



THE FUTURE OF THE AMERICAS

Keynote Address by President Luís Guillermo Solís
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INTRODUCTION

- I would like to begin my reflections this afternoon by thanking Florida International University, FIU President Mark Rosenberg, SIPA Dean John Stack and LACC Director Frank Mora for their invitation to become a Visiting Scholar at one of the most prestigious, dynamic and visionary universities in the United States. While I consider myself a long-time friend of FIU and find the warm reception, my family and I have received during the last few weeks familiar, being back after almost two decades is a special privilege that I deeply appreciate. To you all, *muchas gracias!*

- Serving as President of a democratic nation with a longstanding tradition of defending the rule of law, freedom and Human Rights was a true privilege. I say this conscious of the fact that there is no higher honor that a country can bestow on one of its citizens than the trust to lead the country in good times and bad. Yet, to serve as President of the Republic of Costa Rica and have the opportunity to return to one's true personal and professional vocation—in my case academia—is not only refreshing, but also an undeserved opportunity to share experiences with those who already have or will have the responsibility to make intelligent decisions to improve the lives of their compatriots. This is therefore, yet another reason for which to be grateful to FIU.

A. THE AMERICAS: A DIVERSE UNIVERSE

1. When we refer to “the Americas,” we allude to an immense territory that bridges the two poles, encompasses hundreds of peoples, dozens of nations and several major cultural traditions. North to South and East to West, the Americas is comprised of a vast network of thousands of ecosystems, some which constitute true strategic reserves without which the survival of the human species cannot be guaranteed.

2. Trying to envisage the future of such a diverse and complex human, geopolitical, biological and socioeconomic realm is risky if not altogether impossible. To begin

with, one could easily ask which “Americas” will be our subject of analysis: developed or underdeveloped? Indigenous, creole, black or white? Rural or urban? Young or old? Educated or not educated? With access to the internet or isolated from it? Democratic or authoritarian? Men, women or LGBTQ? The possibilities are endless, and therefore the likelihood of an absolute answer to a seemingly innocent question such as the one that we consider tonight is doubtful. Moreover, it could be daring and probably risky.

3. Then, why have I chosen this title? Why have I decided to navigate such perilous waters? Mainly because even in its complexity and diversity, there are common challenges that all the Americas share, irrespective of their peculiarities. I will highlight those issues tonight, trying to find the commonalities that may allow us to speak of a hemispheric agenda that is suitable of a pluralistic and shared approach. For practical purposes, I have decided arbitrarily to define “the future” as the immediate future (next 5-10 years). This, of course, is a historian’s privilege. I did so fully realizing that many of the processes that I refer to will probably take many more years to unravel.

B. MAIN TRENDS

1. **Economic stability and growth.** Most international financial and trade entities seem to agree that the immediate economic outlook for the Americas is positive. Driven by the slow but steadfast recovery from the 2008 crisis in the Northern markets (the US and the European Union), and due to the previous —and sometimes very painful— adjustments that many Latin American and Caribbean economies undertook in the 1990s and early 2000s, the conclusion of many experts calls for the hemisphere to advance to a phase of gradual expansion to overcome the contractions of the recent past. There are nuances to this conclusion, however. *First, economic growth is not going to be general.* Significant variables will affect many regions, sub regions and populations throughout the Americas, such as educational level; access to new technologies; political and institutional stability (associated to the rule of law); economic inclusion and economic empowerment of women; reduction of informality in the labor markets; demographics, etc. *Second, economic growth may be insufficient to ensure the region’s compliance with the UN Sustainable Development Goals for 2030.* The social exclusion patterns are such that even moderate growth (3%-5% GDP) may be insufficient for many countries to permanently reverse the accumulated deficits of the past three decades. *Thirdly, this economic growth may not trigger a structural, domestic transformation* if it remains, as has generally been the case in the past, associated with the export of commodities to foreign markets and the primary exploitation of the region’s rich natural resources.

- 2. Social progress: the middle-class trap.** One of the Americas' main contemporary trends is the growth of the so-called "middle class." Every major study of the hemisphere points at this phenomenon as one of the most salient and significant in the region's history. The numbers are indeed impressive. The importance of this process is altogether welcomed and positive. Bigger "middle classes" are generally more educated, more demanding of broadly defined stability (including the provision of better quality health, water, housing, and education public services), and less prone to radicalism and violence. At least that has been the experience of many Western and Asian societies after World War II. Yet, the growth of the "middle classes" of many countries of the Americas could be misleading. If the growth and development of these segments is not associated with significant improvement of the State's capacity to respond to their ever-growing demands, their frustration and dissatisfaction could become a source of perilous democratic instability. Furthermore, given the vulnerability of the so-called "middle classes," many of which are temporary fragments of destitute populations that ascended to a new, very feeble status via welfare programs, it is crucial to overcome this "trap" by ensuring that emerging "middle classes" are strengthened and promoted above and beyond their income indicators. This implies providing access to financial resources for residential and economic uses (credit to buy houses or start businesses, for example), improving public services, controlling crime and violence in the neighborhoods where they dwell, and promoting overall national conditions that allow them to sustain and improve their newly acquired social status.

- 3. Democratic governance.** A central tenet of western societies at the end of the 20th Century was the arrival of a new "universal order" based upon democratic values and what Francis Fukuyama proclaimed as the "end of History." The Americas was signaled as one of the places on earth where these principles and prophecies were to be fulfilled. Indeed, during the first two decades of the 21st Century, the Americas has been emblematic in this regard. For several years, Cuba remained as the hemisphere's only dictatorship, and despite several governments acting in ways that were less than exemplary with regards to respect for human rights or in the exclusion of social sectors, by and large the expectation held firm. This was true despite early events in Chavez's Venezuela in the early-1990s or isolated instances of severe political violence in some Caribbean States. The predominance of democratic governance in the Americas will likely continue for the next few years.

The institutions that support the rule of law have been able to withstand much turmoil, and there is growing awareness on the part of "civil society" (brutally repressed in the 1980s) of the crucial role it plays in the protection of Human Rights and other central issues of the democratic agenda. Likewise, while the ideological diversity of the region's governments remains extremely diverse, in the last few years some "populist" tendencies which had gained force in Latin America and the Caribbean, under the ALBA prescription, have given way to far more centrist or

conservative positions of key players in the Americas. The overall picture is positive and probably will not change in the short term. However, there is troublesome news in certain hemispheric quarters. Obviously, there are the very well-known and extremely worrisome cases of Venezuela and Nicaragua where the violation of Human Rights has increased significantly in the last few months as the role and capacity of multilateral institutions like the OAS or other geopolitical blocs has diminished. While very serious and unacceptable, in my estimation this is not what should be the only source of concern regarding democratic governance in the Americas today. Rather, I fear the widespread and growing popular dissatisfaction with the performance of democratic governments and institutions, as well as the lack of transparency or outright corruption in many of them. This is accompanied by an increasing loss of legitimacy of the Judiciary powers of the region whose independence and accountability have been compromised once again. In this sense, the gradual deterioration of the quality and credibility not of democracy, but of democratic governance is a major challenge for the Americas. This is an issue that could easily determine the future of plural and free societies, articulated by the rule of law and prosperous but fair market economies. The negative political impact of “post-truth” tendencies in many media in the hemisphere is yet another issue whose effect on the worsening state of democratic governance in many countries should not and cannot be overlooked.

- 4. Trade relations: the end of consensus.** One of the most —if not the most— important theses that dominated the Americas in the last two decades, was that of free trade. Fiercely opposed by important sectors within the national societies, free trade and its preferred instruments of implementation, the free trade treaties, were nevertheless imposed largely with support from the US and global institutions, throughout the hemisphere. Few governments resisted a trend that resulted in an informal and prevailing consensus that global order consistently builds around the opening of national markets and the construction of “a world without economic, trade or financial borders.” Not anymore. While many (or even the clear majority) of the countries of the Americas will continue to operate under this logic, the advent of the Trump Administration with its very nuanced approach to free trade has been a game changer. The disruption that such a new and important transformation espoused by the predominant power in this hemisphere could produce is not completely noticeable yet. In fact, many nations have resisted it with significant strength and a high profile (Canada and Mexico, for example). Yet, if the new thesis prevails in an eventual second Trump Administration, and if the current supporters of trade “nationalism” spread their gospel to even larger audiences, as seems to be the case in Western, Central and Eastern Europe, the Americas could face a major disruption of their trade flows with grave consequences to their national economies.

- 5. The dusk of the preponderant power?** For the last 125 years, the US has been the undisputed regional power in the Americas. With the exceptional challenges of Great Britain at the end of the 19th Century and the former USSR in Cuba in the early-1960s, the US has not had significant contenders to deal with in the Americas since 1898. This preponderance (or even hegemony in areas such as the Caribbean Basin) will continue in the next few years. It will not go away for different reasons, but mainly because the region remains significantly dependent on US markets and investments, and because the geopolitics of the Americas —broadly speaking— will continue to unravel as per patterns consistent with those of the US, mainly democracy and market economies. As proven by the ALBA example or the failure of UNASUR to maintain a more integrated, confrontational agenda with Washington, the probability of a rupture in this trend is, at most, very remote. During the last two decades though, the US has begun to provide less and less priority to its traditional “back yard”, mainly because: a) it has not been problematic to the point of becoming a serious threat to its national security; b) it has been unchallenged by any major extra-continental actor; and c) the diplomatic front (international agenda) mostly coincided with that of the US. With few exceptions, the US dominates the principal import/export markets and therefore could call the “rules of the game.”

The US’ decision not to tend to the Americas as a major objective of its foreign policy and external relations is beginning to have unintended consequences. One of the principal tenets of US continental policy, the Monroe Doctrine, and its corollary, are long gone —killed by the Central American crisis where the European Community was called in to play a key role in the peace agreements. The narrowing of US strategic interests to a so-called “negative agenda” dominated by concerns over organized crime and migrations also left many countries without a second cooperation track through which to build a more permanent relationship. This allowed other international contestants —mainly China, but also Russia or the UAE — to appear unchallenged as powerful secondary or tertiary voices willing to barter, trade and invest, forge alliances, and provide an alternative discourse on central tenants of the international agenda (trade, the environment, democracy) that may appeal to some nations seeking to distance themselves from the current US Government. I do not expect China or any other world power to “substitute” the US as the regional hegemon any time soon, however, something is beginning to happen with regards to the US’ “newly-acquired remoteness.” Could it be possible that we are at the threshold of a significant hegemonic transformation in the next few decades?

- 6. The environment, climate change, and other natural resource-related issues.** The Americas is known for their vast reserves of natural resources. In a world dominated by scarcity and irresponsibility with the caring for what Pope Francis called our “common home,” such condition of abundance has led some experts to call the Americas the reservoir of the future that will soon become a major factor in the survival of our species. Let’s talk a minute about one of the most crucial factors:

water. The total water resources in the world are estimated in the order of 43.750 3m/year. At the continental level, America (the Americas) has the largest share of the world's total freshwater resources with 45%. Not in the same proportion but equally impressive are the numbers on petroleum, coal, precious metals, wood, fisheries — the Americas constitutes a massive epicenter of natural wealth, particularly thanks to the size and richness of its tropical rainforests, they hold the largest share of biodiversity in the world.

Unfortunately, the rate of destruction or mismanagement of this universal patrimony is equally impressive, heightened by the fact that a good part of the continent houses the largest indices of inequality in the world. In a context of climate change and the recurrence of extreme weather events, all these negative conditions become crucial for the future and will determine (not only condition) the evolution of the region and of its countries individually considered. We have already witnessed the economic and social costs of hurricanes, tornadoes, rising sea levels and other associated extreme phenomena. Drought and flooding with unprecedented fury have devastated communities all over the continent. El Niño y La Niña phenomena are permanent reminders of the seasonal recurrence of climate-related events. Examples abound. In this regard, the attention of the public- and private-sectors, academia and civil society organizations on the environment and climate change will increase significantly. The weight of these issues will rise in the priorities of the regional agenda of the Americas and will become a strategic variable that will require profound legal and cultural transformations throughout the hemisphere.

- 7. Violence and the rule of law.** Stereotypes aside, the Americas, and particularly circum-Caribbean nations, are among the more violent in the world. There are many varieties of “violence” of course, from domestic (that affects children, seniors, women and other vulnerable populations), to structural (encompassing the very large income gaps and unfulfilled needs of over 25% of the region's poor). The underlying reasons for the existence of these phenomena are diverse and run deep in history. Likewise, they will take a long time to be resolved. Yet, the most dangerous acts of violence in the short term are those tied to organized crime —particularly illegal drugs and related activities— that for many decades have taken advantage of seemingly unending markets in the US, Western Europe and Canada and have led to some of the most effective, sophisticated and horrific criminal networks in the history of the Americas. The pervasive nature of these activities, their capacity to influence and corrupt the public and private spheres, the strength and influence of the drug cartels throughout all the levels of the social structure, and the financial importance of the resulting revenues, are all conditions that constitute a very dangerous and explosive situation for the region in particular, given the level of physical violence they use and the relatively easy access to highly-lethal heavy weaponry. The sources of violence in the Americas, therefore, will not abate, nor will their nefarious impact on public life lessen in the short term. Furthermore, the fact that the production of

coca leaves and poppy latex has increased significantly in Colombia and Mexico, provides a very bad omen as to the capacity of the countries in the continent to combat, control and eventually eliminate this phenomenon.

IN CONCLUSION

The Americas possesses all the conditions needed to become highly developed. There is no rational motive for its lesser-developed nations to not follow the footsteps of the Asian Tigers and become prosperous economies, integrated societies and highly-advanced trade and technology ecosystems, firmly associated, and partnering fruitfully with its richer countries and the rest of the world. This overall assessment can be misleading though. For this optimistic outcome to happen, the poorer countries of the Americas need to make a superlative effort to transform the current status quo of economic stagnation or minimum growth, reduce poverty and inequality, invest more in R&D and public education, economically empower women, resolve the contradiction between production and conservation, turn political bickering into constructive democratic reform with full respect for all Human Rights, and a long et cetera that could take many years to come. The alternative though, where we currently stand, is a less-than-optimal middle ground where stagnation, violence and exclusion are dominant traits. This state of events is the worst alternative: political paralysis impedes progressive change; social and economic vulnerabilities make prosperity elusive for the majority and accumulates wealth and power for a privileged few; and turns democracy —fueled by the maladies of post-truth— against itself, rendering it incapable of withstanding the negative callings of populism and populists.

Thus, in the ultimate analysis, the future of the Americas cannot be something alien to our own, short-term interests. It must be a good reason to become engaged whether in Anchorage or in the Brazilian *nordeste*, in Hudson Bay or in Tierra del Fuego. It doesn't matter if we speak English, French, Portuguese, Dutch, Papiamentu, Creole, Guarani, Quechua, Inuit, Athabascan, Algonquian, Maya or any other indigenous language or their dialects. The truth of the matter is that regardless of any difference —large or small— the events in one part of the Americas could (and probably will) ultimately affect the living conditions somewhere else. Just think about it: what does Port-au-Prince have in common with New York's Upper West Side? In times of migrations, much more than just well-trimmed roof gardens and the abundance of Bentleys parked in front of fancy high-rises. Whereas we may not agree with this tenet, which may sound overly simplistic and far-fetched, it is nevertheless necessary to realize how intensely associated trans- and inter-American relations have become in the Post-Modern Era. This should be reason enough to understand the urgency of learning more from one other, partaking more of each other's needs, and willing to share more of ourselves to build a continent where prosperity and justice are not separated from one another.

This is, in many ways, the “raison d’etre” of this University, and the sincere inspiration that has brought us here tonight. *Gracias*.