

CELAC, OAS, and AMLO: Too many acronyms, too little power

Iván Farías Pelcastre

Posted to The World Orders Forum: 14 October 2021

Iván Farías Pelcastre holds a PhD in Political Science and International Studies from the University of Birmingham, in the United Kingdom; and a BA in International Relations from the Tecnológico de Monterrey, in Mexico. He is currently a student of MA in International Relations with a European Perspective at the University of Warsaw, in Poland. He is also a Senior Analyst at Mercer, also in Warsaw; and has been a Vacation Visiting Research Fellow at the Rothermere American Institute, and an Academic Visitor at the North American Studies Program at St Antony's College, both at the University of Oxford.

E-mail: ivan.farias@icloud.com

Twitter: @ifapel

In September 2021, Mexico hosted the sixth summit of the Community of Latin American and Caribbean States (CELAC) –a regional bloc constituted by nearly all the sovereign countries in the American continent, except for Brazil, Canada, and the United States. The bloc was originally conceived in February 2010 at the Rio Group–Caribbean Community Unity Summit, but only came into existence a year later, with the signature of the Declaration of Caracas in December 2011. The summit, held in Mexico City, [brought together Presidents, Vice-Presidents, Ministers of Foreign Affairs, and other high-level officials of the 32 member states](#) which currently make up the bloc. This is the first time that these heads of state and government, and other representatives, got together since January 2017, when the last CELAC summit was last held in Punta Cana, in the Dominican Republic.

Despite its intrinsic relevance, it is likely that the meeting would have gone largely unnoticed outside the Western Hemisphere, had it not been for [a remark made by Mexico's President, Andrés Manuel López Obrador](#) (AMLO) about the relevance of CELAC as a potential instrument for the promotion of regional integration in Latin America. In his own words, in the current global context, the bloc can “become the main instrument to consolidate the relations between our Latin American countries and achieve the ideal of economic integration with the United States and Canada, within a framework of respect to our sovereignties”. Hardly an extraordinary or revolutionary statement. Especially when we consider that the countries of “the Americas” have been historically unsuccessful at eliminating, or even reducing effectively, trade barriers between *them all*. Most notably, back in 2005, 34 of these sovereign countries –including Brazil, Canada, and the US– failed to establish a proposed Free Trade Area of the Americas (FTAA), due to the lack of agreement by the deadline they had set for *themselves*. Fast forward to 2021, it *would be* surprising if anyone expected the (almost exact) same countries to reach *any* agreement on *any* matter.

The American continent has been traditionally divided (by internal and external ideologies, socio-economic differences, linguistic barriers, and even conflicting geopolitical interests) between the haves and the have nots; the powerful and the powerless; the rich North and the comparably poorer South; the seafaring countries and the landlocked ones; among so many other irreconcilable distinctions. So, it is not surprising that a sentence calling for an agreement of any kind would become so controversial.

In all fairness, it is most likely that AMLO's remark was misunderstood. He simply affirmed that, in the current global context, it appears to be timely "to construct in the American continent something similar to what was the economic community that [gave rise to] the now European Union. It is our feeling that this ideal can become a reality..."

On the other side of the pond, however, this simple call for *unity of the American countries* was distorted and turned into a declaration of *enmity against the Organization of American States*. For instance, Reuters reported that "[Mexico's president and other leaders said at a summit](#) [that] Latin American and Caribbean nations should aspire to a bloc *like the European Union*, in a bid to wrest influence away from the Washington-based Organization of American States". Reuters's interpretation of AMLO's speech was echoed by other outlets, such as [EU Observer, which affirmed that AMLO had said](#) that "countries in the Community of Latin American and Caribbean States (CELAC) *should* create an EU-type bloc to counter US influence". Similarly, [Business Insider Poland also reported](#) that AMLO had stated that the "Caribbean and Latin American states *should* strive to create a regional community *similar to the European Union*, with the aim of limiting the influence of the pro-Washington Organization of American States (OAS)". Remarkably, it was also mentioned that "Reuters noted that there was some tension during the convention".

At this point, it is worth remembering that the OAS is the regional organization which brings together the 35 independent states of the American continent. It was established in 1948, but dates to 1899 – a fact that rightfully enables it [to claim the title of the world's oldest regional organization](#). And, to this day, it is still the region's main institution and forum for hemispheric affairs. Even if it is also *rightfully* seen as being under control of Washington, D.C. In its defence, the idea of an organization of American republics was first proposed in that capital city. And, unlike other member states, the US *is* putting its money where its mouth is – to the point that [its monetary contributions still account for about 60% of the very limited annual budget of the OAS, which amounts to less than USD \\$85 million](#) (i.e., a little over €73 million).

By all accounts, this is still an extremely limited financial commitment for an organization which is charged with promoting democracy, strengthening human rights, fostering peace and common security, and addressing the "shared complex problems caused by poverty, terrorism, drugs and corruption" among all other countries in the hemisphere. For a continent which is home to four of [the 20 largest economies in the world by GDP](#) (i.e., the US, Canada, Brazil, and Mexico); six of [the 38 member states of the OECD](#) (i.e., Canada, Chile, Colombia, Costa Rica, Mexico, and the US); and [the only American country to have ever joined the OPEC](#) (i.e., the oil-rich, but paradoxically economically troubled, Venezuela), the organization is *severely* underfunded. Even if one considers that the making of the OAS budget is purportedly "taking into account the respective countries' ability to pay and their determination to contribute in an *equitable* manner", that yearly figure is absurdly low.

Already in 1999, the Office of the Secretary General of the OAS, considered that the state of organization's finances could be easily described as [a "bad situation getting worse"](#). Yet, the following year, as new mandates and obligations were allocated to the organization, its regular fund stood at only USD \$80 million. Ten years later, [it had only increased by USD \\$10 million](#). And it is not getting any better now. To put things into perspective, the Los Angeles Lakers – one of the most famous basketball teams in the world – paid LeBron James, its superstar player, [USD \\$85 million to stay with them for two more years](#). That was the exact same value of the entire regular budget of the OAS for 2020. And successful as he can be, it is difficult to believe that an entire continent can only merely, and excruciatingly, match the salary of a single NBA player!

In sum, "there is [indeed] a debate between the Organization of American States, OEA, and the Community of Latin American and Caribbean States, CELAC", [as Venezuela's President, Nicolás Maduro stated at the Mexico City summit](#). But the basis of this debate is not just about the physical (but also the ideational)

proximity between the OAS and the US government's executive branch –which makes many Latin American countries uncomfortable (after all, there is a reason for which the regional institution's headquarters are located only 550 metres away from the White House). It is not just about the ideological affinity between the US Department of State and the OAS staff, which has enabled the world's superpower to use the organization to achieve its own foreign policy objectives –at the expense of solidarity in the continent. For instance, when Cuba was effectively suspended from the OAS, from 1962 to 2009, despite being a founding member of the organization, at the initiative of the US.

It is, instead, a debate “on three basic matters: non-intervention and cooperation between [the peoples of the Americas]; cooperation for development [in the continent]; and the mutual help [in the] fight against inequality and discrimination”. It is about the “commitment to respect the internal decisions of the peoples” of Latin America and the Caribbean. And about the principle “that no government will give themselves license to make another country yield, under whichever pretext or motive.” These are all goals which the Latin American and Caribbean countries have shared for decades, if not centuries. AMLO just happened to express them out loud.

If the Latin American and Caribbean countries are serious about strengthening CELAC as an instrument to address the many socioeconomic issues prevailing in the sub-continent, it is a very good time to put their money where their mouths are –and start discussing the idea of pooling their sovereignties. In a way that is indeed “similar to what was the economic community that [gave rise to] the now European Union.”