



THE RUSSIAN FEDERATION'S POLICY TOWARD LATIN AMERICAN STATES

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Abstract

The aim of the article is to inquire about the role and place of Latin America in the new foreign policy of the Russian Federation.

In the 1990s Russia lost its superpower status and was forced to restrict its activity in many regions of the world, including Latin America. It was also the end of the Soviet-U.S. ideological rivalry in the region. Russia aims today at maintaining complex and balanced global relations and at de-ideologization of its foreign policy.

Russian-Latin American relations since the mid-1990s have been characterized by a gradual development of mutual relations, with a visible acceleration of contacts after 2000 due to Russia's diplomatic contacts with all the states in the region. The present foreign policy of Russia is determined by its domestic problems. Thus, Latin America occupies a peripheral position on the list of Russia's priorities oscillating around its European and Asian neighbors. However, the Russian activities in Latin America point to the economic and political attempts at restoring the lost global position.

The economic development, democratization and Latin American integration in the 1990s made the region an interesting partner for Russia in its attempts at establishing multilateral global relations. Russia and the Latin American states agree on many international problems and crises, such as, for instance, the conflict in Iraq, war on terrorism, and fighting drugs traffic. They all aim at strengthening the role of diplomacy and of the U.N. Russia evidently aims at developing mechanisms for capital investment in the region,

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particularly in such states as Brazil, Venezuela, Cuba, Argentina, Nicaragua and Ecuador. These efforts concern mainly advanced technologies, oil and gas exploration and drilling, motor, aircraft and arms industries. Russia shows interest in the regional integration experience of the Latin American states.

The aim of the article is to inquire about the role and place of Latin America in the new foreign policy of the Russian Federation. An attempt is made at identifying factors that determine Russia's interest in developing foreign relations with Latin American states.

The principles of Russian foreign policy toward Latin America were laid by Vladimir Putin in June 2000. Their new character was well conveyed by Russian Foreign Minister Igor Ivanov, who said: "The relations with Latin America and the Caribbean constitute a separate and very promising direction in Russia's multidirectional foreign policy" (Ivanov 2001, 155).

Russia has a long history of international contacts with Latin America. The earliest diplomatic relations in the region were established with Brazil in 1828, with Argentina in 1885, and with Mexico in 1890. The USSR developed a special type of relations with the region after establishing diplomatic relations with Cuba in 1960 followed by the first visit of Cuban leader Fidel Castro to Moscow in 1963. The final decade of the 20th century was the period of substantial transformation in Russian-Latin American relations determined by the end of ideological confrontation and a new context for shaping foreign policy.

The Soviet foreign policy of intervening in the internal affairs of other states in the name of communist internationalism –determined by the Brezhnev doctrine– has been discarded. Russia aims today at maintaining complex and balanced global relations and at de-ideologization of its foreign policy (Sizonenko 2000, 10-19). Thus Russia no longer supports communist revolutionary movements in the developing countries. Instead, it declares its wish to work out multilateral relations and is interested in other forms of dialogue and co-operation with Latin American states and regional organizations. Russia's status of a permanent observer at the Organization of American States - OAS helps achieve these goals.

In the 1990s Russia lost its superpower status and was forced to restrict its activity in many regions of the world, including Latin America. It was also the end of the Soviet-U.S. ideological rivalry in the region. The new Russian foreign policy is characterized by





initiatives aiming at reducing the political asymmetry resulting, in the opinion of Russian politicians, from the hegemonic nature of the U.S. international relations.

Russia, a state of great economic potential and one of the leading world producers of energy resources, is an attractive trade partner to Latin America due to its offer of sophisticated aircraft, defense-related and civilian nuclear-energy technologies. Under the terms of the Additional Protocol II of the Treaty of Tlatelolco Russia became a side in the agreement that made Latin America a nuclear-weapons free zone. The Treaty became effective on 25 April 1969, was signed by the Soviet Union on 18 May 1978, and ratified on 8 January 1979. Russia joined the Treaty in December 1991, thus pledging itself to neither spread nuclear weapons in Latin America and the Caribbean nor use it against the states in the two regions, and to make only peaceful use of nuclear power.

Political and economic relations

Despite the marginalization of Latin America due to the reordering of its foreign policy priorities, Russia maintained the Soviet diplomatic missions in the region. New diplomatic relations were established with the Dominican Republic, with Paraguay and Guatemala, and re-established with Chile and Brazil. Russia maintains diplomatic contacts with all 33 Latin American and Caribbean states: Antigua and Barbuda, 1990; Argentina, 1885; The Bahamas, 2004; Barbados, 1993; Belize, 1991; Bolivia, 1945; Brazil, 1828; Chile, 1944; Colombia, 1935; Costa Rica, 1944; Cuba 1902, broken in 1952, re-established 1960; Dominica, 1995; Dominican Republic, 1945; Ecuador, 1945; El Salvador, 1992; Grenada, 1979, re-established in 2002; Guyana, 1970; Guatemala, 1945; Haiti, 1996; Honduras, 1990; Jamaica, 1975; Mexico, 1890; Nicaragua, 1944; Panama, 1991; Paraguay, 1992; Peru, 1969; Saint Kitts and Nevis, 2003; Saint Lucia, 2004; Saint Vincent and the Grenadines, 2002; Surinam, 1975; Trinidad and Tobago, 1974; Uruguay, 1857; Venezuela, 1945 (The Ministry of Foreign Affairs of the Russian Federation, 2006 a), and has 26 diplomatic agencies in 26 of them: Antigua and Barbuda, Argentina, Barbados, Belize, Bolivia, Brazil, Chile, Dominican Republic, Ecuador, El Salvador, Guyana, Guatemala, Honduras, Jamaica, Colombia, Costa Rica, Cuba, Mexico, Nicaragua, Panama, Paraguay, Peru, Surinam, Trinidad and Tobago, Uruguay and Venezuela (The Ministry of Foreign Affairs of the Russian Federation, 2006 b).





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The 1990s witnessed animation in Russian-Latin American relations. In 1996 Russian Foreign Minister Evgenyi Primakov paid official visits to Mexico, Venezuela, Brazil, Argentina, Colombia, Ecuador, Costa Rica, and to Cuba in May and November 1997. After 2000, the government representatives of Jamaica, Guatemala, Costa Rica and Paraguay paid visits to Moscow. Parliamentary contacts have developed with Argentina, Brazil, Cuba, Costa Rica, Guatemala and Mexico. Meetings of the highest diplomatic rank were held in Moscow with president of Argentina Carlos Menem in 1998, with president of Venezuela Hugo Chávez Frías in May 2001, with president of Brazil Fernando Henrique Cardoso in January 2002 and with president of Chile Ricardo Lagos in October 2002, while president Vladimir Putin visited Mexico in June 2004. Mainly economic issues were raised during these meetings: stimulation of investment, cooperation in science and technology, nuclear technologies for peaceful purposes and new communication systems. Russia entered a number of bilateral agreements with Latin American states: in the years 1992-2000, over 140 documents were signed, including 14 agreements, which laid the foundations for and principles of international cooperation.

After the period of restricted economic relations in the 1990s, Russian trade with the region has been growing. In 1998 a National Committee for Economic Relations with Latin America was formed. Its aim is to facilitate administrative cooperation and exchange of information, and to stimulate trade contacts between companies.

Russia's biggest and still growing trade volume is with Brazil, its most important economic partner in the region despite trade deficit. Russia export to Brazil was higher than import only in the year 2000. Russia's foreign trade is relatively big with Argentina, Ecuador and Cuba, yet there is a trade deficit with all of them. The volume of Russian trade with Chile grows systematically and the balance is generally favorable, while trade with Mexico, Bolivia and Paraguay is very limited. The volume of Russian trade with Peru is relatively small, yet the balance of trade with this state is favorable, as it is also with Uruguay, Colombia and Mexico. Trade with Colombia has been on decline. Apart from Brazil, Russia's main trading partners in Latin America are Cuba, Ecuador and Chile. The described trends are shown in Tables 1, 2 and 3.





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TABLE 1. Export indexes from select Latin American states to Russia, 2000-2004 (in thousands U.S. dollars)

Country	2000	2001	2002	2003	2004
Argentina	103.442	150.725	149.531	199.101	128.573
Bolivia	282	81	779	620	146
Brazil	422.685	1.102.133	1.251.900	1.499.344	-----
Chile	13.608	17.247	22.922	40.944	-----
Ecuador	121.953	144.296	219.665	260.821	78.154
Colombia	53.687	51.928	41.303	35.960	28.615
Cuba	324.577	402.568	-----	-----	-----
Mexico	2.562	2.938	-----	-----	-----
Paraguay	256	3.673	4.216	2.211	-----
Peru	18.660	32.026	23.897	14.186	5.116
Uruguay	6.375	6.511	17.311	20.074	-----
Venezuela	41.367	23.108	29.236	23.049	-----

Source: *Sistema de Informaciones de Comercio Exterior. Estadísticas*, Asociación Latinoamericana de Integración – ALADI, <http://www.aladi.org/>.



TABLE 2. Import indexes from Russia to select Latin American states, 2000-2004 (in thousands U.S. dollars).

Country	2000	2001	2002	2003	2004
Argentina	113.025	108.957	78.004	110.967	45.154
Bolivia	2.441	521	744	292	60
Brazil	606.115	498.603	460.529	598.829	222.752
Chile	70.424	32.709	36.052	23.959	-----
Ecuador	43.198	51.915	40.258	47.161	12.663
Colombia	51.626	49.063	82.093	51.998	39.714
Cuba	111.322	89.759	-----	-----	-----
Mexico	49.395	4.840	-----	-----	-----
Paraguay	71	214	144	-----	-----
Peru	24.905	25.682	36.340	56.296	13.571
Uruguay	111.902	25.949	111.158	257.048	-----
Venezuela	14.056	21.022	17.309	19.188	-----

Source: *Sistema de Informaciones de Comercio Exterior. Estadísticas*, Asociación Latinoamericana de Integración – ALADI, <http://www.aladi.org/>.





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TABLE 3. Trade balance between Russia and select Latin American states, 2000-2004 (in thousands U.S. dollars).

Contry	2000	2001	2002	2003	2004
Argentina	- 9.583	41.768	71.527	88.134	88.419
Bolivia	- 2.159	- 440	35	328	86
Brazil	- 183.430	603.530	791.371	900.515	222.752
Chile	- 56.816	- 15.462	- 13.130	16.985	-----
Ecuador	78.755	92.381	179.407	213.660	65.491
Colombia	2.061	2.865	- 40.790	- 16.038	- 11.099
Cuba	213.255	312.809	-----	-----	-----
Mexico	- 46.833	- 1.902			
Paraguay	185	3.459	4.072	2.211	-----
Peru	- 6.245	6.344	- 12.433	- 42.110	- 8.455
Uruguay	- 105.527	- 19.438	93.847	- 236.974	-----
Venezuela	27.311	2.086	11.927	3.861	-----

Source: *Sistema de Informaciones de Comercio Exterior. Estadísticas*, Asociación Latinoamericana de Integración – ALADI, <http://www.aladi.org/>.

Russia is interested in developing and tightening relations with Latin American states, as indicated by a number of Russian diplomatic visits to the region in the last four years. The most important one took place in December 2003, when Foreign Minister Igor Ivanov made a 10-day official tour in Latin America in order to animate political and economic relations with Chile, Argentina, Brazil, Venezuela and Uruguay. Minister Ivanov took part in the 25th Summit of Mercosur - *Mercado Común del Sur*. The visit resulted in signing bilateral agreements, and in consensus of opinion about the main international and regional problems. In Santiago de Chile, Foreign Minister Ivanov held talks on tightening cooperation with Chile in the UN Security Council, in which Chile acted as a non-permanent member till the end of 2004. In Argentina the talks focused on economic relations, cooperation between companies and trade diversification. Agreements were signed on technical and humanitarian assistance in ecological and natural disasters. During the visit to Brazil, arrangements were made for the meeting of the heads of both states to be held in Moscow in 2004. Preliminary decisions were made about future cooperation in the fields of energy, defense





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and telecommunications. Cooperation in the areas of energy and fuels dominated the talks in Venezuela, as both states are the major exporters of oil in the world. An agreement was signed on scientific and technological cooperation.

Russia is also interested in energizing relations with Mexico. President Vladimir Putin paid a two-day visit to Mexico in June 2004. It was the first official visit of a Russian head of state to Mexico since relations between these two countries had been established in the 19th century. President Putin and president of Mexico Vincente Fox discussed economic and military relations and ended with bilateral agreements. Russia offered gas supplies for the Mexican energy industry served then mostly by the U.S. Plans for joint construction projects were made: a military helicopters assembly factory in Veracruz and a heavy military equipment plant in Hidalgo. However, most discussion time between the two biggest world exporters of oil, remaining outside OPEC, was devoted to the stabilization of oil prices. Both presidents expressed criticism of the U.S. invasion in Iraq and insisted on active involvement of the U.N.O. in restoring peace in that country.

Russia's interest in further development of economic and political relations with Latin America results from the positive evaluation of the developments in the region since the 1990s. In his comment on the visit of Igor Ivanov to Latin America, Aleksandr Yakovenko, the spokesman for the Russian Foreign Ministry, stressed the dynamic economic growth of the region, its political stability and predictability, which matters to Russia in developing "friendly relations" with Latin American states. Yakovenko described Russia's relations with Latin America as "an independent area of Russian foreign policy" based on "common interests and attitudes towards a wide range of contemporary international problems." Russia offers to Latin America a tightening of economic and political relations, particularly technical and military, as these areas create best prospects for cooperation, according to Yakovenko. The Foreign Ministry spokesman also stressed that the value of trade between Russia and Latin America in 2002 reached the sum of 5.3 billion U.S. dollars and is likely to grow. The Russians enter the Latin American markets with products of heavy engineering, the petrochemical and coal industries, advanced aircraft and military technologies. They are interested in cooperation in research and use of aerospace, in





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power engineering industry, especially nuclear power, and in the development of transport and information infrastructures. A few big Russian companies, such as "Russki Aluminij", "Rosneft" and "Energomashexport", already operate in the region.

The effect of the new strategy of strengthening political and economic relations in Latin America is Russia's multilateral cooperation with the Rio Group, the Andean Community and Mercosur (Braguin 2001, 164-169).

Russia's interest in the Rio Group results from the positive contribution of this forum in creating balanced multilateral political relations on the international arena. In April 2002, representatives of the Rio Group –Foreign Ministers of Brazil Celso Amorim, of Costa Rica Roberto Tovar, and of Peru Allan Wagner– paid the first official visit to Moscow, during which they talked to Russian Foreign Minister Igor Ivanov and met President Vladimir Putin. It was agreed to hold a meeting of heads of state-members of the Rio Group and Russia in Brazil in 2004. This fact clearly points to Russia's growing activity in Latin America and the Caribbean. The activity involves now 477.7 million people in the region, i.e. the inhabitants of the 19 member states of the Rio Group stretching from Mexico to Argentina.

Russia is also interested in developing relations with Latin-American economic organizations. In October 2000, Secretary General of the Andean Community Sebastián Allegrett paid an official visit to Moscow as the result of Igor Ivanov's prior visit to the Andean Community Secretariat in Lima in January 2000 and the agreement on the common international policy. Representatives of the Andean Community held business meetings with the Russian President of the Executive Committee of the Commonwealth of Independent States (CIS) Yuri Yarov, with the President of the Central Bank of the Russian Federation, with Deputy Ministers of Economic Development and Trade, with the President of the Russian parliamentary Committee of Foreign Affairs and with the Director of the Latin American Institute at the Russian Academy of Sciences. The May 2001 talks resulted in signing the agreement on the *Political Dialogue and Cooperation between the Andean Community and the Russian Federation* (Comunidad Andina, 2001a). All these activities and agreements helped work out the rules of cooperation in politics, economy, sciences and culture (Comunidad Andina, 2001b). The rules involve regular consultations concerning the international and regional si-





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tuation as well as mutual relations. Both sides declared willingness to cooperate more closely within the U.N.O. and other international bodies, including the World Trade Organization, in which Russia participates as an observer. They also committed themselves to organize conferences, seminars and expert exchanges connected with the realization of the agreement, to cooperate in environment protection, in fighting drug and art traffic, and in eliminating corruption. The first regular meeting provided for by the *Political Dialogue and Cooperation* took place in Moscow in May 2004. The Andean Community and the Russian Federation expressed interest in cooperating more closely in fighting terrorism, arms and drugs trafficking and corruption, in protecting the natural environment and in mutual assistance in natural disasters. Institutional forms of cooperation in those areas were to be worked out. The Andean Community presented to Russia a proposal of an *Agreement on Trade and Investment Cooperation* that postulates the formation of an inter-government commission and adopting a concrete strategy.

The relations between the Russian Federation and Latin America are multilateral and multifarious. However, there exist special links between Russia and Cuba, Brazil and Venezuela. Special relations with Cuba are determined by the history of close political and economic contacts in the times of the Soviet Union. The special position of Brazil is determined by the volume of Russian trade with this country. The value of trade exchange between the two states reached 2 billion U.S. dollars in 2003. Russia exports to Brazil its raw materials, half-finished products for chemical industry, new aircraft and military technologies. It imports Brazilian sugar (45% of entire import), coffee, and meat. Russian Foreign Minister Igor Ivanov places Brazil next to U.S.A, France, China and Ukraine in the hierarchy of Russia's most strategic foreign partners (Ivanov 2001, 161). The close relations with Bolivarian Republic of Venezuela, which is Russia's partner in a very intense political dialogue, result from common political and economic interests of both states.

Cuba

Russia established diplomatic links with Cuba in July 1902. They were broken in April 1952 and re-established in May 1960. In the new political situation after the collapse of the Soviet Union, the two states adopted new priorities in their mutual relations contained in





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the *Declaration of Principles in Mutual Relations* between the Russian Federation and the Republic of Cuba signed on 22 May 1996.

From the mid-1990s both states have been in systematic political contact at various levels and cooperated during the U.N.O. meetings. The foreign ministers of both states have met seven times since 1996, and in the years 1998-2000 talks were held in order to regulate mutual political and economic relations frozen after the collapse of the Soviet Union (The Ministry of Foreign Affairs of the Russian Federation, 2006 c).

The visit of President Vladimir Putin to Havana on 14-17 December 2000 was the most important event in the new phase of contacts with Cuba. Before Putin, Russian heads of state had visited Havana twice. They were the Soviet leaders Leonid Brezhnev in 1974 and Mikhail Gorbachev in 1989. An important agreement achieved during the talks with President Putin was the decision to continue the construction of the nuclear power plant in Juragua started by the Soviet Union and interrupted in September 1992 (Krzywicka 2002, 16-17). However, already in 2001 differences appeared in the political priorities of Russia and Cuba. They concerned Russia's decision to close down its radiolocation station in Lourdes near Havana, the last remain of the Soviet military presence in Cuba before the withdrawal of Russian troops in 1993 (Krzywicka 1998, 47). The decision to close down the station was announced by President Putin in October 2001. The Cuban government perceived the decision as detrimental to Cuba's national security, probably made under the pressure of the U.S. The Cubans saw no justification for the decision, the more so that the United States still kept their own military base on the island despite Cuban protests. The Lourdes station, situated 40 km from Havana, was established after the Cuban missiles crisis (Krzywicka 1996, 168-169) in order to control the American military operations in the region. It was an important element in the Warsaw Pact strategy developed for the Cold War confrontation with NATO and stationed permanently 1,500 Soviet technicians and soldiers.

Russia justified the decision to close down the station with financial reasons. Russian general Anatoly Kvashinin claimed that closing down the station would save Russia about 200 million dollars a year, enough to purchase 20 military satellites and more than 100 radars. Cuba argued that the savings were insignificant, an equivalent of





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only 3% of all the losses incurred by the Cuban economy due to the disintegration of the Soviet Union and the entire communist block. After the official announcement of closing down the station, the Cuban government issued an official statement in which the decision was described as Russia's "special gift" to the U.S. before the approaching meeting of the two presidents. The United States, on the other hand, interpreted Russia's decision as a visible sign of the end of the "Cold War". Closing down the station was certainly a symbolic event that brought Russia tangible political and economic profits.

The Russian-Cuban political dialogue was continued despite certain divergence between the two states. Cuban Foreign Minister Felipe Pérez Roque paid an official visit to Moscow in 22-25 March 2003, and Russian Foreign Minister Igor Ivanov visited Cuba on 13 December 2003 during his official tour in Latin America. Delegations of the Russian parliament visited Cuba in 2002 and 2003. Russian Minister G. I. Bukayev, responsible for tariffs and taxation, signed an agreement on tax law cooperation and information in Havana in January 2004.

The development and stabilization of mutual relations was further enhanced by an agreement on cooperation signed by Foreign Ministers Felipe Pérez Roque and Igor Ivanov on 24 March 2003. The sides committed themselves to common efforts on the international arena aiming at establishing a more just and democratic order of the world. Discussions were held on the necessity to support the political initiatives of restoring peace and internal harmony in Colombia and political stabilization in Venezuela.

Both states agreed in their negative evaluation of growing unilateralism in the U.S. political activities concerning security and war on terrorism. They criticized the tightening of the U.S. economic blockade of Cuba by the terms of the Helms-Burton Act perceived as a manifestation of unilateralism (Krzywicka 1998, 145). Russia supports the raise of the embargo and the restoration of Cuba to full membership in the regional political and economic organizations (Ivanov 1999, 8-9). Both states spoke about the necessity of solving the crisis in Iraq according to the international proposals worked out by the U.N.O. They also committed themselves to fight international terrorism, drug trafficking and transnational crime, and supported the idea of forming a broad international antiterrorist coalition under the auspices of the U.N.O. Both states emphasized





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the need and importance of global disarmament. In this context they addressed the so-called “nuclear crisis” in the Democratic People’s Republic of Korea, supported the peaceful solution of the problem by diplomatic means and preserving the status of the Korean Peninsula as a nuclear-weapons free zone. The two states also agreed about the situation in the Middle East recognizing the right of the Palestinian nation to self-determination and an independent state within stable and secure borders, as well as the right of Israel to secure existence as essential conditions for peace in the region.

Russia and Cuba announced the renewal of their economic and trade relations by establishing an Intergovernmental Commission for devising forms of cooperation in economy, technology, science and culture (*GRANMA International*, 2003). Both states systematically develop their economic and trade contacts. Cuba is now one of Russia’s main trading partners in Latin America. In 2002 the trade turnover between them reached about 540 million dollars. It fell to ca. 200 million dollars in 2003, and in that year Russia had a deficit in trade with Cuba - export 24,7 million dollars, import 174,6 million dollars. Russia is still the biggest importer of Cuban sugar, while Cuba imports Russian machinery, chemicals and metals. Fourteen Russian trade organizations and agencies currently operate in Cuba.

The still unsolved problem in Russian-Cuban relations is Cuban debt inherited from the times of trade with the USSR under a barter system, which ended in the early 1990s. In 1990, the Cuban debt to the Soviet Union amounted to 24,78 billion dollars (Krzywicka 1998, 81-96). In February 2004 Russian Finance Minister S. I. Kolotuchin took part in consultations on the Cuban debt held in Cuba.

Brazil

Russia established diplomatic relations with Brazil on 3 October 1828. At the end of the 19th century the only Latin American state Russia traded with was Brazil. In October 1917 Brazil suspended its diplomatic relations with Soviet Russia and re-established them on 2 April 1945. Brazil recognized the Russian Federation on 26 December 1991, one of the first states in the world to do so.

The historical first visit of the Russian Federation’s representative Michail Kasyanov to Brazil took place in December 2001 and was a significant event in the new phase of mutual relations. Kasyanov





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held talks with President of Brazil Fernando Enrique Cardoso, and agreements were signed of cooperation in the fields of tourism, tariffs, banking, and peaceful use of nuclear power in the years 2001-2003. The relations were tightened after the official visit of President Cardoso to Russia in January 2002, when an agreement on partnership was signed. The dialogue between the heads of the two states, Presidents Putin and Lula da Silva, continued during the summit of G-8 in July 2003 and during the 58 session of the U.N.O.

The first visit of the Brazilian head of state to Russia in January 2002 was of special significance in determining the range and character of mutual relations. His talks with President Putin concerned the issues of national security and trade links. An extradition agreement was signed and an intergovernmental program of cultural, scientific and sports exchange for the years 2002-2003 was adopted. The leaders of Russia and Brazil agreed on the central role of the U.N.O. in solving international conflicts and maintaining global security. The Russian Federation supported Brazil's efforts to become a permanent member of the U.N. Security Council. Concrete decisions were made about trade and techno-military cooperation. The Russian Aeronautics Company "Sukhoi", a producer of military aircraft, offered their technologies and co-production of model SU-35. Moreover, Brazil decided to purchase 24 Russian military aircraft from "Sukhoi".

President Putin visited Brazil in November 2004 on the way from Chile, where he attended a meeting of the Asia Pacific Economic Cooperation (APEC). APEC, of which the Russian Federation has been a member since 1998, supports Russia's efforts to join the World Trade Organization (WTO) and is also a strategic forum for consultations with three other APEC members: Chile, Peru and Mexico. President Putin talked with President Lula da Silva about Russian-Brazilian cooperation in using aerospace. Russia would like to participate in the construction of the Brazilian space station Alcántara in Amazonia and a relevant agreement on cooperation was signed during the meeting. Boris Aleshin, Director of the Russian Federal Industry Agency, offered the construction of twelve different types of satellites for Brazil. The plans of further cooperation provide also for Russian help in constructing the third Brazilian nuclear power plant and the Brazilian purchase of twelve more military aircraft.

Cooperation in science and technology constitutes an important area of mutual relations; an agreement regulating it became effec-





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tive in 1999. In Moscow in September 2001 the two states adopted a program of cooperation in science and technology for the years 2001-2003, and since 1994 they have realized an agreement on the peaceful use of nuclear power. A plan of cooperation in this field between the Russian "Minatom" and the Brazilian National Commission for nuclear power for the years 2001-2003 was adopted in December 2001. In June 2003 both states ratified an agreement on cooperation in researching and peaceful exploration of outer space.

Cultural relations between the two states were laid out in the agreement on cultural exchange signed as the result of President Cardoso's visit to Moscow in January 2002. At the same time a program of cultural, educational and sport exchange in the years 2002-2003 was signed.

Venezuela

Diplomatic relations between Venezuela and the USSR were established on 14 March 1945. They were broken in June 1952 and re-established on 16 March 1970 on Venezuela's initiative.

The *Agreement on Friendship and Cooperation between the Russian Federation and the Republic of Venezuela*, signed on 24 May 1996 and ratified on 2 July 1997, constitutes a foundation for the development of bilateral relations. These relations are further regulated by the agreements on cultural and scientific exchange, and on the abolition of visa requirements for the carriers of business and diplomatic passports. Altogether, 27 seven agreements have been signed between Russia and Venezuela since 1992, and 10 new ones are under negotiation (The Ministry of Foreign Affairs of the Russian Federation, 2006 d).

The political dialogue between the two states became more animated after Hugo Chávez Frías had come to power in 1999. Diplomatic visits and meetings of high rank government officials constitute an important aspect in mutual relations. Russia's direct contacts of this type with Venezuela are relatively more frequent and dynamic than with any other Latin American country.

The first meeting of Presidents Putin and Chávez took place in New York in September 2000, and President of Venezuela paid his first official visit to Moscow in May 2001. The purpose of the visit was to initiate closer contacts and make cooperation agreements. The Venezuelan delegation consisted, among others, of the ministers for





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energy and natural resources and of the president of the Venezuelan state oil company, PDVSA - *Petróleos de Venezuela, S.A.* The effect of the visit was the formation of the International Russian-Venezuelan Commission for Economic and trade Relations. Three agreements were signed on cooperation in power engineering industry, military technologies, and fighting drugs traffic. A mechanism was established for political dialogue and cooperation between the Russian Federation and the Andean Community, of which Venezuela is a member-state. President Chávez invited Russia to take part in the Caracas summit of the OPEC countries in October 2001. Both presidents agreed that oil prices should be both acceptable to the consumers and profitable for the producers. The need of further dialogue on the topic is determined by the fact Russia and Venezuela are among the biggest oil producers in the world.

In October the same year, President of Venezuela paid a business visit to Moscow. He talked with President Putin and Prime Minister Kasyanov about mutual relations, international fight with terrorism, the oil market situation and the stabilization of the world oil prices. Regulations of the political and economic relations of both countries were signed, also in the sphere of power engineering industry, oil industry and tourism. Talks were held on the mechanism of fixing oil prices. Russian Prime Minister Mikhail Kasyanov proposed the price of 20-25 dollars per barrel. The Venezuelans followed the OPEC policy that the price per barrel should not fall below 22 dollars. Russia is not in OPEC, while Venezuela, one of the Organization's most active members, believes in keeping sufficiently high oil prices. Prime Minister Kasyanov stated that Russia wanted to fix the prices at the satisfying also the oil producers, including the OPEC countries. Consequently, Russia declared readiness to limit its oil production from 1 January 2002 in order to support the OPEC price policy. Kasyanov called Venezuela "the key partner" of Russia both as a Latin American state and as the fourth biggest world producer of oil. During the diplomatic visit of Prime Minister Kasyanov to Venezuela, President Chávez strove for Russia's support for the OPEC price policy. The visit resulted also in signing an agreement on cooperation in tourism, an Act creating a Russian-Venezuelan High Commission, a Memorandum about agreement between the Russian Bank of Regional Development and the Venezuelan Bank of Economic and Social Development, and a cooperation agreement between the Volgograd District and Ciudad Bolívar.





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Venezuelan Foreign Minister Roy Chaderton Matos made a short visit to Moscow in May 2003, while Russian Foreign Minister Igor Ivanov visited Venezuela in December the same year. Ivanov talked to President Hugo Chávez, to Vice-President José Vicente Rangel, and Foreign Minister Roy Chaderton. The need for cooperation within the U.N. was stressed in order to establish multilateral forms of dealing the major international crises in the world. The current government of Venezuela supports Russia's international initiatives of nuclear disarmament, and agrees with its stance on regional conflicts and on Iraq.

An economic agreement was signed on avoiding double taxation in order to animate economic relations between the two states. An *Intention Declaration* was also signed to cooperate in the sphere of antimonopolistic policy (Embassy of the Bolivarian Republic of Venezuela in the United Kingdom, 2003). Subsequent meetings and talks of the foreign ministers were held during the 58. and 59. sessions of the U.N. in September 2003 and September 2004.

The Russian-Venezuelan economic and trade links increase as the effect of the Russia "Alfa-Grup" contract with PDVSA for the supply of 600.000 barrels of petrol for the total sum of 80 billion dollars (The Ministry of Foreign Affairs of the Russian Federation, 2006 d). Moreover, Russia exports to Venezuela small amounts of nitrogenous and potassic fertilizers, synthetic rubber, steel plate, machines, and medical and optical equipment. Russian import from Venezuela involves mainly synthetic corundum, alumina, aluminium, and carbon electrodes as well as coffee and cocoa grain. Russia's export was negatively affected by the antidumping sanctions imposed on the import of Russian steel. Meanwhile, Venezuela started advocating for Russia's admission to the World Trade Organization, which was discussed during Igor Ivanov's visit to Caracas in December 2003.

Oil industry and power engineering industry dominate the cooperation between Russia and Venezuela. Two important documents were signed in 2003: about the intention of "Alfa-Grup" to purchase PDVSA shares from the German "Ruhr-oil" company, and a memorandum about scientific and technological cooperation in oil production. Russian companies "Energomashexport" and "Energoprom" bid successfully for contracts in the construction of a hydroelectric power plant in Venezuela. Four Russian companies





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- "Gazprom", "Lukoil", "Alfa-Grup" and Tatnief" - entered cooperation with Venezuelan oil industry.

The two states have been successfully developing their military contacts. They adopted an agreement on the exchange of military attaches in January 1996, and in May 2001 a document was signed on military and technological cooperation. Russia's trade offer involves arms and military technologies.

The third visit of Hugo Chávez to Moscow took place in November 2004. He met President Putin, who congratulated him on his victory in the August confidence referendum and staying in office. Their talks concerned the increase of trade, tightening cooperation in the power engineering, gas and oil industries. An agreement was signed between the private Russian company "Lukoil" and the Venezuelan state oil company - PDVSA. The agreement provides for the "Lukoil's" investment of 1 billion dollars in oil and gas production in Venezuela. Cooperation in keeping high oil prices in the world was also discussed. In the area of military contacts, Venezuela was interested in purchasing Russian helicopters and automatic weapons.

In the years 2006-2008 Russia has increased its military cooperation with Venezuela. Venezuelan state signed 12 contracts for the purchase of Russian armament by a total of 4,400 million dollars. Venezuela showed interest in buying submarines, air defense armament and military airplanes. Russia decided to offer to Venezuela a credit by 1,000 million dollars for warlike purchases. The High Commands of the Venezuelan Navy informed that Venezuela and Russia would make unpublished joint exercises in the Caribbean Sea, in November 2008, in order to reinforce their bows of "friendship and cooperation".

In September 2008 President Chávez made a visit in Moscow. During the meeting with venezuelan leader, Russian Prime Minister Vladimir Putin has declared possibility of operating with Venezuela in the sphere of the pacific atomic energy. The two states have decided to sign an agreement of bilateral cooperation on nuclear energy with pacific aims.

Conclusions

Russian-Latin American relations since the mid-1990s have been characterized by a gradual development of mutual relations, with a visible acceleration of contacts after 2000 due to Russia's diplomatic contacts with all the states in the region. The present foreign policy





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of Russia is determined by its domestic problems. Thus, Latin America occupies a peripheral position on the list of Russia's priorities oscillating around its European and Asian neighbors. However, the Russian activities in Latin America point to the economic and political attempts at restoring the lost global position.

Summing up the present inquiry into the place and significance of Latin American states in the system of the Russian Federation's international relations, several factors can be pointed out as stimulating Russia's interest in developing relations with the area.

1. The economic development, democratization and Latin American integration in the 1990s made the region an interesting partner for Russia in its attempts at establishing multilateral global relations. Russia and the Latin American states agree on many international problems and crises, such as, for instance, the conflict in Iraq, war on terrorism, and fighting drugs traffic. They all aim at strengthening the role of diplomacy and of the U.N.
2. Russia treats Latin American states as its natural allies on the international arena in limiting unilateralism in the U.S. foreign policy, in supporting the U.N. as the main forum for making multilateral agreements, and in entrusting international peace and security to the Security Council.
3. Geographical distance is not conducive to more dynamic economic and trade links between Russia and the Latin American states. Yet Latin America is one of the fastest-developing regions of the world despite many negative effects of the 1998 global financial crisis on its economy. Russia is very interested in the Latin American markets for its industrial goods, and the advanced motor, aircraft and military technologies. Food products dominate Latin America import to Russia: Brazilian and Colombian coffee, oil, cocoa, tropical fruits, fruit concentrates, beverages and flowers.
4. Russia evidently aims at developing mechanisms for capital investment in the region, particularly in such states as Brazil, Venezuela, Cuba, Argentina, Nicaragua and Ecuador. These efforts concern mainly advanced technologies, oil and gas exploration and drilling, motor, aircraft and arms industries, nuclear energy with pacific aims.
5. Russia shows interest in the regional integration experience of the Latin American states. It cooperates with them within OAS, ALADI, the Rio Group, Mercosur and the Andean Community.





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