China and Latin America: Washington is Losing Ground

The global Sino-American confrontation that has unfolded in recent years affects all spheres of the world economy and all regions. China stubbornly squeezes the United States in every area, including its traditional sphere of influence in Latin America.

At the moment, the United States is the leading trading partner of Latin American countries as a whole and continues to seek to dictate its will to many of them. Even the Organization of American States, which includes 33 of the 35 independent states of the Americas (Cuba and Nicaragua retired from membership in 2009 and 2021, respectively), is headquartered in Washington.

The dominant position of the United States did not suit before and does not suit many States of Latin America now. However, it is challenging to overcome dependence on a powerful international player as the United States. This challenge would require establishing ties with some other player of comparable influence, who will be able to provide new partners with support and protect them from the sanctions of the former patron. Nowadays, small and poor states, to which most of the countries of Latin America belong, that don't want to deal with the United States are moving into the sphere of influence of China.

China has long been developing relations with the states of Latin America. Since the collapse of the Soviet Union, which supported socialist regimes worldwide, China, as the new leader of the socialist world, began to build up relations with Cuba, gradually filling the empty niche without the USSR.

The first decade of the 21st century was marked by the rapid development of trade and economic relations between China and Latin America. In 2004-2005, Beijing made significant investments in the Cuban nickel industry. In 2006 signed a free trade agreement with Chile and took several steps, thanks to which China's total trade with Latin American countries grew from $ 10 billion to $ 130 billion from 2000 to 2009.
In 2010, the countries of Latin America founded The Community of Latin American and Caribbean States (CELAC), including all the Americas' independent countries except the USA and Canada. The goal of creating the organization was explicitly declared to be the integration of the states of Latin America and the reduction of influence from the United States. Interestingly, three states received the interim collective leadership of CELAC: Venezuela, whose leader, Hugo Chávez, calls himself a communist pursuing a policy with a socialist bias, Chile is one of the most economically developed countries in South America, and Cuba is a socialist state and a longtime adversary of the United States. All three states are China's reliable partners.

It is not surprising that the China-CELAC Forum was established on July 17, 2014, thanks to which Beijing was able to work with all Latin American countries at once, not just with each of them bilaterally. The first summit, held in Brazil, was attended by the People's Republic of China leader, Xi Jinping. A week later, Xi Jinping arrived in Havana, the capital of Cuba, and met with the Cuban leader Raul Castro. Then Raul Castro said that Sino-Cuban relations are going through the best historical period.

Soon, there were reasons to believe that China was so entrenched in Latin America, especially Cuba, that it could already afford something more than trade and economic activities. So, in 2018, satellite images of a particular object in the area of Bejucal, Cuba, were published. According to experts, this is an electronic intelligence station that allows you to monitor the activities of the US military. It is believed that Cuba cannot independently build such facilities, and the most likely builder is China.

On December 4, 2021, the third ministerial meeting of the China - CELAC Forum took place. President of the People's Republic of China Xi Jinping took part in the event via video link. The Chinese leader noted that over the years of the Forum's existence, its participants diligently strengthened the unity and cooperation between China and the CELAC countries. The China-CELAC Forum has become an essential platform for international interaction. Relations between China and the CELAC countries have entered a new era of equality and mutual benefit for all nations.

According to Xi Jinping, when the world is going through a period of instability and transformation, China and the CELAC states must overcome the consequences of the COVID-19 pandemic and ensure the well-being of their people.

The head of China welcomed the participation of the CELAC countries in the Global Development Initiative. He put it forward in September 2021 at the 76th session of the UN General Assembly and their joint work with China to overcome the current global crisis and create "a community of common destiny, a shared home for humanity."

According to Xi Jinping, China and the CELAC country are "comprehensive partners for cooperation based on equality, mutual benefit and joint development."

The Chinese leader called for developing a new plan for developing relations between China and the states of Latin America and the Caribbean. And give this cooperation an impetus for the well-being of their peoples and the progress of mankind.

Likely, Xi Jinping's uplifting speech and a reminder of past and future achievements of Sino-Latin American cooperation greatly impacted the CELAC leaders attending the event.

On December 10, it became known that one of the CELAC countries, Nicaragua, is severing diplomatic relations with Taiwan and terminating any contacts or official connections with it, recognizing the People's Republic of China as "the only legal representative of all China, and Taiwan as an integral part of its territory."

As is well known, it was severing relations with the partially recognized Republic of China Taiwan, recognizing it as part of the PRC and recognizing the PRC as the only real China is one of the main conditions that Beijing demands from its partners. Such a move opens up access to the huge Chinese market and equally impressive loans and investments for states worldwide.

The PRC is already the second trade partner for the Latin American countries after the United States. Relations continue to develop steadily, and the PRC may soon become the leading player in this region. If the presence of a Chinese radio intelligence station in Cuba is confirmed, it means that this time has almost come. The revolutions in Cuba and Nicaragua back in the day were called geopolitical defeats of the United States, which lost control over territories in its own strategic security zone. It remains to be seen what the complete loss of control over the Latin American regions could mean for the United States.
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