

# Latin American leaders meet at CELAC summit amid Trump's escalating economic war against China

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Latin American leaders met in Honduras last Wednesday, April 9, for the ninth summit of the Community of Latin American and Caribbean States (CELAC). The summit took place amid an escalating trade war by US President Donald Trump's administration against China, the main trading partner of most countries in the region and the only country against which Washington has maintained "reciprocal tariffs" after suspending them for 90 days.

As part of the Trump administration's so-called "Liberation Day," Latin American countries, most of which have a trade deficit with the US, were taxed a minimum of 10 percent. The exceptions were Guyana (38 percent), Nicaragua (18 percent), and Venezuela (15 percent). The last two countries, along with Cuba, have been subject to US trade sanctions for years.

Since the beginning of the last decade, Latin American countries have been striking a delicate balance between strong trade relations with China and, to a lesser extent, Russia, and the growing pressure exerted by US imperialism. With Trump's return to power, this pressure has escalated enormously with open threats to seize the Panama Canal and a drive to impose regimes aligned with his government in Latin America as he prepares for war against China.

At the same time, as Latin American governments are trying to assess the impact of Trump's trade war on their economies, there is a growing consensus among them that it is necessary to diversify trade relations, including the possibility of moving away from the US. This move would open up space for strengthening commercial ties within Latin America itself, as well as expanding partnerships with other blocs and global powers, such as the European Union and China itself.

Since its creation in 2011 during the bourgeois nationalist "Pink Tide" governments to counter the US-controlled Organization of American States (OAS), CELAC has advanced the need to integrate the "Patria Grande" (shared homeland) in multiple arenas—cultural, economic, military, and political. However, as the global economic crisis has intensified with the COVID-19 pandemic and the war in Ukraine, fragmentation and regional conflicts between Latin American countries have emerged in full force.

The generic nature of the short "Tegucigalpa Declaration," made up of just eight points and adopted by a "sufficient consensus" of 30 of the 33 CELAC countries, highlighted the growing difficulty Latin American leaders have in responding in a unified and effective way to the intensification of the global crisis. One of the points defended "respect for the purposes and principles of the United Nations Charter and international law, international cooperation, democracy and the rule of law, multilateralism, the protection and promotion of all human rights, respect for self-determination, non-interference in internal affairs, sovereignty and territorial integrity."

Without directly naming the US and Trump's trade war measures, it rejected "the imposition of unilateral coercive measures contrary to international law, including those that restrict international trade."

Argentina, under fascist president Javier Milei, and Paraguay, under right-wing president Santiago Peña—both close allies of Donald Trump—refused to sign the declaration and denounced it as a breach of protocol since the text was published without the consensus of all the member countries. Nicaragua, governed by Sandinista President Daniel Ortega, also abstained, claiming that the declaration was insufficient and advocating a more ambitious text.

Earlier this year, Argentina and Paraguay also managed to block an extraordinary CELAC meeting called by Colombia's pseudo-leftist President Gustavo Petro to discuss the Trump administration's mass deportations of Latin American immigrants.

In his speech at the CELAC summit, Brazilian President Luiz Inácio Lula da Silva (Workers Party-PT) said, "History teaches us that trade wars have no winners." Calling for Latin American unity, he continued: "If we remain separate, the Latin American and Caribbean community runs the risk of returning to the status of a zone of influence in a new division of the globe between superpowers."

To forestall this threat, he defended the need to "put differences aside" and "rescue the plural and pragmatic spirit that united us in the early 2000s and led to the creation of UNASUL [Union of South American Nations, in 2008] and

CELAC itself.” Both UNASUL and CELAC were created to further the intentions of the PT (2003-2016) and other “Pink Tide” governments, such as those of Hugo Chávez in Venezuela and Evo Morales in Bolivia, to create a “multipolar world” in opposition to US hegemony.

“It is imperative that Latin America and the Caribbean redefine their place in the emerging global order,” Lula continued, promoting “regional trade in goods and services, its diversification and increasing facilitation.”

On a point particularly sensitive to US imperialism, which puts Brazil in direct conflict with the US, he advocated “reactivating the ALADI [Latin American Integration Association] Reciprocal Payments and Credits Agreement and expanding the Local Currency Payments System.” This is also an agenda that Brazil intends to push forward within BRICS—made up of Brazil, Russia, India, China and South Africa, plus a dozen recently incorporated countries—during its term as rotating president this year. The initiative, however, has already been heavily criticized by Trump, who has promised to retaliate against BRICS several times.

The Brazilian president also noted that “Brazil [is] promoting five South American Integration Routes, which will link the Caribbean, the Atlantic and the Pacific.” According to a January report on the Lula government’s planning ministry website, these routes aim to “increase the competitiveness of Brazilian and South American products” and “reduce the distance and travel time of trade with Asia.”

In addition to seeking to “reindustrialize” Brazil as a response to four decades of deindustrialization and the recent growing influx of Chinese manufactured goods—a phenomenon intensified by the tariff war and widely highlighted by the media in recent days—the Lula government is betting on new trade routes to strengthen exchanges between Latin American countries and Asia. According to data from the planning ministry, most Brazilian exports to China are made up of primary products, with only 2 percent representing industrial goods. As for exports to South America, industrial goods account for 85 percent of the total.

Although it doesn’t mention China directly, the development of infrastructure led by the Asian country in Latin America has contributed significantly to this project. One example is the recently opened Port of Chancay in Peru, as well as the ambitious plans to build a transoceanic railroad that would link the Atlantic Ocean in Brazil to the Pacific Ocean in Peru.

Another president who attended the CELAC summit was Venezuela’s Nicolas Maduro. In his speech, he said that Trump represents the “most serious civilizational aggression against migrant peoples in the United States since the era of fascism and Nazism.” He also declared, “We are currently experiencing two aggressions, one of an economic nature and the other of a humanitarian nature, against our migrants,” a reference to the 238 immigrants illegally deported from the US to El Salvador.

Maduro considers CELAC and the rapprochement with China

and other BRICS countries to be essential for minimizing the harsh economic impact of US sanctions and the Trump administration’s recent measures against Venezuelan oil. At the CELAC summit, he advocated the construction of a General Secretariat for the community.

China has been closely watching developments at CELAC. Chinese President Xi Jinping sent a “congratulatory message” to the summit, saying that “the world today is undergoing accelerated changes unseen in a century” and that “the Global South, including China as well as Latin American and Caribbean countries, is growing with a strong momentum.”

He also noted that “This year, China will host the fourth ministerial meeting of the China-CELAC Forum in Beijing,” which will take place in May. Lula and other regional leaders are expected to attend the forum in person.

However, Xi’s call for “building a China-Latin America community with a shared future, runs directly counter to US interests. Last week, US Defense Secretary Pete Hegseth reinforced in a visit to Panama that “the US will take back the Panama Canal from Chinese influence” and, more broadly, that “China’s military has too large of a presence in the Western Hemisphere.” The visit took place while Trump and Hegseth were openly talking about sending US troops to Panama.

As is becoming clear, Trump, while attempting to consolidate a presidential dictatorship in the US, is also turning Latin America into a battleground in the confrontation of US imperialism with China.

The attempts by Lula and other Latin American leaders to counter the US offensive by building a “multipolar world,” with Latin America somehow being able to take advantage of Trump’s economic war against China, is a reactionary illusion. As the WWS recently warned, “All factions of the US ruling class, whatever their tactical differences with Trump, are united in their determination to ensure there is no so-called multipolar world. US hegemony must be maintained at all costs and that means the subordination of China.”

Lula and the other Latin American heads of state are loyal representatives of the national and international bourgeoisies, and their aim is to achieve less unfavorable economic conditions in a world increasingly dominated by the threat of a new imperialist world war. The only progressive response to this threat is the unity of the Latin American working class with its brothers and sisters in North America in a struggle for international socialism.



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