

The prospects of success for Hugo Chávez's Venezuela to challenge US hegemony in Latin America

An evaluation along three theories of hegemony in International
Relations

Tim Sprissler
Leimatstrasse 15
9000 St. Gallen
+41 77 407 23 67
tim.sprissler@student.unisg.ch

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University of St. Gallen
Institut für Politikwissenschaft (IPW-HSG)
Professor James W. Davis, Ph.D.
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Abstract:

The prospects of success for Hugo Chávez's Venezuela to challenge US hegemony in Latin America are evaluated from the perspective of neorealist, liberal and neomarxist theory. In order to do so, the means the USA possess to achieve their hegemony and Venezuela's reaction to them are analyzed. It will be concluded, that besides material means ideational means are necessary in order to achieve hegemony completely. Today neither the USA nor Venezuela possess those latter means and thus neither the US hegemony nor Venezuela's challenge to it are complete.

Since Chávez's failed coup d'état in 1992 and his democratic election into power in 1999 and re-election in 2006, Venezuela's president challenges the US hegemony in Latin America continuously. He is promoting the integration of Latin American countries in order to achieve an autonomous development of the region free from obtruded US models and with a focus on the region's own values and traditions. This paper evaluates the prospects of success for Hugo Chávez's Venezuela to challenge US hegemony in Latin America from the perspective of neorealist, liberal and neomarxist theories of international relations.

For the paper's theoretical foundation the concept of hegemony of each theory is categorized into definition, goal, means and use of hegemony. It is concluded that all three theories define hegemony in a similar way as the dominance of a state in the system. Only in the other categories differences become apparent: From the neorealist point of view hegemony is based on coercive means, from the liberal perspective on mutual interest and neomarxist theory sees a connection of material and ideational means and institutions. Departing from that the paper analyzes if the US disposes of the means to establish and maintain its hegemony in Latin America which were previously identified by each theory. Then Venezuela's reaction to the respective means is described. Based on these insights Chávez's prospects of success to challenge US hegemony are evaluated.

It is shown that the US in terms of military power are clearly dominant in the region: The military expenditures of all Latin American countries taken together in 2006 only amounted to 6% of the US investments in this sector. Furthermore the United States possess the possibilities to project their military power to the region through direct intervention, military aid and local bases. From a neorealist point of view these coercive, military means should cause so much fear that Latin American countries shied away from challenging US hegemony. Nevertheless Venezuela tries to break US military dominance by building up its armed forces and diversifying its military ties to

countries like Russia and China. Two insights can be drawn from that: First, from a neorealist perspective Venezuela's attempt to challenge US hegemony has very little chances of success. Given that despite its military inferiority it still tries to break the US hegemony, neorealist theory seems not to identify all the necessary means to establish a hegemony. Thus an evaluation of Venezuela's chances of success along purely neorealist criteria is not complete.

From a liberal view hegemony is based on mutual interest. The US in Latin America has powerful means to achieve subordination of the other countries driven by economic interests: In 2006 the US GDP was more than four times higher than the GDPs of all Latin American countries. For Venezuela, Colombia and Peru the United States were both the most important export and import partner in 2006. For Brazil they were the second most important trade partner after the EU and for Chile the most important import and the second most important export partner. Furthermore they offer several collective goods to the region such as political and economic cooperation within the Organization of American States (OAS), US market access through Free Trade Agreements and the provision of liquidity either directly or through institution such as the International Monetary Fund (IMF) where the US acts as the biggest funder.

Despite all these strong economic incentives for an US hegemony in the region, Venezuela, with a certain success, offers alternative benefits and thereby hinders the full implementation of US hegemony in the region: It diversifies its economic ties especially with China und uses its high oil revenues (petropolitics) to promote alternative collective goods such as the ALBA (Alternativa Bolivariana para las Américas) and the Banco del Sur. Furthermore Chávez tries to establish an alternative trading system within the MERCOSUR. Again two conclusions can be drawn from these developments: Given the strong US economic incentives and that Venezuela's capacity to offer alternative benefits to the region is dependent on external factors such as the oil price and the main trading partner USA, from a liberal perspective Venezuela's prospects of success to break the US dominance in the region are low. Nevertheless Latin American countries are unwilling to subject fully to US hegemony and try to profit from the economic incentives of both sides. Thus economic interest does not seem to be sufficient to establish a hegemony fully and, again, the evaluation of Venezuela's chances of success along purely liberal lines is not complete. The underlying ideas that come with the economic incentives have to be regarded as well.

Neomarxist theory includes those ideational means into its concept of hegemony. Accordingly, in order to fully establish hegemony the underlying ideas have to be accepted as serving the universal interest by the subordinate countries. The US possess powerful ideational means: First

they established a strong neoliberal hegemonic bloc within their own country since the end of the 1970s and were able to expand their model to Latin America through international institutions such as the OAS, the IMF and the World Bank especially after the region's own development models lead into the Latin American debt crisis in the 1980s. Yet the neoliberal reforms in most of the countries did not have the expected positive effect for the majority of the population and thus the acceptance of the US model has begun to shrink since the mid 1990s. Chávez since then tries to establish and expand its alternative model of state interventionism and participatory democracy (socialism of the 21st century). He first established it in Venezuela, but has already expanded it with some success to other countries such as Bolivia, Ecuador and Nicaragua. Furthermore he promotes his model by forming alternative institutions such as the ALBA and the Banco del Sur as counterweights to the proposed Free Trade Agreement of the Americas (FTAA) and the US dominated institutions. Moreover, he frequently refers to common (Bolivarian) traditions in the region. Yet important countries such as Brazil and Chile react pragmatically to Chávez's model: They profit from the economic benefits for their countries but at the same time reject his model without criticizing it openly.

It is concluded that neither the US nor Venezuela possess sufficient ideational means that in addition to their economic and coercive means permit them to isolate the other side. Instead the countries of the region, especially Brazil, profit pragmatically from the economic incentives of both sides without subjecting fully to one of the two. Yet Venezuela's prospects of success to promote regional integration by ideational means are much lower than those of the US to fully reestablish their model in the region. Already nationally Venezuela's model is less stable than the US model and acceptance in the region seems to be lower as well.

All the above implies for the two country's foreign policy strategies, that, unless they offer ideas that provide solutions to the region's most urgent problems such as the severe social inequality and the lack of rule of law, their quest for hegemony or attempt to challenge the other one's dominance will not be complete.