Re-ordering the Region? China, Latin America and the Western Hemisphere

Review Essay by Nicola Phillips


For students of Latin America, the global expansion of the People’s Republic of China has unquestionably thrown up a new ‘big issue’ which has been keeping us increasingly busy. The process of expansion has been visibly underway since the late 1970s, but it is China’s emergence over the 2000s as a global player of increasing influence, with a progressively confident strategy of global engagement, that has prompted a wave of academic writing attempting to understand what it all means for the Latin American region. In many ways it is uncharted territory, inasmuch as the history of Sino-Latin American relations is notable only for its very slight proportions: since the establishment of the PRC in 1949, a combination of the virulent anti-communism that prevailed in most of Latin America during the Cold War, the strongly interventionist presence of the United States in the region, and the economic instability of the 1980s meant that Latin America remained entirely marginal to China’s emerging global vision until well into the 1990s. Yet, in other ways, the territory is entirely familiar, inasmuch the key questions are essentially the same as those which have long absorbed our attention: that is, in distilled form, how do the global political economy and power structures within it shape Latin American development?

The books on which this Review Essay focuses are five recent contributions to this emerging area of debate – and, I happily discovered, five of the very best. Together they make for an impressive body of scholarship on Sino-Latin American relations, to go along with growing bodies of work on China’s relations with Africa, in particular, and the developing word in general. These five books lack all of the glib sensationalism that one finds in many commentaries on the expansion of
China and its significance, particularly in the ‘airport lounge’ variety of literature, and put in its place an arresting level of detail, careful research and measured analysis which is genuinely informative, insightful and important. Two of the books are monographs and three are edited volumes, the latter bringing together a large number of authors, such that an acquaintance with these five publications gives the reader an excellent sense of the state of research and debate in this area.

The volumes by Rhys Jenkins and Enrique Dussel Peters and Kevin Gallagher and Roberto Porzecanski train their sights on the specifically economic dimensions of the relationship between China and Latin America. The other three volumes take a slightly wider perspective, seeking also to incorporate into their analysis various political and geopolitical aspects of the emerging interaction. The volume edited by Riordan Roett and Guadalupe Paz goes furthest in this respect, being preoccupied in the main with some of the international relations- or foreign policy-type issues that the emergence of China throws up for the Western Hemisphere as a whole, many of which emerge from the changing economic relationships on which the regional order rests. These interconnections between the economic, political and geopolitical dimensions also emerge strongly in the volume edited by Alex Jilberto Fernández and Barbara Hogenboom and R. Evan Ellis’s monograph.

The great contribution of all of the volumes lies in their impressive levels of empirical detail, the downside being that readers hoping to find significant theoretical discussion are likely to be disappointed. There is also no denying that on the odd occasion the sheer volume of empirical data and material makes for a rather dense read! But it is precisely this characteristic which accounts for a large part of the considerable appeal and value of these books. The other part comes from the insights that the careful empirical discussions generate, which unquestionably illuminate and contribute to our collective understanding of this new ‘phase’ of both globalization and Latin American development – if that is indeed what we are seeing. All five volumes address essentially similar questions, and it is around some of these, which I condense into two for present purposes, that I will organize the first part of this essay. Constraints on space mean that I will surely fail to do justice to all of the arguments, insights and debates that are reflected in the pages of these volumes, but I will nevertheless seek to engage with the key contributions that emerge, as well as the areas of conflict and disagreement. In the second part of the essay, notwithstanding my admiration for their contributions, I highlight three ‘problems’ which I see as afflicting the five sets of analysis (and by extension the emerging literature) and which could be profitable areas for further debate.

**Contours of debate**

*How does the global expansion of China affect economic development processes and prospects in Latin America?*

The question of the implications for economic development in Latin America is central across the literature on China’s expansion in the region, including in these five volumes. General consensus emerges on two key issues. The first is that both the trajectory of China’s expansion and its impact thus far on Latin America throw into stark relief the myriad shortcomings of Latin American development, and in-
vite renewed scrutiny of why the Latin American region continues to lag behind in the global development and competitiveness stakes. The second area of apparent consensus is that we need to jettison over-excited celebrations of the opportunities that are opening up for Latin America with the growing presence of China, and instead engage in much more careful and measured assessment of both the extent and the likely consequences of the emerging relationship.

The starting point for doing so is to take stock of what the relationship looks like, and in this respect Rhys Jenkins (in Jenkins and Dussel Peters, 59) issues the entirely appropriate caution not to exaggerate the significance of the rise of China for Latin America. Much of the more excited and less balanced commentary has focused simply on the rate at which economic and commercial interactions between China and Latin America have grown since the 1990s – which is indeed striking. However, as many of the authors in these volumes note, the process started from a very low – almost non-existent – base, to the extent that rapid growth still only amounts to a relationship of very slight proportions, at least in ‘direct’ terms. Even in comparison with one or the other big developing regions targeted of late by China, namely, Africa, Latin America still emerges as little more than a bit-part player in the universe of China’s global strategy (Phillips 2010, 177). Equally, as Gallagher and Porzecanski point out (p. 2), increased economic exchange with China in the form of export growth is concentrated only in a handful of countries. It is also highly concentrated in certain sectors associated primarily with natural resources. ‘Market-seeking’ investment from China is extremely limited across the board; Chinese interest lies overwhelmingly in securing supplies of natural resources from key Latin American exporters. This is even the case in larger and more dynamic economies such as Brazil, as revealed clearly in all of the analyses in the five volumes. Conversely, Chinese exports to Latin America as a whole are negligible as a proportion of total Chinese exports, even while the magnitude of that total may mean that the flows of imports to Latin American economies may be reasonably significant. They are clearly significant enough to engender popular disquiet across the region, particularly in Mexico and Argentina, but also in countries like Brazil (Jenkins and Dussel Peters, 14; Altemani de Oliveira in Fernández Jilberto and Hogenboom, 49), and indeed increasing resort to various trade-restricting measures by countries like Brazil to try to limit the inflows of Chinese goods (Saslavsky and Rozemberg in Jenkins and Dussel Peters, 201-12).

The cautions thus heeded, the task then becomes one of disaggregating the impacts across the region, and considering the likely long-term implications of the relationships that are emerging. In terms of the economic relationship, as Jenkins puts it, there are both ‘complementary’ and ‘competitive’ effects which operate simultaneously. There is little disagreement that the competitive effects have been most pronounced for Mexico and parts of Central America and the Caribbean, and involve primarily competition in third markets, notably the United States and the European Union. Initially this competition emerged in labour-intensive and low-technology manufacturing sectors, but subsequently has expanded significantly in product lines with higher technology components, such as the electronics and auto/auto-parts sectors – precisely those which formed the bedrock of Mexican exports to the US. Yet Mexico has also become a major destination for imports of
Chinese products with significant consequences for local producers (see Dussel Peters in Jenkins and Dussel Peters; Gallagher and Porzecanski; Hogenboom in Fernández Jilberto and Hogenboom). Elsewhere, and in other sectors, the enthusiasm for the new relationship with China has stemmed from what Jenkins terms ‘complementary’ effects, allowing significant actual and potential export growth in natural resource-based sectors.

This, then, is what we know about the variegated impacts of the emergence of China. Where there is less agreement is about the long-term panorama that this presents for Latin American development, particularly for South America. It is, in essence, a question about the wisdom and desirability of a relationship – and by extension a development model – based on ‘comparative advantage’, where Latin America plays to its strengths in natural resources and positions itself as a key global exporter in these areas by harnessing the trade and investment opportunities offered by an expanding China. Many of the contributions in these volumes reflect, to varying degrees, the authors’ concerns about such a model – that is, about ‘a general trend for the region to become more specialized in production of primary products and resource based manufactures, while China specializes in manufactured goods which are becoming more technologically sophisticated over time’ (Jenkins in Jenkins and Dussel Peters, 59). The argument is perhaps most clearly made in the various excellent contributions to the Jenkins and Dussel Peters volume and by Gallagher and Porzecanski, and indeed is commonly heard in the wider literature (see Lall and Weiss 2005; Mesquita Moreira 2007; Kaplinsky and Morris 2008; Phillips 2009, 2010). The concern relates to what is surely a ‘backward’ movement to a global positioning based on the export of raw materials, with all of its consequences for growth, processes of economic upgrading, and indeed social development. In a situation where the key concern is already the low levels of global competitiveness in Latin American economies and of Latin American exports, such a model, in the view of many observers, is clearly inauspicious for the region.

Ellis’s view is consistent this more critical position, but he nevertheless focuses more immediate attention of what may be construed as ‘positive’ impacts of engagement with China. He notes among these such scenarios as Latin America becoming a more important ‘technology partner’ for China, the transformation of Latin American ports, and the positioning of Latin American cities in Pacific-facing countries as commercial hubs sustaining the economic relationship (p. 272). Yet he too perceives longer-term disadvantages of a development model based on comparative advantage, noting vulnerability to fluctuations in world markets, the accentuation of inequality in the region, and the flow of value out of the region (and the hands of its people) towards other economies and societies (pp. 287-8). It is slightly difficult to know what weight to give these arguments in his analysis, coming as they do right at the end of the volume and not being included in his summary of the major trends that point to the future (pp. 272-3). But it is clear that these sorts of arguments are common across the literature, contrary to the generalised enthusiasm that many governments in Latin America continue to express about the export ‘boom’ occasioned by the rise of China.
What are the economic, political and geopolitical implications for Latin American-US and Sino-US relations?

Much of the discussion in the United States about the emergence of China in the wider region has focused on the ‘international relations’ dimensions of the issues: that is, on the likely consequences of China’s strategy for the economic, political and geopolitical order in the Western hemisphere. This is in part a question about the nature of the relationship that Latin America will in the future have with the United States – whether, in essence, the hegemony of the US in the region will be preserved or undermined – and in other part, by extension, a question of the interactions within the global order between the US and China. The answers to those questions depend, in turn, on responses to a prior question: what is China actually up to in Latin America? What are its interests and motivations in the region, and what lies at the root of its broader strategy of global engagement?

The volume edited by Roett and Paz is oriented precisely to this set of issues, although insights abound in the other books, particularly Fernández Jilberto and Hogenboom. The former is the only volume which incorporates contributions from Chinese scholars – about which more later – and as such we are offered a variety of perspectives on both the motivations of China’s strategy in Latin America and its wider consequences. Yet all the contributors seem to agree, albeit to different degrees and in different ways, that the more overblown assessments one hears – that China is stealthily working to displace US power, and even to ‘take over’ the region and the world – are misleading. Jiang Shixue (in Roett and Paz) offers what another contributor calls the ‘official view’ – the connotations of which are for the reader to interpret – but his argument that China’s policy is not one of geopolitical confrontation with the US is difficult to dispute. There is as yet little, if any, evidence to suggest an attempt to pursue a purposeful ideological, political, geopolitical or military strategy in Latin America. Xiang Lanxin (in Roett and Paz, 44) goes further to claim that China has yet to define its relationship with Latin America, and Juan Gabriel Tokatlián (in Roett and Paz, 66-70) shows how by far the most visible military expansion in Latin America has been on the part of the United States, not China.

Yet it is clearly too easy to dismiss the question altogether on this basis. Xiang is particularly interesting when he points to the dilemma that the Chinese face. The usual line, including in these volumes, is that China’s primary motives relate to economic exchange (primary products and a market for Chinese goods; see Ellis, ch. 2). But Xiang argues that, ‘official rhetoric aside’, China’s decision to move into Latin America was largely about energy security – an arena which is inescapably encumbered with geopolitical weight. As Xiang indicates, ‘for the first time [at the end of the 1990s], China’s enormous and growing energy demand reached geopolitical levels, becoming much more than just a development issue’ (in Roett and Paz, 50). As such, its engagement with Latin America brings it immediately and inevitably into engagement with the US and the latter’s complex security and geopolitical interests in the region. Thus Beijing faces a ‘geopolitical dilemma’ in the Western hemisphere which it has failed, according to Xiang, fully to resolve (p. 51). At the same time, the generalised swing towards the left in Latin America (and indeed the rhetoric of some governments designed to ‘talk up’ the
ideological affinity with China), along with a growing rejection of US dominance
and the neoliberal agenda, have meant that it has been difficult for Beijing to disen-
tangle its economic and energy priorities from their political and geopolitical con-
sequences.

Even so, a common refrain in the contributions to these volumes is that, simply,
it is not in China’s interest to ‘take on’ the United States in Latin America. As
Javier Corrales (in Fernández Jiliberto and Hogenboom, 117) notes, echoing others,
China’s prosperity clearly depends on the prosperity of the United States (and Bei-
jing knows it): the US is a major source of investment in China and represents one
of its largest export markets. We will return to the contours of this ‘interdepend-
ence’ later on in the essay. The point for now is to highlight is that confrontation
with the US, in a Latin American theatre, runs counter to many of China’s strategic
interests in the global economy. This might not mean that China toes the US’s line
in the region, nor that there is nothing for Washington DC to worry about. But it
does mean that more ‘hawkish’ assessments of the geopolitical and ideological
threat posed by China seem, at the present time, to be less than plausible.

It is for this reason that Ellis might be seen as overstating the idea of ‘competi-
tion with the United States’ as being an important part of why China is interested
in Latin America. It is of course clear that China favours a global order organized
around multilateral and multipolar principles rather than one based on US domi-
nance (Ellis, 16; see also Jiang in Roett and Paz). But the construction of ‘strategic
partnerships’ with Latin American countries, China’s increasing presence in Latin
American and inter-American arenas and institutions, and even what Ellis de-
scribes (or possibly exaggerates) as ‘support for populist regimes’ would in my
view, and at this juncture, be misunderstood as indicative of a conscious challenge
to US power in the region. A different interpretation, which is widely encountered
in the literature, is that China is motivated not by a desire to undermine US power
but rather by its key diplomatic interest in Latin America, namely, the diplomatic
isolation of Taiwan. Ellis also identifies this strategy as one of China’s four key
interests (the others relating to natural resources and markets for Chinese goods).
The key point is that around half of the countries in the world that continue politi-
cally and diplomatically to recognize Taiwan and do not support the ‘One China’
policy are located in the Western hemisphere – especially in Central America and
the Caribbean (see particularly Aguilera Peralta in Fernández Jiliberto and Hogen-
boom; also Erikson and Chen 2007). The result has been an aggressive – and
sometimes secretive (Phillips 2010, 180) – strategy of using economic diplomacy
to persuade those countries to sever ties with Taiwan. On balance, and as far as it is
possible to tell at the present time, it seems accurate to see China’s interest in Latin
America as being shaped to a far greater extent by this key diplomatic agenda than
by any strategy relating to challenging US power. Even so, political repercussions
for Sino-US relations are, as we noted earlier, probably impossible for the Chinese
to avoid under these circumstances.

What then of the Latin American perspective? Again, the contributions under
review here bring some welcome moderation to the debate. Much has in the past
been made of the potential ‘alternative’ that China offers to Latin America, moving
in to fill a ‘developmental gap’ left by the United States, as Roett put it elsewhere
(Roett 2005). When the US has been neglectful of Latin America in both economic
and general foreign policy terms, the argument goes, China emerges as a new arena of commercial and investment prospects, a means of diminishing the pronounced dependence on the US market which continues to characterize many of the region’s economies. Some governments in Latin America, particularly that of President Hugo Chávez in Venezuela, have presented a similar argument which pits China against the US in terms of ideological appeal for the region and sees China as offering a chance to break the shackles of US political and economic dominance. Yet, as many of the contributors to these volumes point out, to take these arguments at face value is to overlook the very simple fact that the economic relationship with the US remains by far the most important for the region as a whole, and overwhelmingly the most important for some countries and economies within it.

Thus Ellis may or may not be right to claim that one of Latin America’s interests in China lies in finding alternatives to US dominance (ch. 3), but it is in some ways beside the point: the economic relationship with China is nowhere near the proportions that would be needed for any alternative to be considered viable, given the extent of the dependence on the US that characterizes much of the region, and moreover is unlikely to assume such proportions. As Corrales observes in the area of energy (in Fernández Jilberto and Hogenboom, 116-8), China is making no noises about offering sufficient investments in Latin America of the sort that would lead to a significant expansion of production, and it is unlikely to offer real opportunities for Venezuela to reduce its dependence on the US market as a destination for oil exports. Indeed, one could make the argument that, in some parts of the region, the emergence of China has in fact led governments to strengthen ties to the United States, as fears of competitive displacement in the US market have been a prime factor in decisions to negotiate bilateral trade deals with the US over recent years in attempts to protect preferential market access arrangements (Phillips 2009, 113). The most convincing ‘take-home’ message from a combined reading of these books is thus that it appears fanciful at present to imagine that the emerging Sino-Latin American relationship augurs anything resembling a thorough-going transformation of Latin American-US relations or a significant re-ordering the regional political economy in which they are embedded. Clearly, however, it presents an intriguing new development which may or may not assume different dimensions in the future.

**Three reservations**

The above discussion reflects – albeit far too briefly – some of the very engaging insights and areas of debate that readers of these five volumes will find. The second section of my review aims to make three more ‘critical’ interjections. I concede that the first of these is a tad unfair as a criticism, as it is perhaps an inevitable characteristic of this kind of early analysis of an emerging phenomenon. But I choose to make it because it leads into several other points which I think are important and worthy of debate. It is, simply, that all of the volumes under consideration here stand as ‘snapshots’ of emerging Sino-Latin American relations – a point which, indeed, Ellis makes in the preface to his volume. While there is considerable value in these snapshots, it does nevertheless mean that the volumes are in danger of having a rather limited shelf-life. Things are changing very rapidly in the
Chinese, Latin American and Sino-Latin American landscapes, and one wonders, reading these volumes, whether many of the conclusions that the authors draw from their analyses will stand the test of time. The key development I have in mind is, of course, the impact of the global economic crisis of the late 2000s, the fall-out from which is still only beginning to become clear. All of these books would have been initiated before or at the start of this period of crisis, and one was published in 2008 – something of a lifetime ago in given the upheavals we have experienced since! The upshot is that none of the volumes engages with the crisis as a development which might alter what we can and should say about the two key questions we have noted above.

But let me tie this in with my second reservation – left as a stand-alone point it would indeed be rather unfair criticism! – which can be baldly stated: where is China? All of the volumes, with the partial exception of Roett and Paz, are written by scholars who are experts on Latin America and the Western hemisphere and interested in questions relating to that region. Roett and Paz incorporate a very welcome couple of chapters written by Chinese scholars, but otherwise the emphasis, and indeed interest of the authors, is exclusively with the Latin American/Western hemisphere side of the relationship. These volumes consequently struggle to stand as balanced assessments of a relationship: only one side of it is addressed with real detail and insight, beyond summaries of the trajectory of Chinese development and emerging strategies. Thus, to my mind, the picture of China that emerges in these volumes is not only limited but rather static. This becomes particularly important in the light of my first comment – that is to say, in order to understand the likely present and future of Sino-Latin American relations, it would seem to me to be increasingly important to incorporate proper analysis of the present and future of the political economy of China itself, ideally by complementing the very detailed research on the Latin American side of the relationship with equivalent research on the Chinese side. While this is a tall order for all sorts of reasons, especially for a single scholar, nevertheless it is lacking from our debates and should be addressed, especially perhaps in collaborative research and edited volumes.

The context of the global economic crisis is key. It is not yet fully clear whether the Chinese economy has emerged strengthened or weakened, and whether the crisis has positioned China in ways which, given the weakening of the US and European economies, augur a genuine shift of economic power. Either way, we are likely to need to rethink much of what we have to say about Sino-Latin American relations and Latin American development in that context. What we are seeing very clearly is increased US pressure on China in the area of monetary policy. A change in this area effectively to devalue the currency, if it does come, would have enormous repercussions for Chinese trade and investment policy, and consequently for the economic relationship with Latin America. Equally, many of the weaknesses of Chinese development are touched upon by some of the authors in these volumes, but only in passing. The social foundations of the model, based as they are on the control and exploitation of a vast pool of cheap labour, along with the suppression of labour and human rights, have long been recognized as carrying the potential for large-scale social unrest, and many experts on China fear that the consequences of the global crisis may well reinforce these dangers. And in a broader
sense, there is a widespread awareness of the rapid growth of inequality in China – once referred to interestingly as the ‘Latin Americanization of China’ (Gilboy and Heginbotham 2004) – which again exposes the weak points of the Chinese model. One could go on; the point for present purposes is simply that the bulk of analyses of ‘China in Latin America’, of which these volumes are examples, neglect one side of a two-sided relationship and to my mind pay insufficient attention to the dynamics that will surely shape the future of Sino-Latin American interactions.

My final reservation is the one that I see as the most pressing. All of the contributions here adopt an emphatically ‘national’ analytical focus. Many of them take a straightforward ‘country-by-country’ approach, occasionally grouped together into sub-regions. One – Roett and Paz – adopts a more thematic approach, but equally here the orientation is towards a ‘methodological nationalism’, to borrow William Robinson’s (2002) term, in which the units of analysis are always countries, or groups of countries. Equally, ‘China’ is treated as a single unit, such that, as the discussion here has reflected, the predominant tendency in debates is to talk about the expansion of ‘the’ Chinese economy and the impact of ‘China’ on whichever country or region (of countries) is of interest. The problem is that this offers only very limited and partial perspectives on what we need to know, and indeed often misleading ones. For both the expansion of ‘China’ and the trajectory of ‘Latin American’ development are not centred on single national units, or groups of national units, but rather are driven by manner in which certain territorial sites are incorporated into the evolving structures and dynamics of the global economy. That is to say, territorial locations and sectoral parts of economies are incorporated in particular ways into global value chains and production networks, which are themselves structured by transnational capital, and condition where and when particular nodes of dynamism emerge. Thus, in the case of China, transnational capital has ‘landed’ in particular areas of sectoral activity, geographically located in certain coastal areas of the country – and similarly in the case of Latin American economies. The task is therefore about understanding global value chains and positioning within them. ‘China’ may often be referred to as the ‘factory of the world’ or, more aptly, the ‘workhouse of transnational capital’ (Robinson 2006), but in reality this refers to certain sites located within the territorial boundaries of China that have become positioned within the global value chains that are shaped by transnational capital. Similar arguments apply to thinking about Latin American development.

The key point here is not simply a theoretical one, but rather carries immediate implications for our analysis of ‘Sino-Latin American relations’. For stylised discussions of exports from ‘China’ to ‘Latin America’, or ‘Chinese’ investment in ‘Brazil’ are ultimately misleading: bilateral trade and investment figures do not reveal the manner in which ‘Chinese development’ is shaped by its location within global production, trade and investment networks. Much activity within China represents the final stage in global and regional production processes. Thus an export which leaves for Mexico from ‘China’ shows up in the bilateral figures for trade between Mexico and China, but this says very little about the source of the product, the capital which financed its production, where the value accrued along the chain, and so on. Such a perspective reveals that, in fact, Chinese development has been and is driven by the production and investment strategies of companies in
other major economies, such as the US and Japan, and by demand within those countries. An excellent example that I have used before to illustrate this is taken from the work of Shaun Breslin (2005, 744-8): around 75 per cent of China’s computer-related products are produced by Taiwanese companies, and around 70 per cent of Taiwanese computer-related products are based on Original Equipment Manufacturing (OEM) contracts with foreign firms, overwhelmingly from the United States and Japan. As such, we need to understand China’s computer industry and other sectors as representing only the final stage in a global production process – the assembly hub of a wider regional production network – which is not adequately grasped when one takes at face value the bilateral investment and trade figures which show Taiwan as the source of investment in China, or China as the exporter to the rest of the world (see Phillips 2009, 117-9; Phillips 2010, 195-6).

The ‘threat’ in computer products and electronics that is felt so keenly by Mexico, in this sense, becomes not quite so directly about ‘China’ as a question of the global value chains in this sector, patterns of US investment, the nature of the regional production network in Asia, and Mexico’s positioning in relation to them.

These insights fundamentally affect the ways in which we answer the two questions I focused on in the first part of the essay. On the one hand, the key issue for Latin American development is not about its bilateral relations with China, but rather about its positioning, alongside that of China, in global production networks and value chains. This positioning refers, furthermore, not to a single national economy, but rather to nodes of economic activity in certain territorial locations. The issue of competitiveness in electronics, for example, relates not only to displacement in third markets for exports from Mexico or Central America, but to the global structures of investment which have driven the growing competitiveness of the parts of the production process located in China. Naturally, internal dynamics within China also come into play and are fundamental, but the development predicament for Latin America relates to positioning within global markets and value chains – structures which are not exposed by using bilateral statistics to understand an emerging relationship. Indeed, Jenkins acknowledges the importance of a focus on value chains in his chapter in his edited volume with Dussel Peters, and it would be welcome to see robust reflection of that acknowledgement as the debate advances.

On the other hand, arguments about the relationship between Latin America and the US, or China and the US, need fundamentally to be re-appraised. If Chinese development is driven in important part by investment from and demand in the United States (and elsewhere), then we need to proceed much more cautiously in talking about China as potentially filling developmental gaps left by the US in Latin America, China as representing an economic alternative to the US for the region, or China as using economic diplomacy in Latin America to undermine or threaten the US. China has not emerged out of thin air and descended on Latin America as a ‘new’ actor ushering in a ‘new’ phase of development: it needs instead to be understood as rooted in the dynamics in the wider global economy, and the power structures within it, that influence Latin American development.
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