

BOOK REVIEW ESSAY

The Latinized Dragon: China and Latin America in the Twenty-First Century

Hengyi Yang¹ and Ignacio Arana Araya^{2,*} 

¹Institut Barcelona d'Estudis Internacionals, Barcelona, Spain, and ²Carnegie Mellon University, Pittsburgh, Pennsylvania, USA

*Corresponding author. Email: iarana@andrew.cmu.edu

This essay reviews the following works:

China y América Latina en una nueva fase: Desafíos en el siglo XXI. Edited by Pamela Aróstica and Walter Sánchez. Santiago de Chile: Editorial Universitaria, 2019. Pp. 270. ISBN: 9789561126268.

China–Latin America Relations in the 21st Century: The Dual Complexities of Opportunities and Challenges. Edited by Raúl Bernal-Meza and Li Xing. Cham, Switzerland: Palgrave Macmillan, 2020. Pp. 289. \$79.64 hardcover. ISBN: 9783030356132.

Sino–Latin American Economic and Trade Relations. Edited by Chai Yu and Yue Yunxia. Singapore: Springer, 2019. Pp. 193. \$64.50 hardcover. ISBN: 9789811334047.

China, the United States, and the Future of Latin America. Edited by David B. H. Denoon. New York: New York University Press, 2017. Pp. 432. \$39.00 paperback. ISBN: 9781479821648.

Globalizing Patient Capital: The Political Economy of Chinese Finance in the Americas. By Stephen B. Kaplan. New York: Cambridge University Press, 2021. Pp. 390. \$84.99 hardcover. ISBN: 9781107182318.

Dependency in the Twenty-First Century? The Political Economy of China–Latin America Relations. By Barbara Stallings. Cambridge: Cambridge University Press, 2020. Pp. 75. \$20.00 paperback. ISBN: 9781108793032.

Dragonomics: How Latin America Is Maximizing (or Missing Out on) China's International Development Strategy. By Carol Wise. New Haven, CT: Yale University Press, 2020. Pp. 328. \$36.57 hardcover. ISBN: 9780300224092.

China is a central actor in Latin America. Between 2002 and 2020, total trade between the regions grew by almost eighteen times, from \$18 billion to \$318 billion. China is the main trading partner of Brazil, Chile, Peru, and Uruguay and the second-largest trading partner of several other countries. It has free trade agreements with Chile, Costa Rica, and Peru and in 2022 is negotiating one with Ecuador. Furthermore, between 2005 and 2020, Chinese banks gave more than \$137 billion in loans to the region. Most of Latin America has joined China's Belt and Road Initiative (BRI), a global strategy centered on developing infrastructure projects around the world. Since the outbreak of COVID-19,

China has provided the region with substantial medical equipment and millions of masks and vaccines. Over time, China's integration into Latin America will only deepen. What does this mean for bilateral relations? This essay reviews answers provided by Latin American, Chinese, and American scholars.

Collectively, the seven books selected for this review make three types of contributions to our understanding of China-Latin American relations. First, two books examine the relation between the two regions from broad theoretical perspectives that center on the structure of the evolving bilateral interaction. Raúl Bernal-Meza and Li Xing's edited volume *China-Latin America Relations in the 21st Century* uses world-systems theory to discuss whether China is becoming the new hegemon to semi-peripheral and peripheral parts of the world. Barbara Stallings's *Dependency in the Twenty-First Century*, in contrast, tries to understand bilateral relations from a dependency theory perspective.

Second, we have included works published in Mandarin, Spanish, and English to develop a scholarly dialogue among Chinese, Latin American, and American authors. We believe that having the mind trained and the heart placed in the North, South, or East shapes our understanding of international relations. Thus, the intersection of worldviews aids in developing a multilateral understanding of growing interregional integration.

China has increasingly devoted resources to study Latin America. It is studied in top universities (e.g., Nankai University, Peking University, and Shanghai University), think tanks (e.g., Chinese Academy of Social Sciences, China Institutes of Contemporary International Relations, Intellisia Institute), and academic journals (e.g., *Lading meizhou yanjiu* [Journal of Latin American Studies]). Any academic debate that omits Chinese views risks being seriously flawed and should be avoided if possible.

Third, the three books that study bilateral relations and the two books that examine multilateral relations shed light on the complex interaction among multiple countries, something missing in existing case studies. Chai Yu and Yue Yunxia's edited collection *Sino-Latin American Economic and Trade Relations* argues that Latin America benefits both from competition with China and from Chinese trade and investments. Carol Wise's *Dragonomics* adds that the most open countries in the region have been the main beneficiaries of the "China Boom." However, Stephen Kaplan's *Globalizing Patient Capital* elaborates the opposing view that China's capital investment will only deepen the region's dependency on commodities. The multilateral approach adds the United States, the European Union, and Russia as involved players. David Denoon's *China, the United States, and the Future of Latin America* proposes that China does not challenge US political and military influence in the region because its involvement is mostly economic. Pamela Aróstica and Walter Sánchez's *China y América Latina en una nueva fase* complements this position by examining how China has taken the spaces the United States has left available.

The next section succinctly describes the historical bilateral relations between the two regions. Then, we discuss how to understand current relations from broad theoretical perspectives. We next examine bilateral relations between both regions, followed by a segment centered on multilateral relations, with a special focus on the United States. We conclude by discussing future avenues of research.

A brief historical account: Changing interaction patterns

With the Maritime Silk Route, Emperor Wan Li of the Ming Dynasty (1572–1620) unofficially started to connect China to Latin America.¹ However, the connection would only meaningfully increase in intensity in the 1970s, when more Latin American countries

¹ Li Mingde, *Latin American and Sino-Latin American Relationship: Present and Future* [in Chinese] (Beijing: Shishi Press, 2001).

began to establish formal diplomatic relations with China. This occurred with the thawing of Sino-US relations after decades of antagonism since the establishment of the People's Republic of China in 1949.² Economic and trade cooperation would intensify starting in 1978, when the communist leader Deng Xiaoping introduced the concept of socialist market economy. As a result, the country began a period of sustained growth based on resource-intensive manufacturing and the exports of crops and goods.

Between 1978 and 1992, Sino-Latin American total trade reached \$290 billion, five times more than in the previous twenty-seven years. This trend and the notable Chinese economic development sparked a renewed Latin American interest in formalizing diplomatic ties. China and Brazil established a strategic partner relationship in 1993; Panama formalized diplomatic relations in 1997; the following year, China joined the Caribbean Development Bank and started a dialogue with the Rio Group and Mercosur.

In the present century, bilateral relations have reached a new level. China has dramatically increased both the supply of goods to the region and the demand for Latin American exports. This has led to a second wave of formalizing diplomatic relations³ and strengthened trade liberalization, expressed in the free trade agreements signed with Chile, Peru, and Costa Rica. China also launched diplomatic initiatives including the China-Caribbean Economic and Trade Cooperation Forum in 2005, the China-Brazil Strategic Dialogue in 2007, and the China-Mexico Strategic Dialogue in 2009.

China became more politically active when it became the world's second largest economy in 2010. We witnessed this when President Xi Jinping (2013–) visited Latin American and Caribbean countries thirteen times in just five years (2013–2018).⁴ Since 2017, ten Latin American countries have signed the Memorandum of Understanding on the BRI. The BRI is the Chinese global strategy to gain political influence through economic and diplomatic tools. On a regional level, China, with the thirty-three member states of the Community of Latin American and Caribbean States (CELAC), founded the China-CELAC Forum in 2014 to further bilateral economic and diplomatic integration, becoming the first great power other than the United States that actively and comprehensively cooperates with all CELAC countries.

In sum, since the 1978 Chinese economic reforms, the limited initial interaction between both regions turned into a buoyant trade and financial relationship that then evolved into the active diplomatic and political interaction that exists today. The books discussed here help us to understand this growing integration from multiple perspectives.

Broad theoretical approaches

China-Latin America Relations in the 21st Century: The Dual Complexities of Opportunities and Challenges, edited by Raúl Bernal-Meza and Li Xing, looks at Sino-Latin American relations from different international political economy approaches. The book presents case studies on Brazil, Argentina, Chile, Venezuela, Paraguay, and Uruguay. The dominant approach applied in the study is world-systems theory, which proposes a core-periphery framework to understand international relations. This framework entails consistent analysis of the opportunities and constraints that countries face as a result of their geopolitical and geo-economic position and their industrialization strategies. In this case, the peripheral Latin America exports primary products to, and imports industrial goods and capital from, the industrial core, China. This relationship is sustained by the compatibility of economic

² Zheng Bingwen, Sun Hongbo, and Yue Yunxia, "Review and Reflections on Sino-Latin American Relations, 1949–2009" [in Chinese], *Lading meizhou yanjiu* [Journal of Latin American Studies] 31, no. 2 (2009): 3–17.

³ Zheng, Sun, and Yue, "Sino-Latin American Relations," 6.

⁴ The data about the presidents' visits to Latin America is collected by Hengyi Yang according to the news reports from the Chinese government.

interests, the complementarity derived from asymmetric economic and commercial interdependence, and Latin America's implicit support to China's economic and political development model (Bernal-Meza and Li, 23).

The authors propose two views. From Li's perspective, China is becoming a new hegemon to the semi-peripheral and peripheral parts of the world system (271). After reviewing the export-oriented industrialization strategy of China and the historical failure of the import-substitution industrialization strategy that some Latin American countries—Argentina, Brazil, Chile, Colombia, Mexico, and Uruguay—have followed, Li proposes that it is in Latin America's best interest to seek strategic convergence with Beijing's economic expansion and global strategy. He argues that the fact that China serves as a “world factory” for the global market and that Latin America serves as a commodity supplier for China, leading to a mutually beneficial South-South cooperation.

However, Bernal-Meza claims that although the bilateral trade is clearly core-periphery or akin to North-South (283), South America could work as a strategic ally if it achieves industrial, scientific, and technological development. For him, the more industrialized Brazil and Argentina are in the semi-periphery, while the rest of the region is in the periphery. Chile is an exception among peripheral countries because of its leading role in China's strategy of insertion in the global market economy (282).

While the use of a consistent theoretical lens to understand bilateral relations provides a coherent logic, the world-systems theory that Bernal-Meza and Li advance risks overlooking the evidence that countries follow distinct national strategies that differ from a class-conscious approach. Arguably, interstate relations are more complex, egalitarian, dynamic, and unstable than a structural approach would suggest.

In *Dependency in the Twenty-First Century? The Political Economy of China-Latin America Relations*, Barbara Stallings tries to understand bilateral relations from a dependency theory perspective. This theory was initially proposed by the Argentinian economist Raúl Prebisch in the 1950s to explain economic underdevelopment. The theory proposes that Latin American countries—and other regions—are underdeveloped because of their peripheral position in the global economy, in which they export cheap labor and raw materials and import finished goods at high prices from advanced economies, which represent the core.

To have a better understanding of the growing interaction between China and Latin America, Stallings examines the trajectories of US-Latin American relations and China's relationship with Southeast Asia and sub-Saharan Africa. Her hypothesis is that Latin America was dependent on the United States between 1950 and 2000 and has been more dependent on China since the twenty-first century.

Stallings divides dependency under the United States in two halves: the import substitution industrialization period (ISI, 1950–1980) and the “new economic model” period, more commonly known as the neoliberal era (1980–2000). She examines bilateral interactions in markets, leverages, and linkages; external relations' impact on domestic processes in Latin America; and internal actors' reactions to external pressures. She proposes that Latin America's dependency on the United States increased during the neoliberal era.

After examining Sino-Latin American economic and political relations, Stallings argues that countries like Venezuela, Bolivia, Ecuador (under President Rafael Correa), Argentina (under Néstor Kirchner and Cristina Fernández), and Peru (under President Ollanta Humala) were willing to both accept China's rules and reach secretive agreements to access international capital markets. However, Chile, Colombia, Costa Rica, Mexico, Uruguay, and Brazil tended to negotiate more openly, equitably, and according to higher international standards. The reason for the discrepancy between the two groups is that the latter had less need for Chinese resources and engaged in more transparent practices.

Stallings views Latin American dependency on China under a negative lens because of the undesirable effects on employment levels resulting from the extraction of natural resources and the export of agricultural products. The extraction of natural resources is capital intensive, having few links with the rest of the economy. According to her, further integration with China has undermined the more labor-intensive regional industrial sector owing to the imports of cheap Chinese products. Furthermore, Stallings remarks that Chinese investments have negative effects on the environment. Exports to China cause deforestation, which produces greenhouse gas emissions and damages biodiversity.

Stallings's comprehensive study is rooted in the tradition of dependency theory scholarship, building on the model of analysis that the sociologists Fernando Henrique Cardoso and Enzo Faletto proposed in their classic 1966 book *Dependency and Development in Latin America*. The book is conceptually thorough, closely examines the trajectory of interstate relations, and follows a clear logic.

Intriguingly, the two books that attempt to find the core rules for interpreting Sino-Latin American relations in the twenty-first century focus on hierarchical theoretical frameworks. According to this approach, Latin America has always been in a dependent position: from Portugal and Spain during colonial times, then from great powers such as the United Kingdom, the United States, and, more recently, China.

A weakness in this approach—recognized by Stallings herself—is that it tends to generalize interactions between China and states that are heterogeneous on multiple structural, institutional, and contextual indicators. Latin American countries vary significantly in geography, climate, size, population, economic structure, level of development, ethnic fragmentation, and level of democracy. For example, Brazil has a population sixty-three times larger than Uruguay, while Panama's GDP per capita based on purchasing power parity is five times the same indicator for Honduras. Furthermore, Central and South America differ in relevant ways. China is South America's largest trade partner, while the United States retains that position in Central America. Therefore, although these books are an asset in the macroanalytical understanding of Sino-Latin American relations, to complement their approach we need studies centered on bilateral and multilateral relations.

Bilateral relations

We discuss three books that focus on bilateral relations from Latin American and Chinese scholars. *Sino-Latin American Economic and Trade Relations*, edited by Chai Yu and Yue Yunxia, is a collection of papers previously published in Chinese. The volume was funded by the main official Chinese think tank, the Chinese Academy of Social Sciences, which hosts the influential Institute of Latin American Studies. Therefore, to a large extent, the book reflects China's official preferences on economic and trade relations, making it a valuable collection for understanding how government policymakers think.

The book is mainly descriptive, summarizing both the historical and present situations in several key fields of the Sino-Latin American relationship. The authors begin with a review and reflection on sixty years of bilateral relations since the People's Republic of China was established in 1949.

The authors describe five historical periods. First, because of the difficulty for the communist government to establish diplomatic relations with Latin American countries, Premier Zhou Enlai proposed to develop an active and friendly yet nongovernmental diplomacy, with the goal being a progression toward official diplomatic relations. This lasted until 1969. This would be followed by a political breakthrough from 1970 to 1977, with twelve Latin American countries formalizing diplomatic relations. A third

period that started with the 1978 Chinese economic reforms was characterized by growing economic cooperation and intensified trade. This period produced mutual benefits. Between 1978 and 1992, the total trade volume was US\$290 billion, five times more than the twenty-seven previous years. In parallel, seventeen countries established formal diplomatic ties with China.

The fourth period, from 1993 to 2000, marked the consolidation of stable relations with frequent bilateral visits and China's engagement in multilateral organizations such as the Rio Group, Mercosur, and the Caribbean Development Bank. In 1993–2000, bilateral trade doubled the 290 billion of trade exchanged in 1978–1992. Finally, the “leap-forward development” starting in 2000 has included intense multilateral cooperation and economic ties so strong that they include free trade agreements with Chile, Costa Rica, and Peru.

The second chapter points out that comprehensive Sino–Latin American cooperation is based on mutual needs. China considers Latin America to be vital for its international strategy in the new era, while Latin America views China as vital for its diplomatic “pacific strategy,” which has enormous demands for primary products, raw materials, and financing support (38).

In the third chapter, the authors explain the roles of three different groups of actors associated to Chinese investments in Latin America: (1) Chinese government officials at the top; (2) quasi-government organizations such as the China Council for the Promotion of International Trade; and (3) regular companies. Using this framework, the authors propose that China's investment will continue growing in parallel to the country's economic development. This implies that if Chinese growth halts, investments will freeze, too.

The following five chapters focus on specific economic topics, including agricultural and trade cooperation (chapters 6 and 7), direct investment (chapter 4), the internationalization of the yuan (chapter 5), and export competitiveness (chapter 8).

Other chapters describe the positive outcomes that the bilateral relationship has for its participants. For example, China benefits from the internationalization of the yuan and the development of agricultural cooperation. The authors propose that Latin America benefits not only from Chinese imports, purchases, and investments but also from the competition for export shares with China; this encourages the diversification of its exports, which decreases the traditional dependence on the export of few commodities.

Chai and Yue's book is useful in understanding the Chinese government's approach to Latin America. Revealingly, several of the policy suggestions that Chinese authors made have been followed by Beijing in recent years. The volume suggests an optimistic view of bilateral relations, in contrast to the mix of skepticism and open criticism that some American and Latin American elites have often expressed regarding the presence of the Asian giant in the Western Hemisphere. However, this optimistic view should be taken with a grain of salt given the diplomatic nature that an officially approved document has. A downside to this volume is that Latin America is mostly taken as a monolithic entity, without much differentiation across countries. Furthermore, the data analyzed only covers up to 2015.

In *Dragonomics: How Latin America Is Maximizing (or Missing Out on) China's International Development Strategy*, Carol Wise addresses Latin American reactions to China's international development strategy (9). Wise assigns Latin American countries to four categories in terms of their economic ties to China. At the top are Chile, Costa Rica, and Peru, three open economies with relatively solid macroeconomic and institutional policies that signed free trade agreements with China, opening Chinese markets and allowing China exceptions in the manufacturing sector. Argentina and Brazil are in a second category owing to their rich factor endowments and strong trade complementarities. Both countries are most closely integrated into China's international development strategy and are sufficiently industrialized to avoid dropping into the resource curse. Mexico is in a third category. As a NAFTA member, the country was constrained from receiving many benefits from

China. However, the 2020 US–Mexico–Canada Agreement provides incentives to Mexico to increase its economic ties with China. In a fourth category are Venezuela and Ecuador, countries abundant in oil that do not have a diversified economy and that have rejected adopting needed institutional and macroeconomic reforms.

Based on these cases, Wise proposes that Latin American countries took different stances in response to the China Boom. Open countries (Costa Rica, Chile, and Peru) best seized the opportunities by advancing needed institutional and macroeconomic reforms. Argentina, Brazil, and Mexico failed to carry out effective reforms, while countries abundant in oil (Venezuela and Ecuador) did not avoid the resource curse (16).

A notable contribution of Wise's book is that she splits the effects that the China Boom brought to Latin America. After examining the openness, institutional strength, and industrial integration of Latin American countries, Wise proposes that countries that carry out effective domestic institutional reforms and avoid the resource curse are the best positioned to take advantage of the opportunities that come from the China Boom.

In *Globalizing Patient Capital: The Political Economy of Chinese Finance in the Americas*, Stephen B. Kaplan examines whether China behaves differently from other international creditors. His main proposition is that China usually invests “patient capital” that contrasts to the “impatient capital” that characterizes Western private investments. Kaplan also argues that China has attempted to avoid the “Mundell–Fleming trilemma,” which states that an economy cannot simultaneously maintain a fixed exchange rate, free capital movement, and an independent monetary policy. An economy can only maintain two of the three at the same time.

Chinese lending has three distinctive characteristics. First, China's capital could be considered as being under a “long maturity structure.” The average maturity of Chinese loans is seventeen years, while for private creditors the average is just five years. Second, China's capital can tolerate higher risks than other international creditors. The main actors of China's foreign investments are generally its policy banks, which intend to promote China's bundles of loans issued for several interrelated projects. China's policy banks are more likely to engage in risky investments and stick with them even if they are not profitable as expected. Third, China's investments do not require policy conditionality. This contrasts to International Monetary Fund's (IMF) conditional lending, which forces governments to adjust their economic policies to—allegedly—eradicate the problems that pushed them to ask for financial aid. Such conditionality has generated significant opposition in Latin America, particularly on the political left, because it has often induced governments to cut their social spending. Still, contracts with Chinese firms, contractors, or suppliers must be guaranteed (e.g., through commodities and cross-default clauses), which is called commercial conditionality.

After showing China's distinctive profile as an international creditor, Kaplan discusses the debtors. Several countries carried out austerity policies in the 1990s, which resulted in cutting infrastructure costs. This has left a relevant infrastructure deficit, affecting the region's economic competitiveness and standards of living. Kaplan claims that China's long-term financing offers an opportunity to reduce the region's developmental inequality and to address infrastructure deficits.

However, Kaplan states that China's long-term capital investment will intensify Latin America's commodity dependency and middle-income trap. Chinese investment in infrastructure, energy, and extractive sectors have intensified the region's dependency on commodities with little industrial development. Also, some Latin American countries suffer from indebtedness, which might become a moral hazard problem for China. Kaplan uses Venezuela as an example: the country has received China's financing for decades but is now struggling to repay the large amount of debt owing to its ongoing economic and humanitarian crisis.

Besides the innovative theoretical approach, Kaplan uses data from the China Global Financial Index, a database he built that characterizes Chinese policy loans by their financing channel (state to state versus market based) for each national-level investment project. He uses this data to analyze China's economic expansion into the Western Hemisphere with its "patient" capital.

This approach is remarkable as the author studies Sino-Latin American relations as a mutual-learning and dynamic creditor-debtor relationship. China was misunderstood as pursuing debt-trap diplomacy for years, meaning Beijing intentionally gave cheap financing to countries to increase the lender's political leverage. However, Kaplan claims that the microeconomic foundation of the debt-trap diplomacy argument is feeble. He regards China as learning to act as a creditor, with an emphasis on markets and multilateralism during Xi's administration.

Latin American governments, in turn, have gained lessons as debtors of China over the past decades. Politicians have learned how to use Chinese loans to maximize fiscal maneuvering. Domestic investment institutions are increasingly playing a role in checking China's unconditional lending, while some countries have experienced improvements in terms of financial transparency and accountability. In sum, both sides are learning from the "patient capital" pattern.

Kaplan's political economy analysis is more centered on economics than on politics. Therefore, some pressing questions remain unanswered. Are there political reasons that explain China's expansion as creditor? For example, what are the geopolitical interests that keep China as the largest lender of the Venezuelan dictatorship? And how will the different financing approaches of China and the United States in the region affect the balance of power between the great powers and Latin America? We examine two books in search for potential answers.

Multilateral relations: The dragon versus the eagle?

The works centered on bilateral relations excelled in their focus on economic aspects (e.g., trade, finance, and investments). However, the books we examine here heavily emphasize the strategic and political dimensions of Sino-Latin American relations by including other great powers in the analysis. So far, we have mostly omitted the most influential external actor in Latin America: the United States.

A recent book review warned that Washington's relative indifference toward the rest of the Americas has opened up numerous opportunities for the involvement of China in the region.⁵ That concern is shared among the works examined here.

Since the 1823 Monroe Doctrine, Washington has regarded Latin America to be within its sphere of influence. China's rapid penetration in the region means the United States loses influence in its closest area of dominance to its foremost international rival. Until now, this major geopolitical realignment has raised some minor and punctual public disagreements between the United States and China, as seen with the desperate attempts from both great powers in convincing Latin American countries to adopt their respective 5G technology. Nevertheless, it is unclear whether, at some point, great powers will move toward a more serious diplomatic confrontation. Here we examine two books that study the entrance of the dragon in the eagle's nest and the roles that other great powers play.

China, the United States, and the Future of Latin America, edited by David B. H. Denoon, analyzes the American and Chinese involvement in Latin America in terms of trade, direct investments, aid, and strategic ties. It is divided into three major sections. In the first one

⁵ Raymond Robertson, "Red Is the New Green: The Rise of China's Influence in Latin America," *Latin American Research Review* 54, no. 3 (2019): 763–771.

(chapters 1–4), different authors discuss the context in which trilateral relations develop. Denoon addresses whether China has become a real competitor to American influence in Latin America. He identifies points of accommodation, suggesting that Beijing might be pleased with the split of the US sphere of influence. Denoon claims that the region is important to China mostly for economic reasons. Therefore, Beijing skillfully uses foreign exchange reserves to increase its access and influence in the region through investments, loans, and aid. Despite this, China has not militarily challenged the United States in the Western Hemisphere. Moreover, he claims that Latin America mostly attributes economic importance to China, so even conservative governments have happily extended their ties to the Asian giant.

The authors also discuss whether there is a Latin America–US–China economic triangle. American investments are concentrated in Mexico, while Washington’s concern with the rest of the region is mostly centered on drug trafficking and immigration. In contrast, China has invested multimillion-dollar funds into many key areas including infrastructure, agriculture, industry, and new technologies. In this context, the second chapter argues that it is in America’s best interest to “de-Mexicanize” its agenda in Latin America and to look for more opportunities to increase economic and political ties.

In the second part (chapters 5–10), different authors analyze how the United States and China relate to specific countries and subregions, including Mexico (chapter 5), Venezuela (chapter 6), Brazil (chapter 7), Argentina (chapter 8), the Andes region (chapter 9), and Central America and the Caribbean (chapter 10). Collectively, these chapters provide nuanced explanations of multilateral dynamics.

In the third part (chapters 11–14), the contributors reexamine US–Sino–Latin American relations from multiple perspectives. Denoon concludes that China is a rising power that tries to use strategies that combine both political and economic tools to maximize its benefits while avoiding threatening the US position. However, he contends that the United States would increase its involvement in the region to undermine China’s influence if, in the future, Beijing affects the US core position. This would happen, for example, if China attempts to either establish military bases or fund activities that challenge US interests.

Denoon’s book discusses a variety of topics that are rarely mentioned in other books, such as the possible existence of an economic triangle as well as China and the United States in the Andes. Additionally, this book does not consider Latin America monolithically, as the analysis of trilateral relations carefully distinguishes among countries and subregions.

Prior this book’s publication, Denoon published two edited books on US–China relations focused on Central Asia and Southeastern Asia. Such experience allows him to understand the Sino–US–Latin American relationship from a global perspective. Denoon claims that China’s involvement in Latin America is less promising than in Central Asia and Southeastern Asia because of the US presence and the unpredictability associated with the region’s political instability. He proposes that China’s primary commitments of trade, aid, and direct investments may not give Beijing as much leverage in the region as some analysts have proposed.

China y América Latina en una nueva fase: Desafíos en el siglo XXI, edited by Pamela Aróstica and Walter Sánchez, offers a multilateral analysis of the challenges that China’s irruption in Latin America poses. The first four chapters of the book discuss the “new normal.” Economically, China’s demands for commodities, service markets, and natural resources have created stimulating opportunities for the region. Politically, China is using its economic leverage to act as a regional political actor. The most salient issue involves China’s interest in decreasing the number of countries that recognize Taiwan as an independent state, as Beijing claims Taiwan is part of its territory under the “One China Principle.” Only fourteen states have diplomatic relations with Taiwan (including the

Vatican), and eight of them are in Latin America. Panama, the Dominican Republic, and El Salvador stopped recognizing Taiwan in 2017–2018, while Nicaragua switched stances in December of 2021. This is relevant as China assigns great significance to the political support from developing countries.

The second part (chapters 5–7) evolves into a multilateral analysis, discussing how the United States, the European Union, and Russia interact with China and Latin America. Chapter 5 examines whether there is a correlation between China's rise and the US decline in the region, analyzing the foreign direct investment, bank loans, and international trade in Latin America from 2003 to 2014. The authors find that China strengthened its bonds with the countries less influenced by the United States, suggesting that China "filled the blank" the United States has left with its decreased influence. Chapter 6 analyzes how China and Europe regard their interests and competition. Europe has unique social and cultural connections with Latin America and remains a critical investor. At the same time, important sectors in Latin America are afraid of depending too much on China. Thus, European countries may consider themselves as balancing China's presence in the region. Russia, in turn, is limited in its ability to expand in Latin America because of its economic size and close political ties with China. Yet, Moscow's main goal is to counterbalance Washington and to gain comparative advantages over Europe. In this specific scenario, Russia has developed an intense relationship with Venezuela, Cuba, and Nicaragua.

The third part (chapters 8–12) presents several case studies that explore China's relations with Mexico, Brazil, and Uruguay as well as Central America and Caribbean countries as a group. The challenges that China poses to regional organizations are also discussed in this portion of the book.

An interesting take from the authors is that, in contrast to Denoon, they believe that China's influence will continue to grow in Latin America even if its economy stagnates. China needs the region's commodities, resources, and markets, and for this reason it will remain an enormously attractive market for Latin America. Furthermore, though the authors agree that China's diplomacy follows its economic ties, Beijing has carefully crafted a political integration agenda with the region.

The two books that examine multilateral relations are a welcome contribution as they examine Latin America's broader international backdrop. Interestingly, they provide two complementary positions to understanding the game between China, the United States, and the region. Denoon investigates whether China has become a competitor of the United States in the region, whereas Aróstica and Sánchez focus on how China has mostly filled the absence of US presence in Latin America instead of challenging Washington's influence.

Arguably, as China continues to grow as a global power, time will push the balance toward more friction between the great powers in Latin America. A question that remains unanswered is whether Washington will try to secure its influence in the region or continue to passively observe the footprints of the dragon, as it has mostly done.

Future agenda: The need for integrating the three approaches

The three approaches discussed in this essay help to clarify a pattern of interactions that is still historically novel. Each approach has its unique strengths and weaknesses. The volumes that propose broad theoretical approaches in understanding Sino-Latin American relations paint a large picture that allows us to have a general understanding of the increasingly intense economic and political interactions between the two regions. The downside is that to maintain consistency, they tend to overlook relevant facts and trends that deviate from theoretical abstractions. In contrast, research centered on bilateral relations provides informed contextual information and abundant facts that properly

describe the relationships between specific countries and China. However, broader forces and actors at play remain overlooked and Sino-Latin American relations are not strongly conceptually developed. The multilateral approach overcomes the limits of the bilateral approach by incorporating the United States and other relevant international players. This approach is necessary as China has always kept an eye on Washington while penetrating Latin America. Although the United States has slowly lost influence in the region since the end of the Cold War, Washington has not abandoned the Monroe Doctrine.

We believe that a combination of the three approaches is necessary to reach a thorough understanding of the opportunities, challenges, and threats of the dragon's presence in Latin America. Therefore, we believe the best future scholarship on this subject will coherently describe the structural forces at play while simultaneously analyzing the position of each of the actors involved.

There are numerous subjects that need to be addressed. For example, there is little scholarship on the growing cultural ties between China and Latin America. Or, given the importance of informal institutions in Latin American politics, an examination of the informal practices that have facilitated the countries' adjustment to China seems pressing.⁶ In particular, the increasingly intense interactions among political elites from both regions remains largely unaddressed despite the highly organized Chinese nomenclatura and the relatively small and homogeneous Latin American elites.⁷

Hengyi Yang is a research master's student in International Studies at the Institut Barcelona d'Estudis Internacionals. His research interests include Chinese foreign policy, Sino-Latin American relations, and computational social science. His current project is to apply machine learning to explore the role of emotions in China's foreign policy.

Ignacio Arana Araya (www.ignacionarana.org) is an assistant professor in the Institute for Politics and Strategy at Carnegie Mellon University. He studies the impact that the individual differences of heads of government have on executive governance. He also specializes in the consequences of variation in political institutions across countries, with an emphasis on Latin America. He has published in several journals, including *American Journal of Political Science*, *Journal of Politics*, *Political Psychology*, *Democratization*, and *Latin American Politics and Society*. He has also published book chapters in books published by Oxford University Press, Springer, and FLACSO.

⁶ Ignacio Arana Araya, "Budgetary Negotiations: How the Chilean Congress Overcomes Its Constitutional Limitations," *Journal of Legislative Studies* 21, no. 2 (2015): 213–231.

⁷ Ignacio Arana Araya, "¿Cómo evaluar a los integrantes de la élite política? Una propuesta basada en los presidentes americanos," *Política* 54, no. 1 (2016): 219–254.