

# Political and Economic Consequences of the U.S. Policy in Latin America

Nika CHITADZE\*

Nani CHEISHVILI\*\*

## Abstract

The paper explores the US policy in Latin America from the first half of the XIX Century till the modern period. US always had its geopolitical, geo economic and geostrategic interests in Latin America, but the strategy and tactics of the official Washington`s policies in the region differed from each other, for example, during the “cold war” and after of the “cold war” period. The changes of the US policy were depended on those political realities, which existed in Latin America during the different period of the modern world history.

Important part of the research is dedicated to the current socio-economic and political situation in Latin America, taking into consideration the US impact in this region.

**Keywords:** Democratization, Geopolitics, intervention, Latin America, USA

## Introduction

The U.S. policy of democracy enlargement in South America, Central America and Caribbean Basin Region has consisted of supporting authorities that are favorable to the democracy and free market economy development. It is no doubt that Official Washington, together with the supporting the democratic values abroad, had and has its own interests, especially in the near abroad – in Latin America. For example, famous American political analyst J. Muravchik in his research mentioned, that the more democratic the world is, the US has friendlier environment. How the more democratic the world is, the more peaceful it is (Muravchik, 1991).

According to T. L. Diebel, the spreading of the American values and supporting the democratic processes sometimes means the interference in the internal affairs of other states (Diebel, 1992).

Thus, while the U.S. requires to have a tradition of “promoting democracy” in Latin America, the White House considers, that the democratization process will be positively reflected on the interests of both sides, USA and Latino American states. Besides, in several cases, U.S. assistance for Latin American authorities, first of all during the “cold war” period coincided with convenient economic policies rather than with the strength of democracy. For example, in several cases – first of all during the “cold war” period to support by US some non-democratic regimes in Latin Amer-

ica, but at the same time to support the principles of market economy in several states of this region. One of the clear examples is Chile under the Pinochet regime within the period 1973-1988. From historical point of view, the protection of resources for exploitation together with the economic support (one of the methods of “soft power” policy) has been one of the basic purposes of U.S. policy in Latin America. The examples of the history of U.S. cooperation with Latin American countries in most of the cases affirms that the promotion of democracy was coinciding to economic and social factors. Relations between the U.S. and Latin America show that the U.S. has used democracy promotion for the further strengthening of the statehood and socio-economic development of the Latin American states. At the same time, this action was promoting the strengthening of the geopolitical positions of USA in Latin America. But in general, since the mid-1980s, international community became the witness of a wave of democratization in Latin America and strengthening the principles of the free, market economy.

According to several experts, U.S. relations in Latin America since the end of the Cold War reveal that the U.S. is merely changing its methods of establishing U.S. friendly governments by promoting low-intensity democracy.

William I. Robinson, professor at the University of California, describes this version of democracy - elite rule pro-

\* Affiliated Professor, Director of the Center for International Studies, International Black Sea University, Tbilisi, Georgia.

E-mail: nchitadze@ibsu.edu.ge

\*\* Ph.D. Candidate, Faculty of Social Sciences, International Black Sea University, Tbilisi, Georgia. E-mail: nani.cheishvili@gmail.com

moted by the U.S. as a polyarchy. A polyarchy is a system in which a small group controls power, the elites select the leaders and the masses participate merely by choosing among them. An enlightened class of elites rules on behalf of the ignorant and unpredictable masses (Robinson, 2007). This form of democracy promoted by the U.S. does not stress rule by the people but rather competition among elites for the people's vote. This system of elite rule is effective in containing and defusing pressure for popular social change by creating a sense of legitimacy. It is thus a stable form of domination that provides a political environment suitable for globalization (Robinson, 2007).

At the same time, when governments within several Latin American states ignored the democratic principles and norms and have threatened U.S. and International Democratic Community interests, the U.S. was forced to be intervened to undermine and attempt to overthrow these authorities (examples of Panama and Haiti).

**Purpose and tasks of the research.** The purpose of the research is interrelated to the analysis of the main geopolitical, geo-economic and geostrategic interests of USA in Latin America, history of the relations between USA and several Latin American states, the main reasons of the more intensive involvement of official Washington in political, social and economic affairs, which were going on in the Latin American Region, the main impact of the US involvement in the region, regional cooperation initiatives etc.

**Hypothesis.** After the adoption of "Monroe Doctrine" in USA in 1823, when White house focused its interests toward the Latin America, official Washington used different methods of involvement in this strategically important region, starting from the economic assistance and putting investments, implementation of strategically important projects (for example construction of Panama channel in 1914 etc.) and ending with taking the radical measures – particularly military intervention, especially during the "cold war" period for preventing the spreading the communist and socialist principles in the such region, which represented the territory of the special interests of USA.

Despite the fact that in some cases USA was forced to support sometimes non-democratic, even military regimes in Latino America, finally – in long-term perspectives, the US involvement has mostly positively reflected on the national interests of Latin America and provided further democratization and socio-economic development of Latin American States.

**Methodological base of the research.** Important role in the construction of the research methodology played the theory of International Relations itself: approaches, having been worked out in the framework of the school of realism and neo realism. In this theoretical frame, the private methods of the research have been already used: on the first stage the method of the analysis of the scientific publication on this thematic, collection of the historical events and other

materials, etc. Later, the problematic-logical method of the data analysis was used with the purpose of the presenting the analysis of the consequences of cooperation between USA and Latin American states.

**The findings of the research are** connected with the complex review of the geopolitical importance of the Latin America in the World politics and role of USA in the process of democratization of the region. Particularly:

1. There are deeply analyzed the main approaches of USA in the process of democracy enlargement in the different region of the World, especially in Latin America; For example, activity of NED (National Endowment of Democracy) – which is funded by US Department of State, within the process of liberalization and democratization on the global level;
2. There are reviewed the various concrete historic cases of the US involvement in socio-economic or political processes of the different states of Latino America during the concrete period of history;
3. It is presented the comparative analysis of the different cases, related to the processes in various countries of Latin America as a result of US engagement;
4. The main principles of the regional cooperation on the example of several international regional organizations, which are functioning in Latino America, have been analyzed and presented.

### **Main approaches of the US Support of Democracy**

The implementation of democracy enlargement process includes three levels. The first level consists of the highest levels of U.S. authorities such as the White House, the State Department, the Pentagon and the Central Intelligence Agency. Within this level is being considered whether political involvement in favor of democracy protection is necessary in a concrete state. Huge amount of finance resources is released and then allocated to a second layer of U.S. institutions and agencies like United States Agency for International Development (USAID, 2018) and the National Endowment for Democracy (NED) along with related groups. These institutions promote the strengthening the civil society in particular states, for example, implementation the reforms in the different fields – politics, economy, legal sector, culture etc. NED releases the grants for the concrete non-governmental organizations, mass-media means, educational and research institutions, student's and local communities etc. One of the main requirements by NED, is, that the organizations, which apply with the appropriate project proposal for the gaining a grant, should be independent and nonpartisan and not be associated with political parties.

The foundation of the NED in 1983 by President Reagan was important step toward the support of organizations, which were fighting for the providing the protection of hu-

man rights and superiority of law in their countries, especially when those states were in transition period (NED, 2018). Its determined purpose was to strengthen democratic institutions and movement around the planet by the agency of nongovernmental efforts.

Together with NED, US State Department releases the funds, which are transferred to the US Embassies in the different regions of the world for the supporting the initiative "US Embassy Small Grants Program" (Fund for NGO-s, 2018), when U.S. diplomatic missions abroad cooperate with the local civil society organizations by the agency of making announcement for the grant competition and consideration of the concrete project proposals.

### **History of the relations between USA and Latin American States**

The policy of democracy promotion was used to legitimize U.S. intervention (using "soft" or "hard" power) abroad. Considering the history of U.S. foreign policy approaches in Latin America, some authors try to justify this hypothesis. In early relations between the U.S. and Latin America countries, when Latin American states gained the national independence from Spain and Portugal (in case of Brazil), promoting democracy was not a key priority for USA. Official Washington was more focused on economic and security issues. The period from 1820 to 1889 was characterized by U.S. isolationism (exception is case of Mexico) (Legner, Leane, Boniface, 2007). The U.S. avoided participation in agreements or interactions in Latin America. In the late 1800s U.S. interaction with Latin America increased due to a greater emphasis on economic issues. The U.S. dominated Latin American relations and took the lead in bringing Latin American States together to avoid conflict and promote trade. The Roosevelt Corollary, an addition to the Monroe Doctrine, would permit the U.S. the chance to intervene in Latin America affairs in cases of instability (Legner, Lean, Boniface, 2007). The U.S. utilized this concept to justify a monopolistic right to dominate the region of Latin America. Taft, US President from 1909 to 1913, took into consideration the Roosevelt Corollary by intervening in Nicaragua and Honduras with the purpose to restore order and stability after military coups (Scholes, W. Scholes, M. 1970). The foundation and defense of constitutional democracies in Latin America was reviewed to be a basic concern of the White House during the Wilson administration. On the matter in fact, this policy was used to disguise its true intentions, strengthening security and enlargement markets. In 1915, President Sam's government collapsed in Haiti. The U.S. deployed the Armed Forces and put in place policies to provide stable environment. The U.S. forced the new Head of State of Haiti, Philippe Dartiguenave to sign agreement to ban Haiti from public debt growth without U.S. approval. An amendment to this document in 1918 underlined the necessity of U.S. approval of all legislation. Haitians resented these policies however for encroaching upon national independence (US Department of State, 2010). Furthermore, the U.S. maintained a military deployment in Cuba within

the period 1917 –1923 (Chadwick, 2010). U.S. commanders intervened by managing Cuban national finances. After the assassination of President Cáceres in 1911, North Americans started the military operation in the Dominican Republic to subdue unrest (Thought Co, 2015). Dominicans considered the US involvement with hostility and established the guerrilla resistance forces against Northern Neighbors.

Within the period 1923 and 1933, White House policy towards Latin America experienced a transition. Hoover rejected the Roosevelt Corollary, going so far as to point out, "true democracy is not and cannot be imperialistic" (Legner, Leane, Boniface, 2007). American attempt was focused on the acceptance the principle of nonintervention. The consequences of this approach was the period from 1933 to 1948, which can be characterized as the Good Neighbor Policy (Legner, Leane, Boniface, 2007). Despite the Washington policy toward an improvement in relations, the weakness of the state institutions in most of the Latino countries could not create an appropriate condition for the democracy promotion. At the same time, it should be recognized, that due to the world economic crisis, and later involvement of America in World War 2 and taking the responsibilities by the Official Washington after World War 2 to prevent the communism expansion in the different regions of the World, US Good Neighbor Policy was not so effective to prevent the dictatorships in Latin America within this period. For example, Rafael Trujillo, the dictator of the Dominican Republic, had used brutal repression to assert control over all Dominican territory and prevent and potential threat to his regime. The most brutal use of repressive force by Trujillo was the massacre of between 5,000 and 12,000 Haitians in October 1937 (Legner, Leane, Boniface, 2007).

The White House did its best to consolidate democracy in Nicaragua with the support of the conducting elections in 1947. Despite this attempt, the Somoza family succeeded in maintaining their grasp on power and Anastasio Somoza managed to overthrow the elected authorities returning Nicaragua back to dictatorship. This failure in Nicaragua hindered further enlargement of democracy in the region (Diedreich, 1981).

The new headache for USA in the region represented the fact, that after World War II, the distribution of communism emerged as a threat to U.S. geopolitical and economic interests. Throughout Latin America, a growing tide of nationalism emerged. Several Latin American leaders and representatives of political elite considered the US action as a neocolonial policy, which was the cause of underdevelopment and sought control of natural resources and self-determination. Meanwhile, Washington's position, especially after the establishment of Breton Woods system and GATT (General Agreement on Tariffs and Trade) within the period of 1944-1947 was focused to promote a world economic system based on free market economy, free entrepreneurship and trade, creating the convenient base for the investment that would benefit to the integration processes in the world and would be positively reflected on the interests of many states and companies (WTO, 1994).

From its turn, the critics of US policy, for example Noam

Chomsky argues that communism represented a threat to the exploitation of valuable resources from the third world required to foster the development of the U.S. economy (Chomsky, 1991). But from the other side, the situation was more complex considering the U.S. has intervened in countries with few valuable resources. On the global level, during the political, economic, military, ideological confrontation with the Soviet Union, the U.S. considered to contain Soviet ideological and geopolitical domination by intervening to neutralize communist movements. Within the "cold war" period, despite the desire from American side, the promotion of democracy became a secondary objective on the way of preventing communism. Once President Kennedy recognized, that while the U.S. preferred democratic regimes, given the choice between a Trujillo and a Castro, the U.S. would choose the Trujillo (Chomsky, 1991). Anyway, the U.S. took whatever measures necessary to fight with communism expansion, corruption etc. however, taking into account the realities of the "cold war", official Washington was forced sometime to cooperate with dictators. From the other side, those dictators regimes supported the principles of market economy, as for example of Chile under the Pinochet regime.

From the critics side, some experts often presented as an example of US "Imperialist policy" the position of the George Kennan, famous U.S. diplomat and author of the policy of containment, who argued that harsh government repression should not worry the U.S. so long as policies were favorable to U.S. interests (Kennan, 1954).

In 1950, a threat to the development of market economy emerged in Guatemala. Jacobo Arbenz, a leftist political activist was elected on the post of president of Guatemala. As a head of the state, Arbenz granted new rights to workers and indigenous people and enacted an agrarian reform. The government purchased unused lands and redistributed it to landless peasants, a policy that contradicted the principles of free market economy. At the same time, it should be recognized, that agrarian reform of the state authorities affected the United Fruit Company too, which represented the largest landowner but at the same time most important investor in Guatemala. In 1954, with the authorization of President Eisenhower, the CIA organized the overthrow of Arbenz. His overthrow demonstrated that the U.S. would intervene against antidemocratic measures in the field economy, those steps, which was opposed to western interests (McSherry, 2005).

The Cuban Military coup in 1959, removing U.S. ally Fulgencio Batista, created the base for the new social movements across Latin America. The Washington desire was the prevention of another Cuba from emerging in Latin American states, which had to be in the interests of those countries from this region themselves and feared the election of pro-Marxist leaders in other Latin American states. Within the period of 60-80-th of the last Century, the U.S. bolstered the military units throughout Latin America to eliminate leftist ideas and forces. These militaries sought to demobilize politically active ultra-leftist groups and movements that conducted the active propaganda in the population, first of all desinformation, very often with the support of soviet communist party, about the expectation of the great

future of the concrete country, based on the principles of socialism and communism. Of course, before the political elite of USA and other democratic states existed the examples of the central and eastern Europe, where, as a result of Soviet geopolitical and ideological expansion and after the establishment of communist regimes, population of those states suffered from the dictatorships (Legner, Leane, Boniface, 2007). There were examples of the bloody interventions of the soviet forces in case of Hungary in 1956 and Czechoslovakia in 1968, which caused the victims of hundred peoples, who required democracy and providing the protection of human rights (Janek, 2017).

The are other clear examples of the US active policy in Latin America within the second part of the XX century. Particularly, In Colombia, the White House released the finances for the military efforts by the Colombian authorities to repress the terrorist group so-called "Columbian Revolutionary Army", which controlled the significant part of this country and by the implementation the different types of illegal actions resisted the neoliberal policies. For instance, The U.S. trained and equipped the Colombian military in the same counterinsurgency strategies that would later be used in Operation Condor (Legner, Leane, Boniface, 2007). In 1959, a U.S. military advisory team visited Colombia to develop a modern internal security infrastructure. The U.S. helped develop and organize Ranger commandos similar to Special Forces units, a new structure for domestic intelligence, and new PSYWAR and civil action units to aid Colombia in counterinsurgency efforts. In the 1970s, the U.S. supported Operation Condor, the transnational action against pro-Marxist and ultra-leftists forces. The militaries used a complex system of command, control and intelligence. The U.S. sponsored the program, providing organization, intelligence, financial, and technological assistance. The U.S. promoted the development of the counterinsurgency programs throughout the developing world during the 1960s as a strategy to secure social control and maintain stability. For the providing peace and preventing communism expansion, the Special elite units were formed with the assistance of U.S. personnel. They conducted active operations against domestic radical ultra-leftist forces which were designed by the CIA. The CIA provided powerful computers to the Condor system and helped set up computerized links between intelligence and operations units of the six Condor members. The communication system used by Operation Condor, Condortel, was linked to the U.S military intelligence complex in Panama. It allowed member countries to communicate with one another and with U.S. intelligence (Legner, Leane, Boniface, 2007).

Another examples of U.S. policy in Latin America were connected with the Presidency of Lyndon Johnson, particularly from 1963 to 1969, USA provided military assistance to anticommunist dictators such as Stroessner in Paraguay and Somoza in Nicaragua. Under Johnson, the U.S. interfered in the politics of the Dominican Republic (Legner, Leane, Boniface, 2007). Particularly, in 1963, John Bosch was elected president, but was removed shortly thereafter by a military coup. A countercoup in 1965, sought to restore two years before the elected president John Bosch to power as a result of a U.S. military intervention of 23,000

troops (Chomsky, 1991). The U.S. justified this action as a peacekeeping operation, but at the same time it was also connected with US interests related to protecting its investors abroad from the spread of communism. During the Cold War, the U.S. intervened in Chilean politics, to prevent social change and economic nationalism. First, the U.S. played a pivotal role in preventing the election of socialist Salvador Allende in 1964. While much of the information is still classified, it is clear that the U.S. played an active role in the election of 1964. The election of 1959 had been a very close contest and Allende had nearly been elected. The U.S. wanted to assure that this would not happen in 1964 and provided approximately \$4 million to help get Eduardo Frei of the Christian Democrat Party to be elected. Perhaps most glaring is that the U.S. spent \$3 million on an enormous anti-Allende propaganda campaign. The U.S. sought to draw upon the fears of Chileans as it had in the Dominican Republic, conducting a scare campaign associating Allende with communism and Soviet Union. To direct Chilean voters away from Allende and toward Frei, the CIA propaganda group distributed 3,000 anticommunist political posters produced twenty-four radio news sports a day and created twenty-six weekly news commentaries. Because of such operations, Frei was elected with an overwhelming majority of 57 percent of the population. The next election, in 1970, would be hinged on the success of the Frei administration (Kornbluh, 2004). The U.S. initiated an extensive program of economic, military, and political covert assistance to the Frei administration, making Chile the leading recipient of U.S. aid between 1962 and 1970. The aim was to provide social and economic development that would motivate the voters to participate at the elections in favor of Frei. The CIA continued covert operations to strengthen the Social Democrats and undermine Allende, spending \$2 million between 1965 and 1970. Despite of this fact, on September 4th, 1970, Allende became the first socialist to be elected president in the Western Hemisphere (Gilbert, 2008). The U.S. administration was understanding, that the possible orientation of Chile toward USSR and weakening the principles of free market economy would be negatively reflected on economy of Chile and would create the negative precedent for the other countries of Latin America. Especially when it was the example of Cuba, where this country was functioning under the communist leadership since the military coup in 1958. Thus, The CIA collaborated with the International Telephone and Telegraph, the third largest U.S. conglomerate in Chile, to undermine Allende. They denied multilateral loans to Chile via international financial institutions. Furthermore, The U.S. cut off bilateral and multilateral economic support to Chile, which was highly dependent on financial, industrial, and commercial relations with the U.S. Flexing its influence in the World Bank and other international financial institutions, the U.S. also delayed action on pending Chilean loans and disqualified Chile from future loans. At the same time, prior to Allende's election in 1970, International Development Bank loans totaling \$46 million had been approved but only \$2 million were approved during the entirety of his presidency. The World Bank had approved \$31 million in loans during the Frei government between 1969 and 1970 but not a dime was lent between 1971 and 1973. Bilateral U.S. assistance from AID dropped from \$110 mil-

lion between 1968 and 1970 to \$3 million between 1971 and 1973. In August 1973 another \$1,000,000 was provided to continue covert efforts to strengthen opposition political parties and private sector organizations opposed to Allende (Kornbluh, 2004).

In August 1971, the CIA sent a detailed list of officers that "strongly opposed the present regime" to Washington. Intelligence reports gathered on these pro-coup officers led to an agreement that General Augusto Pinochet would lead the coup. During a meeting in Panama with Pinochet to negotiate the transfer of U.S. tanks to the Chilean army, Pinochet was given the message that the U.S. would support a coup against Allende, with whatever means necessary. On September 11th 1973, the CIA completed its mission to overthrow the Allende government, ending a socialist ruling in Chile and from one side installing a military dictatorship in Pinochet but to promote the strengthening the principles of market economy from the other side. General Pinochet would come to be a close anti-communist ally of the U.S. After the coup, the Nixon administration quickly provided overt assistance to help consolidate the state institutions. Bilateral and multilateral economic assistance to Chile was subsequently restored. The U.S. provided Chile with commodity credits and grants that had been previously denied to the Allende government. Loans from the World Bank and International Development Banks rapidly returned to levels prior to the Allende administration. U.S. support for Chile since 1973 reflects the policy of the U.S. during the Cold War, while democracy was preferable, but in several cases the U.S was forced to support those dictatorships, which would ensure that free entrepreneurship would be provided (Gilbert, 2008).

In the framework of US policy during the Cold War, the several changes in US tactics have been held under the Carter Administration. It was done the significant efforts to promote democracy criticizing the support of previous administrations for authoritarian regimes and linking U.S. assistance to the protection of human rights (Legler, Lean, and Boniface, 2007).

Together with the coming of new administration in USA in 1981, It appeared that White House policy towards Latin America and other regions of the World would change under the Reagan administration but instead it remained largely the same. The Reagan Doctrine proposed giving legitimacy to governments in case of their conformity with democratic practices. Particularly, in 1983, Reagan took military action in Grenada to overthrow the government when an orthodox socialist faction took power. Reagan also defied democracy through the support of the right wing government in El Salvador, providing \$700 million in military and economic aid (Legler, Lean, and Boniface, 2007).

In the 1980s, U.S. strategists realized that the old forms of rule were no longer viable in the maintaining global order and recognized that it would be necessary to intervene before ruling elites were overthrown by democratization movements (Robinson, 2007). U.S. policy shifted from outright promotion of anti-communist dictatorship in several countries of Latin America region towards a U.S. friendly model of democracy. This shift is best exemplified by a dramatic

increase in democracy related foreign aid from \$20 million in 1980 to \$2 billion in 2006 (Robinson, 2007). The U.S. took into consideration the necessity to preempt fundamental social change by promoting low-intensity democracy with the purpose of the strengthening democratic institutions in long-term perspectives. One determination of democracy is the level of the society involvement in public affairs and decision-making process of the authorities. In this regard, the U.S. has adopted a strategy that undermines democracy by attempting to shape the opinions of Latin Americans and increase the political culture. But, under the conditions of the weakness of democratic institutions, these signs of thought control make sure that only those in power and those they serve play a meaningful role in society. These low intensity democracies, while realizing important political gains in reducing the military's power as a separate institution and providing greater individual freedoms, fail to address the extreme social inequalities within Latin American societies (Aviles, 2006). The extent to which the U.S. recognizes democracy is limited to only correct elections and a constitutional order. Important aspects of democracy such as government accountability and protections for rights and freedoms are unnecessary. The transition to democracy in Latin American countries represents a conversion to an alternative form of elite rule, characterized by a strong executive body, more than a consolidation of democratic practices (Aviles, 2006). William I. Robinson, professor at the University of California, describes this version of elite rule promoted by the U.S. as a polyarchy. A polyarchy is a system in which a small group controls power, the elites select the leaders and the masses participate merely by choosing among them. An enlightened class of elites rules on behalf of the ignorant and unpredictable masses (Robinson, 2007).

Despite the fact, that according to several specialists, this form of democracy does not stress rule by the people but rather competition among elites for the people's vote (Robinson, 2007) and under this model of democracy, economic policies are made by technocrats that have endorsed the policies of neoliberalism or have connections to the international financial institutions that represent the interests of transnational corporations (Aviles, 2006), during the "cold war" period the promotion of such type of democracy instead of dictatorship was progressive step toward the further strengthening of the democracy institutions in the middle-term and long-term perspectives.

Other important challenge for USA in Latin America was the events in Nicaragua, when against leftist guerrilla Sandinista government came to the power in 1979. Reagan provided funding to the Contras against pro-Marxist group. After 10 years period, when Soviet government cut off the funding of socialist government in Nicaragua, the later one was forced to organize the free elections. Before the elections, the White House announced that the result of elections would determine the further relations between USA and Nicaragua. (Legler, Lean, and Boniface, 2007).

Later events in Chile was another U.S. effort in promoting low-intensity democracy in Latin America. It should be recognized, that The White House had provided consistent support to the Pinochet regime after assisting him to overthrow President Allende. Reagan administration realized in

1985 that it was period to bring an end to the regime, activity of which (despite the economic success) contradicted with the principles of democracy. Thus, between 1985 and 1988, the Washington promoted the activation on political arena the elite opposition. The U.S. helped the establishment of the strong opposition alliance that ran against Pinochet in the 1988 elections. About \$3 million in funds were released by the USAID and the NED to U.S. consultants' advisors to carry out U.S. campaign techniques. They were the initiators of the coalition's campaign and its media advertisements using new communications technology and the different mass media means. As a result of U.S. involvement, the moderate opposition was strengthened and the leftist political forces, which had led the opposition movement until then, was marginalized. A successful strategy to unify the opposite political forces was making unification a condition for U.S. aid and promoting democracy in this South American country (Robinson, 1992).

Panama was one more example, where U.S. promoted low-intensity democracy. After the death of Torrijos in 1981, Manuel Noriega, during this period U.S. partner become the president. At the first stage, the U.S. considered the Noriega as a reliable politician. But later, the CIA determined that Noriega was supporting the illegal trade of drugs, when Panama became the country, which supported the narco transit. Thus, U.S. has changed its policy toward the Noriega regime, particularly, White House started to use economic sanctions, and finally was forced to implement military invasion to end the regime. Later, the representatives of intellectual elite came to power after the invasion (Schwaller, 2008).

### **U.S. Policy in Latin America in post-cold war period**

In the Post-Cold-War period, the U.S. has three main policy interests: Promoting further democratization in the different regions of the world resulting from the end of the cold war; to ensure its technological supremacy, and to create an economic environment favorable to American and local business together. After the Cold War, the strategy of promoting U.S. political and economic purposes changed. The disintegration of the Soviet Empire and world communist system eliminated the only alternative to capitalism, bringing about the universal acceptance of free market economy and democratic principles throughout Latin America. As a result of this embrace of U.S. friendly democracy, intervention for the preventing the expansion of Marxist ideology etc. was unnecessary, but the White House was going on to continue the providing its political and economic interests in the region. U.S. strength and security depended on unimpeded access to crucial resources for manufacturing and free access to Latin American markets for U.S. products, putting investments in the different sectors of economy of Latino American states and foundation of Joint stock companies with participation of U. S. and local companies, based on the bilateral interests of USA and concrete partner country from Latino America. On the global level, the U.S. has pro-

moted the enlargement of neoliberal policies by the agency of free trade agreements and its role in international financial institutions such as the World Bank Group, the International Monetary Fund and the World Trade Organization.

U.S. has supported low-intensity democracy in Latin America to protect bilateral interests. For instance, The U.S. infiltrated Colombian society to create a U.S. friendly ally. In 1989, President Bush Sr. declared the war on drugs. Despite the fact, at the last stage of the "cold war", particularly within the period of 1985-1988 drug use had declined by 37 percent, it still represented the huge problem not only for Latino America or USA, but for the whole world. During the 1980s and 1990s the U.S. required the Colombian authorities to strengthen its police, security and military forces to fight the war on narcotics. The Bush Sr. administration claimed that military assistance to the Andean region was consistent with promoting democracy because it was necessary to "defend democracy from the new slayers of the democratic dream—the narcotraffickers and drug cartels that poison our children" (Avilés, 2006). With the purpose of defeating the influence of narco barons in the region, Plan Colombia was determined. According to this plane, in 1998 \$7.5 billion for project development was approved. The U.S. has provided Colombia a mostly military aid package with the stipulation that the Colombian government support the U.S. war on drugs by trying to eliminate cocaine production. An about \$1 billion of the U.S. aid has been dedicated to increase the defense capabilities of this South American country (Avilés, 2006). Furthermore, another objective of U.S. military assistance to Colombia together with elimination the drug trade was to destroy terrorism activities. Thus, the U.S. has provided not only aid but also technical assistance to the Colombian air force to foster an effective terrorist camps bombing campaign (Mondragón, 2007). Since September 11, 2001 terrorist attack in USA, military aid from the U.S. to Colombia has increased via Plan Colombia. Between 2002 and 2003 U.S. training of Colombian military officers doubled (Avilés, 2006). But, peace negotiations between the Colombian government and the terrorist group "Columbian revolutionary army" have broken down. The U.S. recognizing the "Columbian Revolutionary Army" as the most dangerous terrorist group in the western hemisphere.

Under the U.S. support, Colombian president's Uribe administration has been a model of the low-intensity democracy that the Washington has promoted in Latin America. President Uribe received his education at Harvard University. Technocrats and members of the Colombian elite hold all the power in the Colombian government. Uribe has maintained the neoliberal policies of his predecessors despite a 33% increase in military spending between 2001 and 2004 (Avilés, 2006). He has been an active supporter of Free Trade and working towards a bilateral free trade agreement with the U.S. and multilateral trade agreements with other countries of Latino America.

The U.S. gained success in promoting this low-intensity democracy in Mexico as well. The 1988 election in Mexico was a close race between a leftist, Cuauhtémoc Cárdenas and Carlos Salinas, a U.S. friendly candidate running under the ruling party of the PRI. The PRI had a history of using

fraud to maintain power. When Salinas gained the victory, he became a key U.S. ally. The Salinas administration fit the mold of a low-intensity democracy. Salinas was part of the technocratic elite in Mexico. He came from an elite background in which his father served as Minister of Industry and Commerce and his mother was a founder of the Mexican Association of Women Economists. He had studied at the National Defense University and became a favorable student to future president Miguel de la Madrid who embraced capitalism. Salinas studied at Harvard earning two master's degrees, one in economics and second in administration. The Salinas government was very favorable to western economic interests. He initiated to privatize state-owned sector and encouraged the attraction of foreign investment and create an economic platform around exportation. He promoted regional cooperation by signing of NAFTA with the U.S. and Canada. As a result, the Mexican economy started the rapid development. The governments of Vicente Fox and Felipe Calderón have also fit this model of low-intensity democracy. Calderón has agreed to the Méridia Initiative otherwise known as Plan Mexico, a \$1.4 billion aid package that has many similarities to Plan Colombia. To help fight the war on drugs, it contains "direct donations of military and intelligence equipment, and training programs for Mexican law enforcement officials" (Gilbert, 2008).

The similarities between these Mexican administrations and the Uribe administration are numerous. All of these presidents come from elite backgrounds, even studying at American universities. They are strong proponents of neoliberal policy and free trade.

The democratic regime of Jean-Bertrand Aristide in Haiti has frequently been the target of U.S. democracy promotion. Between 1986 and 1990, Haiti's poor majority rose up against the dictatorship of Duvalier and the elites that tried to maintain power after his overthrow. The U.S. commenced an enormous democracy promotion campaign to support the intellectual elite of the country and welcomed the new political force coming in power in the elections of 1990. Aristide, a liberation theologian, gained the victory at the election but was overthrown just a year later in a military coup. Aristide managed to return to power in 1994 after a U.S. involvement in the process, when White House decided to deploy the troops in Haiti and the former U.S. President Jimi Carter conducted the negotiations with militaries of the country to recognize the power of Aristide - the person with liberal views, who was speaking five foreign languages. For the democracy promotion and providing the political balance, the U.S. continued to support elite opposition from 1994 to 2004 through NED and USAID, particularly civic and political organizations in opposition to Aristide's Lavalas Party (Robinson, 2007). Presidency of Aristide was ended on February 29th 2004.

It is also interesting to observe the situation around those Latino American countries, which conduct the anti-U.S. policy in the region. One of the clear example is Venezuela, where in 1998 as a result of the presidential elections, on the post of the President - leftist oriented politician, Hugo Chavez was elected.

U.S. interests was to strengthen the opposition parties

and civil society in this oil-producer state. Concrete program included the funding of political parties looking with liberal orientation. The NED played an increased role in Venezuela. From 2000 to 2001 the NED's budget in Venezuela quadrupled to more than \$877,000 (Gilbert, 2008). Funding was distributed to any organization, which supported the democracy promotion in Venezuela. A grant of \$55,000 was delivered to the Asamblea de Educación that worked on opposing all Chávez education policy. A report titled "US policy Toward Venezuela: November 2001- April 2002" divulged that during this six-month period, "NED, the State Department, and DOD provided training, institution building, and other support programs totaling \$3.3 million to Venezuelan organizations and individuals". Those that were receiving the money were part of the opposition movement against the antidemocratic regime of Chávez. The NED helped fund the International Republican Institute, the international branch of the Republican Party. In 2001, a grant with volume of \$340,000 for "Strengthening Political Parties" was given to the IRI, an increase of \$290,000 over the funding of the previous year (Golinger, 2006). This funding went primarily to a new political party, Primero Justicia, a conservative youth party that was supporter of democracy principles. The IRI worked to promote dialogue and compromise between the opposition parties to create a united opposition.

In 2004, the opposition to Chávez initiated a recall referendum to try to remove Chávez from power. The referendum was defeated with 58% voting for Chávez (Gilbert, 2008).

On December 2nd, 2007 Venezuelans voted against a constitutional referendum. A key provision of the "reforms" were to strengthen the Chavez power as by giving local neighborhood and community councils control of public spending and decision making. Another amendment lowered the voting age from 18 to 16. Although these amendments would have strengthened direct democratic participation, the U.S. criticized the constitutional reforms as dictatorial because they provided Chávez with the opportunity to run indefinitely for president. Thus, Chavez managed to keep his power till his death in 2013 (Gilbert, 2008).

In general, it should be mentioned, that so-called Bolivarian Revolution under the leadership of Hugo Chavez and after his death by Nikolas Maduro refers to a left-wing populism social movement and political process. According to Chávez and other supporters, the "Bolivarian Revolution" seeks to build a mass movement to implement Bolivarianism—popular democracy, economic independence, equitable distribution of revenues, and an end to political corruption—in Venezuela. They interpret Bolívar's ideas from a populist perspective, using socialist rhetoric.

But, instead of providing the further socio-economic or political progress in the country, Venezuela under Hugo Chávez suffered "one of the worst cases of Dutch Disease in the world" due to the Bolivarian government's large dependence on oil export (Worstell, 2015). Poverty and inflation began to increase into the 2010s. Nicolas Maduro was elected in 2013 after the death of Chavez. Chavez picked Maduro as his successor and appointed him vice president in 2013. Maduro was elected President in a shortened elec-

tion in 2013 following Chavez's death. Despite the requirements for a recount and claims of falsification by his competitor, Maduro by the central election commission, which was under the control of government was announced as victorious (Watts, 2013). Under his presidency, Venezuela devalued its currency in February 2013 due to the rising shortages in the country, which included those of milk, flour, and other necessities. This led to an increase in malnutrition, especially among children. In 2014, Venezuela entered an economic recession. In 2015, Venezuela had the world's highest inflation rate with the rate surpassing 100%, becoming the highest in the country's history. Economic problems, as well as crime and corruption, were some of the main causes of the 2014–2018 Venezuelan protests, which left hundreds of protesters killed (Garreau, 2014).

Here are presented the 10 leading characteristics how the anti-western policy has failed in Venezuela.

#### **10) Prices have skyrocketed.**

Hyperinflation has led to a spike in prices for goods and services on some items between 14,000 percent and 19,000 percent in last four years (Bremmer, 2016).

#### **9) The economy is getting smaller.**

Despite the possessing the biggest proven oil reserves in Latin America, Venezuela's economy fell by 5.7 percent in 2015. Government-imposed price controls take away the incentive for domestic manufacturers to make and sell anything besides oil. Therefore, Venezuela imports most of the products from abroad. (Bremmer, 2016).

#### **8) Venezuela is buying oil from the United States.**

Venezuela has long been one of the world's leading "black gold" producers. However, the government has come to rely too heavily on the industry, as oil accounts for half of the Venezuelan government's revenues. Falling international oil prices have dramatically slashed oil incomes, and the economy has not been nimble enough to make up for the losses elsewhere.

So, the government has been forced to turn to the hated United States for assistance. Earlier in 2016, the U.S. began shipping more than 50,000 barrels a day of light crude to Venezuela (Bremmer, 2016).

#### **7) Dirt-cheap electricity prices have led to power shortages.**

Power shortages have been a recurring problem in Venezuela over the past 17 years of socialist rule. In February 2016, the government ordered hundreds of shopping malls to go without electricity from 1 to 3 p.m. and 7 to 9 p.m. (Bremmer, 2016).

#### **6) The government has introduced forced labor in**

### **the fields.**

To combat severe food shortages, Maduro signed a decree in July of 2016 giving his labor ministry the power to require any public or private sector employee with “enough physical capabilities and technical know-how” to work in the country’s fields for either 60 or 120 days (Bremmer, 2016).

### **5) Food, medicine and common household items, the products of the first necessity are in short supply.**

Some citizens of the country have spent 12 hours waiting in line outside the supermarket for food, only to find they were not able to buy what they wanted. Hungry crowds have shouted, “We want to buy stuff!” When a BBC journalist tried to film the long lines, Venezuelan militaries forced him to delete his footage (Bremmer, 2016).

### **4) The country is too broke to pay for its own money.**

The Maduro regime managed to turn inflation into hyperinflation. Venezuela had a 63 percent inflation rate in 2014, at which time the regime more than doubled the supply of paper bolivars. Inflation promptly skyrocketed to 275 percent in 2015 and in May of 2018, the annual inflation prevailed 24 500% (Media for Business, 2018). It’s the highest inflation rate in the world (Bremmer, 2016).

### **3) People are eating garbage to survive.**

It’s the terrible reality of life in a country with a floundering economy and a severe food shortage. A recent research found a stunning 15 percent of Venezuelans say they can feed themselves only with “food waste discarded by commercial establishments.” The same study determined almost half of Venezuelans had been forced to take time off work to search for food, while more than half had gone to bed hungry. Three-fourths said they were unable to eat breakfast, lunch and dinner every day (Bremmer, 2016).

### **2) People are eating dogs, cats and pigeons.**

Desperate times call for desperate measures. Mobs of hungry Venezuelans have looted grocery stores, stealing the food they desperately crave. Some have even resorted to hunting animals such as dogs, cats and pigeons to avoid starvation (Bremmer, 2016).

### **1) Venezuelans are eating each other.**

Venezuelan prisoners, anyway. Earlier this month, Juan Carlos Herrera gave an interview to mass-media means that his 25-year-old son and two other prisoners were seized by 40 people, stabbed, hanged to bleed, butchered and fed to other detainees (Bremmer, 2016).

Other example of the country, which implemented and still implements the anti-U.S. policy is Nicaragua. This coun-

try is considered one of the poorest in Latin America and in the whole world. Nominal GDP per capita is \$2150, by PPP standards \$5540. This country is economically less developed than Nigeria, Sudan or Swaziland. Country has never been rich, but during the period of the conducting the pro-soviet policy within the period 1979-1988, economy of the country decreased by 26%. It was held under the presidency of Daniel Ortega, who is still (he was re-elected again) the President of this country (Media for Business, 2018).

In Bolivia, as in Venezuela, The U.S. has sought to promote low-intensity democracy. Despite these efforts, in 2005 leftist Evo Morales became the president of Bolivia. New Head of the state has nationalized the energy sector and advocated the legalization of the coca leaf. While Washington sees the coca leaf as a drug, the chewing of coca leaves is part of Bolivian culture. Morales cites the World Health Organization in arguing that the coca leaf does no harm to people (Gilbert, 2008). Presidency of Morales has seriously hampered the attraction of US investments and further socio-economic development of this state. There are several examples of the standard of living in this country, particularly:

*Bolivia has 94 positions by nominal GDP in the world.*

*By Human Development index 118 place in the world (Country, Economy, 2018).*

## **Conclusion**

The relations of USA with Latin American states had very complex character. It is known, that the starting the national-liberation movement in Latino America in the beginning of XX Century, has coincided with the territorial enlargement and strengthening the position of USA. Due to it, in 1823, for the increasing its geopolitical influence, US adopted Monroe Doctrine, according to which the western hemisphere (first of all, Latin America) was declared as a zone of the strategic interests of USA (The Monroe Doctrine, 1823). Within this doctrine, at the first stage, US conducted “hard” policy, particularly during the war against Mexico in 1846-1848, US occupied about 50% territory of this country. After the America-Spanish war in 1898-1901, America established its protectorate over Cuba, Puerto Rico and Hawaii Islands (also Philippines in South – East Asia). Furthermore, its geopolitical influence in Latin America USA expanded after the contraction of Panama Canal in 1914 (Chitadze, 2011).

It is necessary to point out, that despite the US involvement in World War I in 1917 and, accordingly, involvement in European affairs, after the ending of war, US refused to join League of Nations in 1920, but organized the Washington Conference in 1922 related to the promote security cooperation in Pacific Ocean. Thus, it was clearly shown, that America till the end of World War 2 refused from the deeper involvement in security affairs of Europe and at the same time, official Washington expressed its readiness to promote its positions first of all in Latin America (Washing-

ton Conference, 1921–1922).

The period after World War II, when the world became bi-polar and US as a new superpower had to take the responsibilities to prevent the further geopolitical and ideological expansion of world communism and centrally planned economy in the different regions of the world, it represented the serious examination before the White House, how to fight with totalitarian communism system, including the Latin America Region, where the pro-Marxist tendencies started to be developed.

In this regard it should be recognized, that there were many cases, about which it was being discussed above, when US were before dilemma, how to prevent the Marxist ideology expansion. In case of Latino America, for the protection the principles of market economy, US was sometimes forced to support some anti-democratic, but at the same time anticommunist regimes, who were the supporters of market economy. There were examples of the supporting the Pinochet regime in Chile and regime of Somoza in Nicaragua. Furthermore, there were cases, when for the providing development of several countries in the long-term perspective, US has violated for the several times the principles of International law, for example, direct intervention in Grenada in 1984 or Panama in 1989 without any resolution of the UN Security Council (Gilbert, 2008). In 1986, Nicaragua appealed to the UN International Court of Justice, complaining, that by the supporting the paramilitary anti governmental groups, US was involving in the internal affairs of this country. Court adopted the final decision in favor of Nicaragua (Morrison, 1987).

Despite of those factors, it also should be recognized, that partial US political military or economic involvement in that Region, created the convenient base for the further democratization and socio-economic development of Latin America. Particularly, after the longtime of gaining independence by Latin American states and different processes, which were going on in this region, including by US involvement, finally determined the new wave of democratization, which started from 1978. As a result, practically all countries of the region had the transit from authoritarianism to a democracy. The most significant exception is Cuba (together with Venezuela and Bolivia). In the previous period, till the end of 60th, the non-democratic states regimes existed in Argentina, Bolivia, Brazil, Mexico, Paraguay, Peru, Ecuador and in the most of the countries of central America. Although, the biggest part of those regimes were militaries, the character of authoritarianism in the region was various. They were not the equal the types of transits, nor the same processes within the emerged democracies (Mainwaring, Hagopian, 2017).

For the conducting the analysis of the different aspects of the democratic transits in Latino America, we can review four concrete examples: Argentina, Chile, Mexico and Venezuela. Argentina, it is example of democracy, which emerged after the collapse of the military government in 1983. Practically full non-effectiveness of the military regime gave an opportunity of the new elected democratic government the legitimacy and space for the maneuvers of the conducting judiciary considerations about the facts of

the violations of human rights, also related to the reforms of the internal and external policy, with the purpose of the consolidation the democracy inside the country and its promotion in the region (Global Security, 2018).

Military government in Chile was similar to Argentina. However, the rates of its support were higher, and the transit to a democracy become the longer and gradual process, during of which the previous leaders of the regime kept the important responsibilities. Besides, Chile was one of the last countries from the region, which refused from the military dictatorship in favor of civil government in 1990 (Gilbert, 2008). (Only in Paraguay the democracy emerged later, in 1993).

Cases of Argentina and Chile, as a Uruguay – it's the typical example, as expert O'Donnel called the authoritarian-bureaucratic regimes. According to him, in the countries of the southern hemisphere the militaries seized the power, declaring the task of the overcoming the economic crisis and restoration of political order. They blamed communism, populism and organized labor class, which appeared in those regimes, as a barrier of the economic progress and threatening the national security. Thus, political repressions and financial discipline were the part of those steps, which were used by authoritarian-bureaucratic governments.

After the disintegration of USSR in 1991, Institutional-Revolutionary party (IRP; Partido Revolucionario Institucional) in Mexico become the first party, which was ruling during the longest period in the World. The experience of Mexico differs from the situation in Argentina and Chile, because the power was in the hands of civilians – political party and but not militaries. Mexico begun movement toward the more open and transparent system only in 2000, when 71-years length ruling of IRP's power was over (Bernhagen, 2016).

Like in Mexico and in comparison, to Argentina and Chile, in Venezuela the power was not in the hands of militaries and was divided between two political parties based on the pact of PuntoFijo, which was signed in 1958. This situation ended, when in 1998, at the elections the victory was gained by Hugo Chavez. At the same time, as it was mentioned above, Venezuela is developing on the way, which significantly differs not only from Argentina, Chile or Mexico, but also from other countries from the region (may be except Bolivia).

Despite the fact, that there are only few typical cases of the unsuccessful democracy, there are the main weaknesses, from which the local democracies are suffering. In general, in the region, the weakness of political institutions, high level of corruption, unequal distribution of wealth, not fully free system of justice and high level of social violence and criminality – all those factors prevent the consolidation of democracy (Bernhagen, 2016).

For example, related to the unequal distribution of wealth, in such states as Venezuela, Paraguay, Bolivia and other countries, the richest part of population is about 20%, they possess 60% of the country's wealth. This huge difference can be seen in many cities of South America, where near the skyscrapers and rich apartments, there are many

small houses and huts (Chanturia, Kereselidze, 2012).

According to the analyst Philippe Okshorn, «always exists the threat, that the raising social frustration will cause either the demagogic populism, or to the new forms of extremism from the leftist or rightist movements» (Bernhagen, 2016).

Taking into consideration the democratization process in the region, it should be mentioned that according to the Freedom House Report for 2017, Majority of Latino American States are Free or Partly Free. Particularly, to the list of the free countries are belonged: Brazil, Uruguay, Argentina, Chile, Peru, Guyana, Suriname, Panama.

Partly free – Bolivia, Ecuador, Paraguay, Columbia, most of the countries from Caribbean Basin region. Not free – countries, which conduct the anti-US foreign policy are Venezuela and Cuba.

Thus, it can be assumed, that more than 90% of the population of Latino America lives under the ruling of free or partly free regimes (Freedom House, 2018).

**State Governance and administrative-territorial division** – In the modern period, there are 12 independent states in South America and several depended territories. By taking the US model and experience related to the state governance, all states have the similar to U.S. system of state governance and administrative territorial division. Particularly, the main state system is purely presidential republic, without of post – prime- minister. Thus, President is the Head of the State and Head of the government.

With regard to legislative bodies, the US model can be considered on the example of the biggest country in Latin America – Brazil. In this country, where in action is the constitution, which was adopted in 1988, similar to US Congress, Brazilian National Congress is also bicameral. Particularly, it is divided on Chamber of Deputies (513 places) and Federal Senate (81 places) (Chanturia, Kereselidze, 2012).

With regard to the administrative-territorial division, the leading Latino American states have the federal form of division (as in USA). For example, again, the biggest country from Latin America – Brazil, is divided on 26 states and 1 federal district. Each state has its constitution, legislative body and governor (Chanturia, Kereselidze, 2012).

**Economy** – Today Latin America is one of the most developed regions in the developing world. It has all resources for the establishment the strong economic potential. The region is provided by labor force, fruitful lands and natural resources. At the same time, the important role plays foreign, first of all, US capital. The biggest economic problems are connected with the foreign debt. At the same time, three countries of South America – Brazil, Argentina and Chile are included to the list of new industrial states.

Since the 90-th of the last century, the democratization in Latino America determined the rapid economic development. Particularly, processing industry significantly raised the production of automobiles, ships, chemical industry, aviation, aero cosmic, radio electronic and TV Communication technologies. For example, in Brazil, in the field of car industry, the important positions possess such companies,

as “Volkswagen”, “Toyota”, “General Motors” (Chanturia, Kereselidze, 2012).

Chile, where the military dictatorship existed within the period of 1973-1988, in the current period has the second place after Uruguay according to the GDP per capita. It is the first country from Latin America, which joined the club of economically developed states by the entrance to the Economic Cooperation and Development Organization since 2010. Its economy is dynamic, which is oriented on international trade. 52% of GDP is produced in the service sector, 44% - in industry and 4% in agriculture (Chanturia, Kereselidze, 2012).

## Regional Cooperation Initiatives

One of the main attempts of the USA and its partners for the promotion the regional cooperation among of the nations of North and South America and Caribbean Basin region was foundation of the one of the first international intergovernmental regional organization in the world, Pan American council, which was founded in 1889. Later, based on this union, on April 30, 1948, at the 9-th Inter American Conference in Bogota (Columbia), the Organization of American States (OAS) was founded (Karumidze, 2004).

Today, this organization unites 35-member states. The headquarter of this institute is located in Washington. Official languages English, Spanish, Portuguese, French (Karumidze, 2004).

Organization was founded for the providing peace and justice, independence and territorial integrity of the member – states. among of the member – states. For the fulfillment of its purposes, Organization uses four main principles: democracy, human rights, security and development.

Later, due to the gaining experience in the framework of regional cooperation, countries from the Latin America and Caribbean Basin regions agreed for the further strengthening the interstate ties to consolidate their position in the World Politics and economy and the formation of the important center for development.

The integration construction of Latin America has multi vectored character, which takes into consideration the participation of governmental and also non-governmental institutions. In the current period, there are more than 20 integration unions and associations in the region. The most important political forum, which unites the countries from Latin America and Caribbean is Rio Group, which represent itself the permanent mechanism for the political consultation for the formulation the common positions of the Latin American countries about key regional and international problems.

The biggest economic integration group in the region is South American common market (MERCOSUR), which includes Argentina, Brazil, Paraguay and Uruguay. The common Population of member states is 241 million people, GDP – 1,3 Trillion USD, volume of the foreign trade 375 billion USD. MERCOSUR is the second by its size and eco-

conomic potential custom union and third after EU and NAFTA the free trade zone in the World. The gradual dynamics of the development of this union transfers it to the attraction center for the other countries: It is going on the process of joining to this organization such countries as Venezuela, Bolivia and Ecuador (MFA of RF, 2018).

MERCOSUR has its political dimension – association of ten states. Thus, together with four plenipotentiary members, there are six associated countries (Bolivia, Venezuela, Columbia, Chile and Ecuador). Based on the practice the cooperation of ten countries, the issue of the adoption the common political declarations about most important international problems in the agenda has been included.

Other significant integration union in the region is Andean Community of Nations (includes Bolivia, Columbia, Peru, Ecuador and Chile as an associate member) - Community of the States of Latino America and Caribbean Basin (Kereselidze, Chaturia, 2012).

On the base of Andean Community and MERCOSUR, the new union of the South American States UNASUR was founded in 2004, which promoted the formation of the region to the unified political and economic space. In the framework of the South American integration process, 2 free trade associations – MERCOSUR and Andean Community of Nation are unified. Union is based on the European Union's model. The administrative centers are located in the cities, Quito and Kochamba.

In the framework of UNASUR, the several mechanisms of cooperation have been formatted: South American Council of Defense, Bank of South, University of South (Kereselidze, Chaturia, 2012).

In the northern part of Latin America, there is modern process of the consolidation of such sub-regional unions, as Central American Integration system, Association of Caribbean States, Caribbean Community etc.

At the same time, in the region it is observed the tendency of finding the ways and models of the integration construction, which mostly adequately satisfies the requirements of the modern world, with the important focus on the social sphere. In this context, from the other initiatives stands out the Bolivar Initiative for America (ALBA). The new common regional unification can be considered the Community of Latino American and Caribbean States, when the decision about foundation was adopted during the Summit of Latino American countries in February 2010 (Encyclopedia Britannica, 2018). It is planned that its base will be Rio Group and mechanism of the regular summits of the Latino American and Caribbean countries will be formulated.

## References

Avilés, W. (2006). *Global capitalism, democracy, and civil-military relations in Colombia*. 1st. Albany NY: State University of New York Press.

Britannica, Encyclopedia (2018). Bolivarian Alliance for the Peoples of Our America. Retrieved March 11, 2018 from <https://www.britannica.com/topic/Bolivarian-Alliance-for-the-Peoples-of-Our-America>

Britannica, Encyclopedia (2018). Washington Conference 1921–1922. Retrieved April 1, 2018 from <https://www.britannica.com/event/Washington-Conference-1921-1922>

Bremmer, P. (2016). 10 Biggest signs of socialism's failure in Venezuela. Retrieved May 16, 2018 from: [http://www.wnd.com/files/2016/01/Paul-Bremmer\\_avatar.jpg](http://www.wnd.com/files/2016/01/Paul-Bremmer_avatar.jpg)

Chadwick, I. (2010). *The History of Cuban-American Relations*. Collingwood's *Enterprise Bulletin*. Chomsky, N. (1991). *Detering Democracy*. 1st. New York: Verso.

Country Economy. Com (2018). *Bolivia*. Retrieved from: <https://countryeconomy.com/countries/bolivia>

Diebel, T. (1992). Strategies before Containment: Patterns for the future. *International Security*. 16 (4).

Diedreich, B. (1981). *Somoza and the Legacy of US Involvement in Central America*. New York: Dutton.

Garreau, S. (2014). Venezuelan Oil Dynamics: Why The Protests Matter. *Forbes*.

Gilbert, S. (2008). *The U.S. Policy of Democracy Promotion in Latin America*. Eastern Michigan University.

GlobalSecurity.org (2018). Argentina Dirty War - 1976-1983. Retrieved May 28, 2018 from: <https://www.globalsecurity.org/military/world/war/argentina.htm>

Golinger, E (2007). *The Chavez Code*. 1st. Northampton, MA: Olive Branch Press.

Janek, I. (2017). *Czechoslovakia and the Hungarian Revolution in 1956*. West Bohemian Historical Review VII.

Fund for NGO-s (2018). *United States Embassy: Small Grants Program for NGOs*. Retrieved April 11, 2018 from <https://www.fundsforngos.org/embassy-funding-for-ngos/united-states-embassy-small-grants-program-ngos/>

Freedom House (2018). Freedom in the World 2018. Democracy in Crisis. Retrieved April 21, 2018 from: <https://freedomhouse.org/report/freedom-world/freedom-world-2018>

Kennan, G. (1954). *Realities of American Foreign Policy*. Princeton: Princeton University Press.

Kornbluh, P. (2004). *The Pinochet File*. 1st. New York: The New Press.

Legner, L. B. (2007). *Promoting Democracy in the Americas*. John Hopkins University Press.

Los Angeles Times (1989). *It's Been Worth It: Bush—U.S. Troops Take Control of Panama*. Los Angeles Times. Retrieved March 16, 2018 from: [http://articles.latimes.com/1989-12-21/news/mn-1201\\_1\\_panama-city](http://articles.latimes.com/1989-12-21/news/mn-1201_1_panama-city)

Machine, W. (2010). *Occupation of Haiti, 1915-34 Archived*. US Department of State.

Mainwaring, S. Hagopian, F. (2017). *The Third Wave of Democratization in Latin America*. Cambridge University Press

- Retrieved April 21, 2018 from: [http://assets.cambridge.org/97805218/24613/excerpt/9780521824613\\_excerpt.pdf](http://assets.cambridge.org/97805218/24613/excerpt/9780521824613_excerpt.pdf)
- McSherry, J. P. (2005). *Predatory States*. 1st. Oxford: Rowman and Littlefield Publishers.
- Minaya, E. (2013). Venezuela Devalues Its Currency. *Wall Street Journal*.
- Mondragón, H. (2007). *Democracy and Plan Colombia*. NA-CLA Report on the Americas.
- Morrison, F. (1987). Legal Issues in The Nicaragua Opinion. *American Journal of International Law*.
- Muravchik, J. (1991). *Exporting Democracy: Fulfilling America's Destiny*. AEI studies, Hardcover.
- NED, 2018. *About National Endowment for Democracy*. Retrieved March 26, 2018 from <https://www.ned.org/about/>
- Robinson, W. (2007). *Democracy or Polyarchy?* NACLA Report on the Americas.
- Robinson, W. (1992). *A Faustian Bargain*. 1st. Boulder, CO: Westview Press.
- Scholes, W., Scholes, M. (1970). *The Foreign Policies of the Taft Administration*. Columbia, MO: University of Missouri Press.
- Schwaller, S. (2008). Operation Just Cause: The Invasion of Panama, December 1989. Retrieved April 22, 2018 from: [https://www.army.mil/article/14302/operation\\_just\\_cause\\_the\\_invasion\\_of\\_panama\\_december\\_1989](https://www.army.mil/article/14302/operation_just_cause_the_invasion_of_panama_december_1989)
- The Monroe Doctrine, 1823. (2012) *Basic Readings in U.S. Democracy*. United States Department of State.
- Mainwaring, S; Hagopian, F. (2017). *The Third Wave of Democratization in Latin America*. Cambridge University Press. Retrieved from [http://assets.cambridge.org/97805218/24613/excerpt/9780521824613\\_excerpt.pdf](http://assets.cambridge.org/97805218/24613/excerpt/9780521824613_excerpt.pdf)
- Thought, Co. (2018). *The US Occupation of the Dominican Republic, 1916-1924*. Retrieved May 13, 2018 from: <https://www.thoughtco.com/us-occupation-of-the-dominican-republic-2136380>
- USAID (2018). *What We Do?* Retrieved May 13, 2018 from <https://www.usaid.gov/>
- World Trade Organization (2018). *WTO legal texts; General Agreement on Tariffs and Trade 1994*. Retrieved May 25, 2018 from: <https://www.wto.org/>
- Watts, V. L. J. (2013). Nicolás Maduro narrowly wins Venezuelan presidential election – via [www.theguardian.com](http://www.theguardian.com)
- Worstell, T. (2015). Venezuela's Minimum Wage Is Now \$20 A Month; Congratulations To Bolivarian Socialism. *Forbes*.
- Media for Business. მედია ბიზნესისთვის (2018). ვენესუელაში წლიურმა ინფლაციამ 24 600%-ს გადააჭარბა. <https://m2b.ge/post/208525-venesuelasi-wli-urma-inflaciam-24-600-s-gadaawarba>
- Media for Business. მედია ბიზნესისთვის (2018). წყალნაღებული ხავსს ეჭიდებოდა - ვინ აღიარა ცხინვალის და აფხაზეთის. <https://m2b.ge/post/206060--wyalwarebuli-xavss-ewideboda-vin-ariara-cx-invali-da-afxazeti>
- Bliadze, M., Chanturia, G., Kereselidze, D. ბლიაძე, მ. ჭანტურია, გ. კერესელიძე, დ. (2012). მსოფლიოს გეოგრაფია. თბილისი, საქართველო: „ბაკურ სულაკაურის“ გამომცემლობა.
- Chitadze, N. ჩიტაძე, ნ. (2011). გეოპოლიტიკა. თბილისი საქართველო: გამომცემლობა „უნივერსალი“.
- Karumidze, V. ქარუმიძე, ვ. (2004). საერთაშორისო ორგანიზაციები. თბილისი, საქართველო: თსუ.
- МИД РФ (2018). *ИНТЕГРАЦИОННЫЕ ПРОЦЕССЫ В ЛАТИНСКОЙ АМЕРИКЕ*. Retrieved March 16, 2018 from: [http://www.mid.ru/organizacii-latinoamerikanskogo-regiona/-/asset\\_publisher/0vP3hQoCPRg5/content/id/194390](http://www.mid.ru/organizacii-latinoamerikanskogo-regiona/-/asset_publisher/0vP3hQoCPRg5/content/id/194390)