessed a diverse variety of hegemonic initiatives by the United States. The region witnessed marine occupations, gunboat diplomacy, dollar diplomacy and financial penetration, anticommunism, covert intervention, and direct occupation by U.S. troops, as most recently occurred in Panama in 1989.

However, there were challenges to U.S. hegemony like the Guatemalan revolution of 1944–1954. Later, leftist insurgents in Guatemala and El Salvador threatened to establish independent governments and the Sandinistas did so in Nicaragua from 1979 to 1990. The nationalist military populism of Omar Torrijos posed a different challenge in Panama. But, by the early 1990s, the independent, radical thrust of political movements in all of these countries had been greatly reduced and none was in control of their respective nations. Official relations were once again cordial with the United States. By the end of the 1990s, there was a turn toward nominal Western-style representative democracy and political struggle in these four nations had been channeled into less violent avenues that were more easily influenced by the United States. Traditional control was maintained in Honduras, which became a base for U.S. military and contra operations against