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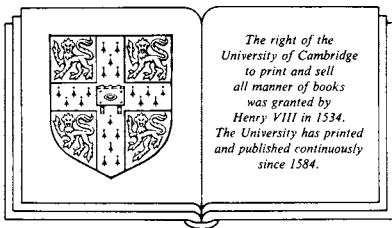
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# Britain and Latin America: a changing relationship

*edited by*

**Victor Bulmer-Thomas**

*Reader in Economics of Latin America,  
Queen Mary College, University of London*



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## Contributors

**David Atkinson**, Adviser, Latin American Region, Developing Countries Division, Midland Bank

**Peter Beck**, Reader in International History, Kingston Polytechnic

**Leslie Bethell**, Professor of Latin American History and Director of the Institute of Latin American Studies, University of London

**Victor Bulmer-Thomas**, Reader in Economics of Latin America, Queen Mary College, University of London

**Malcolm Deas**, Fellow of St Antony's College, Oxford

**Robert Graham**, Latin American Editor, *The Financial Times*

**Stephany Griffith-Jones**, Reader in Economics, Institute of Development Studies, University of Sussex

**Gerald Martin**, Professor of Hispanic and Latin American Studies, Portsmouth Polytechnic

**George Philip**, Reader in Latin American Politics, London School of Economics and Institute of Latin American Studies, University of London

**David Thomas**, Former Assistant Under-Secretary of State for the Americas, Foreign and Commonwealth Office

**David Webb-Carter** (Brigadier), Former Commander British Forces, Belize

**Laurence Whitehead**, Official Fellow of Nuffield College, Oxford

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## Preface

British relations with Latin America have fallen badly into disrepair. The deterioration in the relationship was brought home in spectacular fashion by the war between Britain and Argentina in 1982 over the Falklands/Malvinas, although the decline had begun many years earlier. Even before the First World War, it was becoming clear that Britain's exceptional influence in the nineteenth century – based on trade and investment – could not be sustained and the two world wars, together with the intervening depression, left the United States as the undisputed hegemonic power. Since 1945, British preoccupations with decolonisation on the one hand and the rise of Western Europe on the other have pushed Latin America even further towards the margin of official interest.

The reduction in British influence in Latin America was, of course, inevitable. British hegemony in the nineteenth century was based on the absence of commercial rivals able to provide the capital and goods needed by the newly independent republics. With the emergence of other capital-exporting countries before the First World War (notably France, Germany and the United States), the British monopoly declined and commercial competition led to a diversification of Latin America's trade and investment links. British influence remained strongest in the Southern Cone of Latin America (Argentina, Chile, Uruguay), but this position was further undermined by the debt defaults of the 1930s and the wave of nationalisations (including that of the Argentine railways) in the late 1940s.

From their low point at the end of the 1940s, British relations with Latin America have declined still further. This has not, generally speaking, been the result of conscious decisions by British or Latin American policy-makers. On the contrary, official pronouncements on both sides continue to speak of the need to maintain and, if possible, strengthen the existing relationship, while interest in Latin America on the part of the British public appears to be greater now than for several decades. Thus, the decline in the relationship raises several important questions: why did it occur, has it gone too far and will it be reversed in the 1990s?

These questions were addressed by the Latin American Study Group (LASG) at the Royal Institute of International Affairs (Chatham House) throughout the academic year 1987/8. The Study Group, formed in 1982,

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brings together specialists on Latin America from the fields of higher education, journalism, commerce and finance; in addition, the Study Group enjoys a close relationship with the Foreign and Commonwealth Office (FCO), as well as other government departments, giving it insights into official thinking and recognition of the problems faced by policy-makers in the real world. The LASG provides one of the few opportunities in Britain for specialists from different disciplines and backgrounds to meet to focus on problems of common interest and it was therefore felt to be the ideal forum for a study of British relations with Latin America. In addition to the core group (of approximately twenty members), other specialists were invited to the monthly seminars according to the issue under consideration. Thus, over the year some fifty people participated in the work of the Study Group, giving rise to a useful exchange of ideas and information.

The Study Group's first task was to define Latin America. Following decolonisation in the Caribbean, several English-speaking former colonies (for example, Guyana, Jamaica and Trinidad and Tobago) have joined regional institutions such as the Organization of American States and the Inter-American Development Bank, breaking down traditional barriers with Latin America and leading to the adoption of common positions on a number of issues of regional concern. It became clear, however, following a seminar on this subject to the Study Group given by Roberto Espindola (of Bradford University), that this trend was not yet sufficiently strong to justify treating these independent countries as part of Latin America; at the same time, the continuation of their close economic, political and cultural ties with Britain (even stronger in the case of the remaining dependent territories) did not appear to provide a source of friction with Latin America. Thus, the Study Group concluded that the English-speaking Caribbean does not as yet have any significant impact on British relations with Latin America and the same was true *a fortiori* of the Dutch-speaking countries and the French *départements d'outremer*. The Study Group therefore worked with a traditional definition of Latin America, involving all the mainland republics together with Cuba, the Dominican Republic and Haiti, although in our analysis of territorial disputes and the trade in illegal drugs it has obviously been necessary to consider a number of English-speaking Caribbean states. Puerto Rico, because of its special relationship with the United States, was also excluded.

The Study Group also faced a problem of what time-horizon to adopt. All members agreed that a primary concern should be the evolution of British relations with Latin America in the 1990s. At the same time, it was recognised that it was not possible to write intelligently about the future without a clear understanding of the past. Generally, contributors interpreted 'the past' as post-1945, although in some cases it was possible to begin the story much later. The first chapter (by Leslie Bethell) has also been devoted to an overview of British relations with Latin America from the time of the struggle for independence in the early nineteenth century to the end of the Second World War.

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Thus, the book examines the changing relationship between Britain and Latin America with much of the emphasis on future prospects.

In relations between states or groups of states, there are bound to be sources of friction and British–Latin American relations are no exception. The Falklands/Malvinas dispute has become the bone of contention with the highest profile in recent years and the Study Group could not fail to address it. The traffic in illegal drugs, however, is also a potential source of friction of great concern to government officials and ministers, many of whom have no special interest in Latin America; the overlapping claims to sovereignty of Britain, Chile and Argentina in Antarctica warranted the attention of the Study Group in view of the outcome of other territorial disputes in the South Atlantic. These three issues – Falklands/Malvinas, drugs, Antarctica – have been brought together in Part III of the book under the heading ‘Sources of friction’. Trade disputes – increasingly important – are discussed in the economics chapters (Part II) and the Conclusions (Part IV). The border disputes involving former British colonies (Belize with Guatemala and Guyana with Venezuela) are no longer major problems in British relations with Latin America; they are discussed at several points in the book, but the Study Group did not feel they warranted special treatment.

Environmental questions have also grown in importance in recent years and could become a source of friction in the 1990s. At present, the issues (such as the destruction of tropical rain forests in Amazonia) are primarily of concern to Nongovernmental Organisations (NGOs), but public interest is such that the British government may feel compelled to give the environment a higher priority in its relations with certain Latin American states in the future. Environmental questions are discussed at a number of points in the book, particularly in chapters 3 and 10.

The Study Group explored several areas which were believed *ex ante* to be of importance, but which turned out *ex post* to be of only limited interest. One area was Britain’s role as an international centre for commodity trading, which was explored by Carlos Fortín of the Institute of Development Studies at the University of Sussex; Latin American involvement in the London commodity markets is rather minor and Carlos Fortín concluded that ‘involvement in futures markets follows the path of physical trading, and here the general trend is one of Latin American commodity export markets continuing to shift from Britain and Europe generally towards the United States, Japan and the newly industrialising countries’. Another area examined was that of British communities in Latin America, among which the best known is the Anglo–Argentine. Eduardo Crawley (editor of the *Latin American Newsletters*) was forced to conclude, however, that these communities did not offer much immediate prospect for improved relations between Britain and Latin America, although he did feel that the ‘second generation’ – assimilated offspring of the old local British community – could eventually act as ‘aides or mediators in the construction of new, more mature links across the Atlantic’.

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The Study Group gratefully acknowledges financial support from the Inter-American Development Bank, whose representative in the UK, Hector Luisi, has consistently encouraged the Group and stimulated its debates over the years. The Study Group has also received excellent support from Chatham House, where Lucy MacDermot organised all the meetings and acted as rapporteur. As convenor of the Latin American Study Group and editor of the present volume, I would like to express my gratitude to the chairman of LASG, David Thomas, whose premature retirement as Assistant Under-Secretary of State for the Americas at the FCO has been their loss and our gain.

VICTOR BULMER-THOMAS