

Opinion **South America**

## A new Monroe doctrine is unlikely to work for the US in South America

Washington's leverage over countries in the region is waning as China's influence grows

**WILL FREEMAN**



Donald Trump talks to Argentine President Javier Milei at Mar-a-Lago last year. Milei is fond of the US president-elect yet still described China as 'interesting business partners' © Joe Raedle/Getty Images

**Will Freeman** 5 HOURS AGO

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Donald Trump wants to roll back China's growing footprint in Latin America. He isn't above strong-arm tactics to do it. Just see his latest demand to reassume control of the Panama Canal, which a senior Trump appointee afterwards suggested was really about pushing back against China.

But if, or rather when, the pressure does come bearing down, don't expect all of Latin America to respond the same way. Instead, be prepared for the region to divide less along ideological lines than geographic ones — into a northern half more tightly welded to Washington and a southern half likely to drift, especially if pushed, towards Beijing.

Many believe Washington needs a positive agenda to compete effectively with China: carrots, not just sticks, like expanded access to markets in the US and more abundant development financing. And they're right.

But assume for a moment that threats remain Trump's lingua franca — ones like the proposed 60 per cent tariffs on all goods that pass through the new Chinese-owned and operated mega-port of Chancay in Peru, or 200 per cent tariffs on Mexican-made

cars, which Trump fears China could exploit as a backdoor into the US market.

Threats only work when they are backed by leverage. But the US's leverage is not evenly distributed across the region. In Mexico and much of Central America and the Caribbean, Washington still holds most of the cards. Mexico still sends 80 per cent of its exports to the US, for instance.

But head to South America, and the picture changes. China is the continent's top trading partner, while five of the Latin American countries most indebted to China, and four of the five that have received the most Chinese FDI, are in South America.

The best evidence that South American leaders won't necessarily be easily swayed or cajoled by Washington is Argentina's Trump-loving president Javier Milei. Milei, who once compared China's leaders to "murderers" and openly adores Trump, at first cancelled plans for a Chinese-built nuclear power plant and mega-port. But by October, they were "interesting business partners", and a new natural gas export deal, a currency swap deal to boost the country's depleted reserves and a state visit to Beijing were all in the works.

During Trump's first term, pressure didn't dissuade conservative presidents in Colombia and Brazil from deepening tech and trade ties to China, either. And these were South American leaders who like Trump. Now imagine the ones who don't.

South America's major economies will resist picking sides. But if push comes to shove, it's hard to see them distancing much from Beijing. If pressure backfires, and South America swings further east, there will be consequences for security dynamics in the Pacific, critical mineral and rare earth element supply chains, and more.

Nowhere is the risk of pressure backfiring greater than in Colombia, one of the top recipients of US assistance worldwide. The country's leftist incumbent, Gustavo Petro, has continued the trend. He is expected to usher Colombia into Beijing's Belt and Road Initiative in 2025 and possibly join the Brics bank. With two years left and few internal constraints, Petro could turn even more sharply towards China in response to unmeasured heavy handedness, potentially costing the US its closest regional ally.

Trump and his party's leaders have spoken repeatedly about reasserting the "Monroe doctrine" — the idea that the US must keep geopolitical adversaries out of the hemisphere. But China is not like the Soviet Union, the last real target of that doctrine. The Soviets and Cuba had soft power but little economic heft.

China's presence, especially in South America, is much greater.

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China is different from the USSR in another way. Laser focused on strategic advantage, it is agnostic towards regimes, happy to work with anyone. “They do not demand anything,” Milei said of China, seemingly warmly. True. China heaped loans on Venezuela socialists, Milei’s arch-rivals, as the country collapsed.

For Latin America, the most serious risk of the current moment is that the US, in a misguided effort to compete, adopts the same attitude: oppose China fervently enough, and democracy and rule of law are no longer concerns.

Trump should worry about whether his planned diplomatic hardball will work, and where it might backfire. Latin America should beware such a race to the bottom.

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