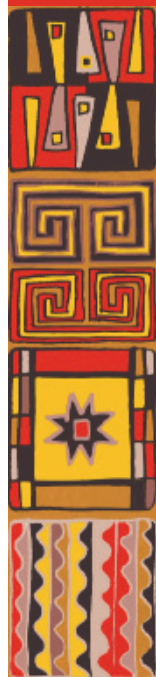


Russia is coming back to Latin America: perspectives and obstacles¹

Víctor Jeifets



Despite the long-standing relationship between Latin American countries and Russia, the nature of such ties remains predominantly formal. Although there were breakthroughs in some areas (e.g. a broad trade with Argentina) the majority of contacts were politically determined –such as the support for Communist Cuba and then Nicaragua. In addition, in the past the fact of a close relationship between Latin America and the United States (USA) prevented them from establishing large-scale connections with Russia.

A dualism of Soviet foreign policy–diplomacy, together with the implementation of a revolutionary line, had its spatial and regional limits. Moscow continued to maintain outstanding trade and economic relations with Argentina whose right-wing military government pursued a policy of the ‘Dirty War’ against leftist militants. In the context of the Cold War and especially in connection with the Soviet–Afghan War, Argentina was the centrepiece of Soviet purchases of meat, cereals, and feed grains. Until now, about 20% of operating hydropower facilities in Argentina are of Soviet origin.

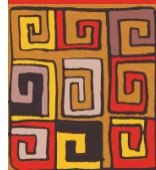
During the same years, ideology was a priority in the relations with Chile. Right after the *coup* of September 11, 1973, the Union of Soviet Socialist Republics (USSR) minimized trade and economic linkages with Santiago. Relationships were resumed, although to a much lesser extent, just after the return of democracy to Chile.

An unconditional “bastion” of Soviet influence was Cuba; the alliance of two socialist countries implied not only an extensive military technical cooperation, but also participation in the Council for Mutual Economic Assistance (CAME, according to its Spanish acronym), contribution of Soviet experts in the construction of enterprises, oil exploration, large-scale deliveries of Soviet equipment to the Caribbean State, as well as Cuban export of raw materials to the USSR.

In contrast, a lack of political partnership didn’t prevent Moscow from developing trade and economic relations with Peru (although they could not be compared with Soviet-Cuban relations).

In the 1990s, when Russia faced serious economic problems and dramatically reoriented its foreign policy towards the USA and the European countries, Moscow lost interest in Latin America. Russian expert Sudarev claims that the 1990s were a period “lost for Russian policy” in the continent (Sudarev, 2012). In the Foreign Policy Concept of the Russian Federation, Latin America was far from being a priority.

At the beginning of the 1990s the Russian Federation virtually curtailed its ties with Cuba, left about 500 major projects unfinished (Davydov, 2007: 53), stopped energy supply, and decreased considerably the purchases of raw materials from the island. This fact



led to the deterioration of Moscow's image, creating an impression of Russia as a disloyal partner, not only in Cuba, but throughout the region, even in countries opposing to Castro's regime. Moscow came to be regarded as a minor, uncritically minded partner of the West. The closing of the Lourdes Electronic Radar station in Havana (2001) by Moscow, without any notice, turned to be a part of a new political trend.

Russian Foreign Minister Andrei Kozyrev, postponed his trip to the region three times, to finally cancel it. During that period commercial transactions with Latin America became rare and irregular.

Changes in the pattern of relations at the 21st century affected the political component of Russian-Latin American ties and were markedly reoriented towards the field of trade and economy. Trade turnover in 2006-2014 increased from 7 billion to 18.5 billion dollars (at the end of 1992 it amounted to \$ 1.3 billion)². In Russia's political discourse, an upgrade of the transition to the level of "strategic partnership" was emphasized. Opponents responded: Moscow had nothing to offer Latin America, except arms; the political shifts to the left, would lead to the disappearance of a great deal of Russian engagement in the region, and, last but not least, the crisis, hit its partners financially (Smith, 2009; Blank 2009).

Is Russia coming back to Latin America?

At the end of 1990s the number of sporadic attempts to "return" to the region increased. The visit of Evgeni Primakov -head of the Russian Foreign Ministry- to Latin America in 1996-1997 resulted in several agreements with Mexico, Cuba, Venezuela, Argentina, Brazil (in this case a "strategic partnership for the 21st century" was mentioned for the first time), and Colombia. After his tour, Primakov declared that the relations with Latin America were part of an independent direction of Russian foreign policy with considerable potential (Bain, 2008: 129-130). The selectoin of partners, no longer based on ideology as a criteria, was definitely a step forward. However, at the same time, many of the agreements signed have remained on paper without real implementation.

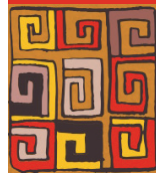
A change in Russian views about the relations with Latin America, was primarily a result of geopolitical aspects rather than economic considerations: Moscow considered the region as a potential ally in the struggle for a multipolar world. In the 1990s it became clear that Latin American countries wanted to participate more actively and independently in world politics. Brazil, the largest country in

the region, plays a particular role with its claim for a permanent seat at the United Nations Security Council (UNSC). In the 21st century, three Latin American countries (Argentina, Brazil, México) became members of the G-20.

In 1999, the Rio Group denounced NATO's bombing of Yugoslavia, which was a flagrant violation of the United Nations (UN) Charter (Davdyov, 2009: 203). The Russian Federation could not but take Latin American appraisal as a geopolitical benchmark. In 2003 Chile and Mexico, as non-permanent members of the United Nations Security Council (UNSC), contributed to the rejection of the Anglo-American resolution, which authorized military action in Iraq. In December 2008, thirty-three heads of state and government of Latin American and Caribbean countries urged the United States to lift the economic, commercial and financial embargo against Cuba. Six months later, in June 2009, as a result of an initiative from several Latin American countries, the Organization of American States (OAS) adopted a resolution lifting Cuba's government suspension from the OAS.

Russian reaction to these events marked a turning point in the Kremlin's policy towards the region. In March 2003, President Vladimir Putin received representatives of the Rio Group in Moscow and reached an agreement on the broadening of regular contacts between Russia and the members of the Group. In November 2004, Putin paid an official visit to Brazil. Earlier, in 2002, President Fernando Henrique Cardoso, visited Russia, and one year later Inacio Lula da Silva, the new President of Brazil, visited Moscow. Since then, the number of visits at the highest level has increased. In November 2008, President Dmitry Medvedev³ visited Peru, Brazil, Venezuela and Cuba calling Latin American countries "friends, with whom Russia maintains privileged relations"⁴.

Moscow did not fail to demonstrate its "courage" by sending to the Western Hemisphere in November 2008 a squadron of military ships, led by heavy nuclear missile cruiser "Peter the Great". The squadron entered territorial waters of Venezuela, one of the countries that has explicitly opposed to US foreign policy, to participate in joint exercises. At the same time, two Russian strategic bombers Tu-160 ("White Swans" or according to NATO classification "Blackjack") flew across the Atlantic and landed on a naval base in Venezuela. Similar actions were taken in April 2013 –in a "friendly visit" to Nicaragua, Guards arrived in the missile cruiser, "Moscow". The representatives of high command of the Nicaraguan Army welcomed the cruiser. Both actions had no military significance. Russia has not declared its readiness to support any of the countries of Latin America by military means. And it would be very difficult to sustain a consistent



policy in this regard, as such an experience of cooperation with Cuba turned to be extremely costly both in economic terms and in terms of international image. The purpose of those actions, seemed to have been different –an effective demonstration of Russia’s readiness to “return to Latin America”, playing on the nostalgia for the days of the Latin American cooperation with the USSR.

At the same time, these actions objectively established the pre-limits of cooperation. Considerable increase in economic relations between Russia and Latin America was to some extent caused by the presence of a group of “Left turn” countries, that saw Moscow’s presence in the area as a means to strengthen their challenging positions towards the United States. This was clearly the case of Venezuela, Bolivia, Ecuador, Nicaragua, and Cuba. But other states, with left and left-of-centre governments –such as Brazil, Chile and Uruguay, were not interested in being involved in such geopolitical games; their plans focused on the formation of a multipolar world in general and the development of trade.

But Moscow is not as interested in demonstrating the US its potential military influence in the region, as it is in opening new markets for its arms and resuming former military technical. A breakthrough in this area is visible. Since 2004, Venezuela has purchased Russian armaments totalling more than \$ 5.4 billion. At the same time military equipment has been sold to Brazil⁵, Colombia, Ecuador, Peru and Bolivia; and Mexico has purchased a number of helicopters for its police forces.

In addition to that, foreign trade has been showing a positive growth dynamic for decades; Russian investments in Latin America also have increased (“Zarubezhneft” in the field of oil exploration in the Cuban continental shelf in the Gulf of Mexico, *RUSAL* in bauxite mining in Guyana, *Lukoil*, *Gazprom* and *Rosneft* in Venezuela, *Samaraneftegaz* in Peru). Russian oil corporations and Venezuelan state company *Petróleos de Venezuela (PdVSA)*, signed an agreement in early 2010, to establish a joint venture to develop the extraction base Junin-6 (heavy and extra heavy crude), located in the Orinoco oil belt (its resources are estimated at 53 billion barrels), timed at least for a 40-year period with an investment of a minimum of 20 billion dollars. Russia and Venezuela signed several agreements on cooperation in the fields of nuclear energy for peaceful purposes. Russia also pledged to sell two civilian aircraft Il-96-300 to Caracas.

During the visit of Dmitry Medvedev to Argentina and the subsequent bilateral negotiations between Moscow and Buenos Aires, a number of documents were signed. These agreements provided cooperation in the peaceful use of nuclear energy, the use and development of



a global navigation satellite system –GLONASS-, the modernization of the railway network of Argentina, the geological exploration of carbohydrates and solid minerals in Argentina, and a number of other projects. Russia has also offered its icebreakers and helicopters for the study of Antarctica, as well as technologies for space exploration.

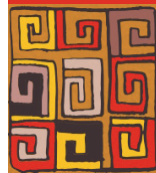
Paraguay, a country that recently established trade and economic relations with Moscow, has been turned into one of the major suppliers of beef to the Russian market.

In Mexico, the company *Power Machines* has won the tender for the construction of the hydroelectric power plant “La Yesca” with capacity to generate 750 MW; and in Ecuador, a hydroelectric power plant “Toachi-Pilaton” is under construction.

Brasilia and Moscow announced plans for cooperation in the fields of space exploration, the development of an orbital launch vehicle VLS-1 as well as personnel training. The provision of modern Russian passenger airliners “Sukhoy Superjet-100” to one of the largest Mexican commercial air carriers “Interjet” can be characterized also as a breakthrough. The company expects to replace all its air fleet of A320 aircrafts for Russian ones, and plans to use “Sukhoy Superjet-100” in domestic and international flights to the United States, Central America and the Caribbean.

The negotiations that took place in 2008, between the Russian and Cuban governments became another attempt⁶ to restore lost connections. The two countries are just about to build a large air traffic centre for carriage of cargo and passengers. Havana is also interested in the reconstruction of the central railway line, as well as the development of new means of communication, in particular, to the port of Mariel, which will become one of the largest ports in the Caribbean, once it is finalized.

Latin America in general, has become an important market for a number of Russian exports products. Since 2012-2013, the share of the region in the total of Russian export of fertilizers exceeds 75%; of special transport facilities (fire, construction equipment) 30%; of metals a 20%; and of radar equipment, 11%, etc. At the same time, many agricultural and food products from Latin America have consolidated in the Russian market. For example, in 2012 an amount of total Russian imports from Latin America accounted for 97% of bananas, 88% of soybeans, 79% of cattle meat, 73% of cane sugar, 50% of cut flowers, 37% of raw tobacco, 21% of poultry, 19% of pork, etc.⁷ Russia is especially interested in the possibilities to commercialize its own innovative technology products in Latin American markets.



Most of Latin American countries have signed agreements on visa-free regimes for business trips tourism, bilateral exchanges, education and sports, with Russia. At the same time, Mexico is the great exception. The reason behind this is, possibly, the fact that this country is too close to the US in some issues of world politics. However, according to the director of the Latin American Department of the Russian Foreign Ministry Alexandre Schetinin, this issue could be solved (Shchetinin, 2013), as political divergences should no longer be obstacles regarding visa granting processes. As a consequence, the flow of Russian tourists to popular resorts in Brazil, the Dominican Republic, Mexico, Jamaica and other countries has increased. However, the elimination of visa requirements, has brought back old fears about the expansion of international criminal networks.

Since the beginning of this century, the presidents of Russia have visited Latin America several times and, meetings at the level of heads of governments and ministers of foreign affairs, have become regular.

Russian foreign policy in Latin American has arisen a wide spectrum of comments. A large part of Western experts tend to believe that the expansion of Moscow's presence in the region is the consequence of a geopolitical objective, aimed at restoring the status of a "great power", and opposing to the United States on several issues -among the other things, as a response to the expansion of the West in the post-Soviet space-; from this point of view the military technical cooperation with Venezuela is considered a prerequisite for building this new geopolitical construction.

There is the need to distinguish various forms of cooperation with Latin American countries. Indeed, the Russian-Venezuelan relations have been formed and implemented within the background of the deeply ideological "Bolivarian project" announced by Venezuelan President Hugo Chávez.

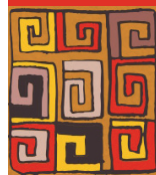
At the very beginning of the decade the key areas of bilateral economic cooperation were determined: oil and gas, chemical and petrochemical, joint development of natural resources, military technical cooperation. We must, however, take into account that real activation of Russian relations with Venezuela and Nicaragua took place later, and to a large extent, they were triggered as a means of appreciation regarding their position on the Russian-Georgian conflict, in 2008, when the two Latin American countries recognized the independence of Abkhazia and South Ossetia, while all other diplomatic efforts of Moscow to explain its position to the world had failed. It is worth noticing that not all radical leftist regimes in Latin

America were ready to adopt such measures. Despite the statement of the Cuban Revolution leader Fidel Castro over the “illegal actions” of Georgian “militants, armed to the teeth by the United States” in relation to Abkhazia and South Ossetia, who “have nothing to do with Georgia” and the declaration of the legitimacy of the intervention of armed forces of the Russian Federation⁸ Cuba did not consider the option of diplomatic recognition of the newly-emerged states.

In 2008, President Chávez repeatedly referred to the “revival of Great Russia”, and during the visit of Dmitry Medvedev to Latin America made a statement, which could not but rejoice Russian proponents of the “multipolar world” concept: “Today, Russia is once again firmly standing on its feet and playing the role it should play – a role that is vital for a world balance in order to get out of the framework of a unipolarity, abandoning the hegemony of the only world’s policeman”⁹. It did not come as a surprise that Russia responded to the flattering words, promising to continue the military cooperation with Venezuela. In 2013, Caracas received the latest Russian air defence systems of long-range S-300VM (“Antey-2500”), which is designed to the defence of the most important objectives from a massive strike of medium-range missiles, cruise missiles and aeroballistics, strategic and tactical aircraft aviation, electronic countermeasures, as well as attack helicopters. Venezuela became the first foreign partner of Moscow, in terms of arms trade. Since Venezuelan neighbours have no advanced weapons that can be hit by the “Antey-2500”, the purchase of such systems has become a clear demonstration of the readiness to defend itself against the United States.

However, it seems wrong to reduce Russian-Latin American relations to an exclusively geopolitical response to US expansion¹⁰. Expanding its presence in the world is the natural course of a country. Russia is not an exception. Our country is a major producer of military equipment and inevitably seeks new markets, as the US, Britain, France and others do.

Activation of military technical cooperation with Nicaragua, is an attempt to renew the scope of cooperation of previous years, when the country was one of the main Soviet partners in Latin America -after Cuba- and received significant economic and military assistance (up to 90% of the Nicaraguan military machinery was made in Soviet Union). During the visit of the Chief of Staff of the Russian Armed Forces V. Gerasimov to Managua, in April 2013, the readiness to participate in the design of computerized classes for military training centres was confirmed, as well as in operating an enterprise to recycle ammunition with expired shelf life (built with the assistance of Russia).



Activation of military technical cooperation is also evident in other directions. In October 2013, Russian Defence Minister Sergei Shoigu, paid a visit to Brazil and Peru, where there were agreements to provide Brazil with missile and gun air defence systems “Pantsyr-S1” and man-portable air-defence systems “Igla” and started negotiations on joint work on the creation of a fifth-generation aircraft T-50. The signed letter of intent guaranteed the participation of Brazilian companies in the maintenance of these systems. Moreover, during the preparation of contracts, both governments discussed the transfer of technology and construction of a joint venture for the production of both complexes in Brazil, as well as subsequent export to Latin American markets under the Brazilian trademark¹¹.

Back in 2008 Brazil bought 12 attack helicopters from Russia. Nowadays, Brazilian Air Force is armed with multipurpose helicopters Mi-35M. In mid-December 2012, after the meeting of the Presidents of Brazil and Russia, Dilma Rousseff and Vladimir Putin respectively, a contract was signed with general conditions of delivery of KA-62 between the open joint-stock company “Russian Helicopters” and “Atlas Táxi Aéreo S.A. “. According to that, between the first quarter of 2015 to the first quarter of 2016, Brazil would receive seven helicopters.

In Lima in 2013, the head of the Russian Defence Minister Shoigu discussed with his counterpart the delivery of MI-171SH, the construction of the service center, as well as a consignment of tanks “T-90” (Peru has already purchased Soviet tanks “T-55”). Bolivia also plans to purchase 10 helicopters “Mi-17V5” (modification of the average multi-purpose helicopter “Mi-17”).

Russia’s new policy in Latin America as a step towards a multipolar world

We could agree with Vladimir Rouvinsky, that it is correct to say that Moscow has a new policy towards the region, instead of a Russian “return” to Latin America (Rouvinski, 2013). It is worth mentioning that an increase in Latin America’s weight in terms of economic and international relations, is important to Moscow. The region diversifies its economic and political ties rapidly and establishes contacts with China, India, and the EU. The crisis in the European economy and the uncertain economic situation in the USA arose additional interests in the Latin American market.

Under these circumstances, Russia cannot stay on the side-lines,

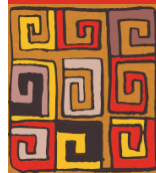
if it doesn't want to be in the marginal position in the Western Hemisphere. Moscow, as it is emphasized in the basic foreign policy documents of the Russian Federation, claims the status of a power with global interests. In this regard, from a Russian perspective, Latin America is geo-economically and geopolitically key in the multipolar world in formation.

In 2008, the Concept of the Foreign Policy of Russian Federation highlighted a number of key areas: a "strategic partnership with Brazil" and "increasing political and economic cooperation" with Argentina, Mexico, Cuba and Venezuela. In the updated version of the document, Nicaragua has been added to the list. The Russian Foreign Minister repeatedly stresses that Russia considers Latin America as the "centre of the growing influence on international relations"¹². Russian Foreign Ministry keeps highlighting the similarity of Russian and Latin American approaches to a number of key issues in international politics (Lavrov, 2011; Shchetinin, 2013a; 2013b).

This is one of the reasons for Russia to ask for an observer status at the Council of South American Defence within the Union of South American Nations (UNASUR), as well as at the Latin American Association training centres for peacekeeping operations (Alcopaz). However, it should be mentioned that the major problem is a conceptual one: Latin America still remains beyond the priorities of Russian foreign policy. In the latest edition of the Foreign Policy Concept of Russian Federation (2013) Latin America is placed after North Korea, Mongolia and Afghanistan. Only African countries follow Latin America according to the Concept (Foreign Policy Concept of the Russian Federation, 2013).

It is also important that Russia and Latin America do not compete directly in economic terms; at least for now they complement each other. At the same time Moscow develops its ties not with the region as a whole, but with particular countries (and the list of partners has increased); which is, incidentally, in line with the historical traditions of Russia's relations with Latin America.

However, additionally to the bilateral relations, according to Yakovlev, Brazil's and Mexico's participation in the Heiligendamm Process (the dialogue between the G8 and leading developing countries), as well as joint activities between the Russian Federation, Argentina, Brazil and Mexico within the G20, show the intensification of Russian-Latin American contacts in the multilateral forums (Yakovlev, 2013a). Russia and Latin American countries have achieved the conversion of the Financial Stability Forum into the Financial Stability Board, and the inclusion of developing countries –members of the G20, into the Board, which contributes to the global stabilization of the financial



system and to the development of rules of supranational finance regulations and supervision.

The current relations and its impact on the international system

An additional argument reaffirming the revitalization of Russia's relations with countries in Latin America, is their completely independent position during the Syrian and Ukrainian crisis. Latin American countries pursue their own well-reasoned positions that rejected going along with the US foreign policy. During the UN General Assembly vote on a draft resolution No.A/68/L.39 "On the territorial integrity of Ukraine", condemning the actions of Russia in the Crimea; among the 11 countries who voted on March 27, 2014 against the resolution, 4 were from Latin America (Cuba, Bolivia, Venezuela, Nicaragua), and many other Latin American countries abstained. Four out of every 58 countries that abstained were Latin American, while 13 countries (Bahamas, Barbados, Haiti, Guatemala, Honduras, Dominican Republic, Colombia, Costa Rica, Mexico, Panama, Peru, Trinidad and Tobago, and Chile) supported the resolution¹³.

Of course, the political leverage of countries varies, as well as the strategic interests of Russia differ from state to state in Latin America. The most important matter for Moscow was the opinion of Brazil, Argentina and Mexico (all three are members of G20), which are the largest economies in the region (number 1, 4 and 2, respectively), and play an important role in world industry and trade. Effectively, two of them abstained of voting the UN General Assembly's resolution.

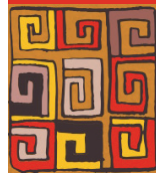
In the Spring of 2014, Moscow organized the visit of Minister of Foreign Affairs Sergei Lavrov to four Latin American countries (Cuba, Chile, Peru and Nicaragua). Two countries have supported Russia during the vote, two others voted against. Thus, Moscow obviously was trying to demonstrate that the vote should not be correlated with political and economic cooperation¹⁴. In the case of Chile, the fact that the country had been elected to the UN Security Council for the period 2014-2015 definitely was taken into account in bilateral cooperation. During his visit to Peru, Lavrov discussed with President Ollanta Humala and Minister of Foreign Affairs Rivas, economic and trade issues, mostly the promotion of mutual investments and the participation of Russian companies in the development of rail and port infrastructure in Peru.

In the July of 2014, the Russian head of state paid a six-day visit to the region to discuss with the Cuban, Nicaraguan, Argentinian and Brazilian leaders a wide range of international issues and Russian-Latin American cooperation. Furthermore, at the BRICS Summit in Brazil Vladimir Putin had conversations in "outreach" format at multilateral and bilateral level with the presidents of almost all countries of South America.

Moscow confirmed writing off 90% of the Cuban debt of \$ 35.2 billion (credits of the Soviet times), and remaining 10% of debt in investments on Cuban territory. Moscow stressed its interest in placing land stations for global satellite navigation system GLONASS in Cuba. The possibility of Russian enterprises participating in the creation of a major transport hub on the basis of modernization of Mariel seaport, and building of a modern international airport with cargo terminal in the area, was considered. A trip to Cuba became an apparent attempt to retrieve position on the island, especially in the context of competition with the EU and China. The visit to Nicaragua was in gratitude for its support of Moscow's foreign policy.

During the talks with Argentinian President Cristina Fernández de Kirchner, the Russian leader reminded her that since 2009, the two countries had been working on advancing the bilateral relation to the level of a strategic partnership. In April 2015, in Moscow, the two countries reached an agreement on cooperation regarding atomic energy for peaceful purposes. *INTER RAO-Export* intends to participate in the construction of hydroelectric power plant in the province of Neuquen (a major power plant of 637 MW) together with an Argentinian consortium headed by *Helport SA*. One more important agreement achieved during the talks is on the twenty-four-hour broadcasting of the channel "Russia Today" for Argentinian television audience in Spanish; which it is nothing but an attempt to expand Moscow's media presence in the region.

Without any doubt the most important destination of the visit was Brazil, with which Russia has built a strategic cooperation, both bilaterally and multilaterally, especially within the BRICS and the G20. The counterparts signed a number of agreements, including trade, investment and energy supply cooperation plans. During his trip to Brazil, Vladimir Putin took part in the VI BRICS Summit devoted to the political coordination of member states, and to the problems of global governance. In the new polarised world context the leaders had to reaffirm BRICS' claims to a leading position in world affairs. As a result of the summit, the leaders adopted documents of financial and economic nature and created a new Development Bank of BRICS countries. A number of experts regarded this fact as an ultimate "birth" of the BRICS bloc moving from verbal declarations to real union. As a



foreign exchange reserve pool, the Bank would start operating in 2015. It has its headquarters in Shanghai; its stated capital accounts \$100 billion (China – \$41 billion, Brazil, India and Russia –\$18 billion, South Africa – \$5 billion); and its main purpose is to finance infrastructure projects in the territories of the participating countries. The foreign exchange reserve pool is aimed at the effective protection of the BRICS members from crisis fluctuations in international financial markets. The extent of possible operations within the Bank can reach \$ 100 billion. In fact, the Bank and the Pool with total resources of \$200 billion lay down the frame for the coordination of macroeconomic policy among its members, and it would allow implementing large-scale joint development programs¹⁵ (Putin, 2014).

In mid-February, 2015 Latin America's mass media attention was riveted on a trip of Russian Defence Minister Sergei Shoigu to the region. Experts regarded it as a reaffirmation of the policy aimed at deepening military ties with countries in the region, against the backdrop of worsening relations between Russia and the West. The trip brought a number of military technical results: the agreement with Venezuela and Nicaragua on a simplified procedure for Russian war ships coming into ports in these countries, and on the material and technical aid to build support stations; decisions on participation of the Russian military personnel in the armed forces exercises of the Venezuelan army, as well as participation of armed forces personnel of Venezuela in international military games held in Russia; consideration of an expansion of exchanges among higher military educational institutions and inviting children from families of Venezuelan officers for training in Russian military schools; the opening of a topographic centre in Managua, equipped by Russian specialists; and a discussion with the Cuban leadership about the prospects of expanding cooperation between the two countries in the naval field. Politically, the visit of the Russian Defence Minister confirmed the proximity of positions of Russia with Cuba, Venezuela and Nicaragua on global and regional security problems.

In March 2015, Russian Foreign Minister Lavrov paid another large-scale visit to Latin America, starting with Cuba. Russia officially supports the Cuban-American "reset" and insists on abolishing the US embargo against Cuba. At the same time there is no doubt that Moscow is concerned about the fact of a new era of Cuban-US relations. Moreover, 2018 will be a crucial date for Cuba, as Raúl Castro is to bow out of power, and it is unclear what course will the new generation of Cuban politicians follow.

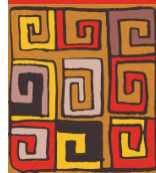
During Putin's visit to Cuba, the two countries reached an agreement on the construction of thermal power plants "Máximo Gomez" and "East Havana" with a total value of \$ 1 billion. However, some details

are still under negotiation (Tarasenko, 2015). Moscow also wants to participate in the creation of a major aviation hub on the basis of one of the former military bases of the island. Nevertheless, despite the visit of Russian Defence Minister to Cuba, a breakthrough in the sphere of military technical cooperation is unlikely. Cuba remains committed to the non-aligned movement and has no military plans regarding neighbouring states. In addition, since the US threat has significantly been reduced, Havana does not need large shipments of Russian weapons.

Lavrov also visited Colombia, which clearly does not apply to countries of the so-called “left turn”, and is far from the positions of Ecuador, Bolivia, Cuba, Venezuela and Nicaragua. At the same time the independent course of the country in foreign policy matters, as well as its growing economic weight are of great interest for Russia. In 2014, Colombia’s President Juan Manuel Santos became the first head of state to meet with the President of Russia during the BRICS Summit in Fortaleza. In 2014, during a trip to Bogotá, economic issues were discussed. The trade turnover remains low –\$375 million–, and two-thirds of its amount is of Russian exports. Russia and Colombia discuss possibilities of cooperation in the energy sector, oil and gas production.

When Evgeni Primakov was the Russian Foreign Minister, Colombia purchased Russian military helicopters that implied a clear interference in the sphere of US interests. But this cooperation has not been further developed. If now the two countries are able to reach a new level of relations, for Russia it would be a good way to demonstrate not only its political and geopolitical interests, but also the economic ones. If the relationship expands, a kind of Venezuela–Colombia axis would be created. These countries are two sides of the coin, being large, economically important partners with different political systems. Bogotá, obviously intends to use Russia as a lobbyist within APEC in order to lift the moratorium on the expansion of the organization, since it desires to join the block.

It should be mentioned that tensions and divergences of a number of Latin American countries with the United States, and the explicit or latent desire to use anti-imperialist rhetoric in order to strengthen the Russian position in the geopolitical confrontation with Washington is not new. Even the first Soviet Ambassador in Mexico Stanislav Pestkovsky actively participated in the development of mass organizations affiliated with the Communist Party, including the American Anti-Imperialist League. Pestkovsky interpreted their development as a guarantee of expanding the influence of the communist movement and revolutionary progress (Pestkovsky, 1926)¹⁶.



Another point is important: the Russian “return” to Latin America is not only related to economic activity and a matter of diplomatic and geopolitical considerations, but also it is a kind of internal political show. According to a series of opinion polls, the Russians feel nostalgic for the former power of the Soviet Union; and many want the Russian Federation to regain allies who are ready to support the country at the international arena. In this regard, Venezuela could not but meet the standards. But the scheme is focused on the domestic implications. Russian domestic economy discourse is based primarily on the liberal rhetoric, while the foreign policy seems to be based on hard rhetoric, which can be compared with that of the “Cold War” (Pavlova, 2011). Russia’s “partners”, including Venezuela, Cuba, Nicaragua, Ecuador and Bolivia, don’t belong to the countries that promote a liberal economic agenda. Therefore, there are limits to cooperation; and in those cases, the ideology does not unite, but rather divides.

Russia-Latin America, are there perspectives for an improvement in their relationship?

Apparently, the strategy of the Russian Federation in Latin America in the coming years will be established and implemented under the influence of, at least, two main factors:

1) Russian political establishment and the national business community, request an active global role of the state aimed at promoting the interests of Russia throughout the world, including Latin America, with its huge economic potential and growing markets. The region is becoming a sphere of strategic competition between the US and China, threatening directly the positions of the American business community. By 2024, the volume of trade between China and Latin American countries is expected to increase up to \$ 500 billion¹⁷. The results of the I Ministerial China-CELAC Forum held in Beijing, in January of 2015, showed clearly that the Asian giant would compete actively for influence in Latin America. This competition will inevitably lead to the emergence of alternative megaprojects, (e.g. the role of Chinese business in building an inter-oceanic canal in Nicaragua), in which Russian participation might be interesting to its companies. As the US tries to respond to the expansionist strategy of Beijing, it will have to improve its relations with Latin America. That was one of the reasons behind re-establishing bilateral relations with Cuba: trying to draw it over to the US political orbit and to weaken the Cuban-Venezuelan axis, which is an essential part of the anti-American front in Latin America. Russia has many possibilities to

use such circumstances in order to increase its own commercial and geopolitical status in the region.

2) Relations between Russia and the Western world have entered a phase of “new Cold War”. In the foreseeable future, the EU and the US will continue to consistently limit the Russian financial, economic, commercial, political, diplomatic and military-technical interests and opportunities in the international arena. Under these circumstances, Russia needs to deepen the cooperation with Latin America in various areas, including defence, in order to reduce external vulnerability and to broaden the field for global manoeuvring.

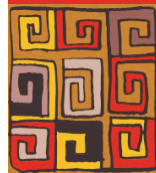
Russian-Latin American trade tends to increase, especially as Russia’s market is closed for many European goods. Up to the moment the volume of trade rose to some \$18-19 billion¹⁸. At the same time, we should not be deceived by formal figures showing the growth of Russian-Latin American trade relations. Unfortunately, this trade does not include long-term projects (except for some countries). Also, the structure of Russian exports (weapons, fertilizers, chemical industry goods and machinery) to Latin America has not undergone any essential changes and still includes a too small percentage of technologies.

Russia is not able to oust the US from the Latin American market, which is geographically distant from us. But one can note that this fact does not prevent China to compete with Russia for Latin American markets -including Venezuela and Brazil, Russian strategic partners- (Ellis, 2013a: 122-140 ; 2013b).

Despite the participation of Russia and Brazil in the BRICS, analysis reveals that the dynamics of the relationship between Brazil and China, or Brazil and India are better than the Brazilian–Russian relations, as trade accounts for only about 1% of the total volume of exchange.

Although the Russian Federation has trade relations with more than 30 countries in the region, the lion’s share of the turnover (over 90%) is accounted for by only 12 countries. The restrictive barriers hindering the promotion of some Russian goods in Latin American markets still remain. In particular, there are anti-dumping measures regarding products of the Russian steel industry in Mexico, and magnesium metal in Brazil -in 2015 the sales of Russian-made tires have fallen under the anti-dumping measures in Brazil. Under the influence of the crisis of 2008-2009, Argentina and Brazil have been taken protectionist measures in favour of domestic producers, which adversely affect the dynamics of Russian-Latin American trade.

Wide-known ideologization of relations with Venezuela, and to a



lesser extent with Cuba and Bolivia, means that there is no attempt to build contacts with opposition forces in these countries (while in the first case they are quite influential). It creates serious risks for Russian business in the event of a political change, that will occur sooner or later. Moreover, Russian business in Latin America is still not known enough, as they have insufficient support from their own country (immeasurably lower than in the US and Chinese cases) and its image is negative, as part of the heritage of previous decades.

A particular issue to highlight is the expansion of trade and economic cooperation, as a result of the Euro-American sanctions against the Russian Federation and the response from Moscow. This crisis of the Russia-West trade activated interaction between Russia and the Latin American and Caribbean countries that produce the necessary commodity resources to replace the products of Western companies and balance the Russian food market. Such a prospect caused serious concern in the business community of the EU, which decided to dissuade Latin American countries from replacing European agricultural exports in the Russian market with their products (Oliver, 2014). However, the negotiations had no effect. Latin American food industry representatives expressed their willingness to substantially increase exports of food products to Russia, and expeditiously conducted talks with the Russian importers.

In September 2014, Argentina suggested that, in addition to the volume established in present contracts, it would supply Russia in 2014-2015 with apples, pears, tangerines, oranges, lemons, grapes and bottled wine; while Chile increased the exportation of salmon. On the other hand, the Russian Group of companies *FosAgro* –one of the world’s leading manufacturers of phosphate fertilizers-, announced its plans to increase sales of a number of the most important types of its products (diammonium phosphate, monoammonium phosphate, urea and complex fertilizers) by almost 70% -from 920 to 1540 thousand to Latin America by 2020 (Mordyushenko, 2014).

The removal of sanitary veterinary restrictions on beef from Mexico by Rospotrebnadzor, is also a favourable factor, after which the “Association of Cattle Producers” of Mexico announced the immediate supply of a wide range of meat products. In its turn, the Brazilian Association of Animal Protein reported on the small increase of pork exports to Russia in 2014-2015.

The US-European sanctions coincided with the beginning of certification of Peruvian fishery products for the Russian market. At the same time, the Ministry of Industry of Peru informed about the interest of Russian consumers for other types of products, in particular for scallops, frozen salmon and fish-flour. Meanwhile, the



products of Peruvian farmers have already appeared in the shops, particularly in the Russian Far East.

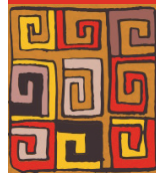
In 2014 the dairy producers of Uruguay have set a record for the supply of butter and cheese to Russia, in addition to the traditional supply of meat products. In the autumn of 2014 the growth of these products has amounted to 31%, which to some extent can be explained by the decline in demand in Venezuela. However, manufacturers declare their readiness to increase the volume of transactions.

At the same time there is still a set of problems pending. First, it is impossible to compensate rapidly and fully the “lost” imports of European goods, with Latin American products. It will take at least 5-6 years. Second, as noted by Goryachev, the intensity of import and customs preferences for goods from Latin American countries may be used by regional drug cartels (Goryachev, 2014).

Since the beginning of the Ukrainian crisis, Russia’s popularity among Latin Americans has decreased, according to the survey conducted by the Pew Research Centre. For example, in Venezuela the number of those who like and dislike Russia, in 2013 was about the same 40% and 41%, in 2014 it changed to 36% and 51% respectively. In Brazil, a negative attitude towards Russia amounts to 59% of the population (Tarasenko, 2014). At the same time, both countries are Russia’s strategic partners. It is obvious that political, trade and economic cooperation has not yet been accompanied by awareness-building efforts among citizens.

The high level of political representation of Russia in the region still does not correspond to a much more modest volume of trade cooperation. Russia is still limited in its resources (particularly investment) and its ambitious actions in the foreign policy arena have not yet become effective. It is clear that the cooperation with the second largest economy in the region –Mexico-, is insufficient.

In addition to that, little attention is devoted to the development of relations with the Pacific coast of Latin America. The traditional approach to the region, typical for most of the Soviet history and that of the Russian Federation, remains. To a large extent Russia lost its influence in Latin America and did not try to restore it through Latin American graduates of Russian universities. In other decades, their number amounted to the thousands, but are much smaller today. In this regard, the statements made during parliamentary hearings in May 2013 about the need for additional financial support to students from Latin American and Caribbean countries, as well as a much easier admission strategy to Russian universities and institutes, brought hope for a change in government policy. The work with a



huge Russian diaspora in Latin America is almost invisible, or it is limited within the framework of cultural and religious cooperation.

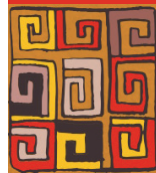
Whether it is the “return” of Moscow to the region or the formation of a new Russian policy toward Latin America, the old problems remain a serious obstacle to give the relations between both a modern and dynamic approach.

Notes

1. El presente texto fue preparado dentro de los marcos del proyecto de investigación núm. 15-31-01016 apoyado por el Fondo Científico Ruso de Humanidades. Part of this text was presented at the Congress of the Latin American Studies Association, San Juan, Puerto Rico, May 27 - 30, 2015.
2. According to the official website of the Federal Customs Service of Russia. – www.customs.ru (accessed April 4, 2015).
3. *Details of Dmitriy Medvedev’s visit to Latin American states*. Available at: <http://www.rodon.org/polit-081203121747>.
4. This activity contrasts markedly with Soviet times –Soviet leaders Leonid Brezhnev and Mikhail Gorbachev visited the region (Cuba) only twice.
5. In particular, in 2008 Russia and Brazil have agreed to supply 12 helicopters Mi-35M, according to unofficial data, published in Brazilian media, the cost of the transaction amounted to not less than 0.3 million US dollars.
6. As far back as 2006, during the visit of Prime Minister of the Russian Federation M. E. Fradkov to Havana, Russia forgave Cuba 156 million US dollars from multi-billion dollar debt and provided a loan of 355 million US dollars.
7. According to the official website of the Federal Customs Service of Russia. – www.customs.ru (accessed August 14, 2015).
8. See « Carne de cañón para el mercado. Reflexiones de Fidel Castro ». – *Agencia Cubana de Noticias*. 11 de agosto de 2008. Available at : <http://www.ain.cu/2008/agosto/11cvfidel.htm>
9. See Makeev, M. (2008) *Venezuela: impuls razvitiya dvuhstoronnih otnosheniy po vsem napravleniyam*. Available at : <http://www.rodon.org/polit-081203121747>
10. In particular, such a subjective interpretation is contained in the work of S. Blank – (Blank, S. (2009), 10); See also: Schroeder, M. (2006). It seems impossible to agree with Blank’s evaluation of Russian policy determination on “instrumentalization of the region to convert it into a political block to support Russia’s stand against the US international dominancy” as it is an obvious simplification and schematization made in the frames of the Cold War paradigms.

The passage about the purchase of Russian weapons by Venezuela that “have meaning only if it implies the transfer of weapons and forces throughout Latin America, drug trafficking submarines, protected from aerial attacks, or to provide a temporary base for Russian naval and air forces, where they could hide from attacks, but to threaten both the North and South America”, should be qualified in exactly the same way. (Blank, S. (2009), 21-22).

11. Brasil inicia oficialmente negociações para compra do PANTSIR-S1 e IGLAs. 05/09/2013. – <http://www.defesaareanaval.com.br/?p=27829>; *Braziliya podpisala c Rossiey soglashenie o namerenii po zakupke ZRPK “Pantsir-S1”*. February 21, 2013 – <http://www.armstrade.org/>
12. See, for example, the statement of the Deputy of Minister of Foreign Affairs of the Russian Federation Sergey Ryabkov during the hearings in the State Duma.
13. Resolution of the 68th session adopted without reference to a Main Committees. Available at: http://www.un.org/ru/ga/68/docs/68res_nocte.shtml
14. See *Infolatam* (2014), *Los amigos y los intereses de Vladimir Putin en América Latina*. 4 mayo, 2014. Available at: <http://www.infolatam.com/2014/05/04>
15. For detailed information, consult *Documents of VI BRICS summit. July 15, 2014*. Available at: http://news.kremlin.ru/ref_notes/4738/print
16. The Soviet diplomat tried to explain to his superiors in the People’s Commissariat for Foreign Affairs and in the Comintern that Mexico was more important for the USSR than some European countries because of the potentially powerful Anti-imperialist movement (Spenser, 1998: 120). Coordination of the Latin American anti-imperialist activities through the embassy seemed for Pestkovsky quite a natural thing, and he tried to negotiate with President Plutarco Elias Calles about the possibility to hold in Mexico City a Congress of American Anti-Imperialist League (Diary of the Envoy...). In fact, Pestkovsky was linking the Soviet Union with the League in the eyes of ruling elites implying the fact that a good relationship with the anti-imperialist movement will affect the assessment of the revolutionary character of Mexican government. Pestkovsky was willing to go far enough in the fight against US imperialism and explored the soil at the Japanese Embassy about the possibility of coordination of actions of the two countries against the United States. The Soviet diplomat had succeeded in negotiations with Japan on financing the anti-imperialist movement, allowing for the deployment of continental activities. Increasing the scope of the anti-imperialist work could create new networking opportunities for a radical left movement in Mexico and the nationalist post-revolutionary government. Strengthening the Communist Party, due to its anti-imperialist wing, could also dramatically change the face of Mexican Communists, making them



the real power in the ruling elites' perception, which would make sense to negotiate. However, there is no doubt that the Japanese based on their own goals in the hemisphere, and therefore, forcing them to negotiate. Anyway, the talks broke down due to mistrust of the parties.

17. China y Latinoamérica sellan una alianza que quiere ser un modelo de cooperación. 01/09/2015. – <http://www.americaeconomia.com/>
18. According to the official website of the Federal Customs Service of Russia. – www.customs.ru (accessed September 2, 2015).

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