



## **‘Cuento Chino’ in the Land of Magical Realism**

**Speaker:** R. Viswanathan

**Chair** : Prof. Patricia Oberoi

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The speaker began by fleshing out the concepts of ‘Cuento Chino’ and ‘Magical Realism’. Literally Cuento Chino translates from Spanish to English as ‘the Chinese Story’. However, when situated in the Latin American cultural context the phrase attains a negative connotation – ‘a tall tale’, ‘an exaggeration’ or ‘difficult to believe story’. Yet, there is the reality of China’s increasing presence in Latin America. This confusing dichotomy between what is imagined and what is reality, according to the speaker, is best understood by the concept of ‘magical realism’, a signature contribution of native Latin American authors to the literary world. The speaker described magical realism as ‘complex, colorful and sometimes confusing’; a world where ‘memory is prophecy; prophecy is memory; supernatural becomes mundane; and the ordinary becomes extraordinary’. Magical realism, the speaker noted, clearly captures the conflict between the reality of growing Chinese presence and the long held perceptions of Chinese inferiority.

China’s increasing involvement in Latin America, however, is not merely opportunistic as it helped rescue many Latin American countries from years of political turmoil. Latin American societies in the latter half of the twentieth century were rife with political instability under oppressive dictatorships, great bloodshed and tottering economies. Even as dictatorships began to gradually wither away by the 1980s, Latin American economies failed to gather steam. Neo-liberal economic policies, adopted as new governments and new ideologies began to take root, failed to transform a desperate society, resulting in what the speaker called a ‘lost decade’. It was only in the early twenty-first century that Latin American economies

took a sharp turn towards prosperity, a time when China was also becoming prominent in the politico-economic scenario of Latin America.

As Latin American economies picked speed, China became indispensable in the new economic story of Latin America. China quickly became the largest creditor, second largest trading partner by overtaking Europe and the third largest investor in Latin America. With increasingly liberal, market-oriented policies undertaken by Latin American countries business with China boomed. Moreover, the Chinese economy found ‘natural complementarity’ with the Latin American ones; while China began to export its manufactured products to Latin American countries, the latter fed China’s hunger for mineral resources, crude oil, corn and soybeans. Chinese investments also grew rapidly in the region, initially in strategic sectors of oil and minerals but lately also in the service, utility and power sectors. Agriculture, however, has been one sector where Latin American governments have consciously tried to restrict China’s investments. Nonetheless, the overall impact of China on Latin America is no longer a ‘Cuento Chino’ but as the speaker put it – ‘there is no Latin American story without the Chinese story in it’.

Excessive dependence on China, however, has also had its share of adverse impacts. On many occasions the Chinese have taken measures meant to ‘put them [Latin American countries] in their place’. These measures include, among others, – the ill-treatment of H1N1 virus affected Mexicans, deliberately cutting exports of Argentine soya oil, a major contributor to Argentine exports, by citing problems with technical specificities. In effect, China has sought to signal and reemphasize to the Latin Americans the power asymmetry in their relationship and thereby maintain their dominant role in the relationship.

The Latin American countries realizing the pitfalls in putting all eggs in one basket have gradually begun to reach out to India, given that the latter is, like China, a burgeoning market, has a growing appetite for minerals and crude oil and has the potential to make huge investments and dispense large sums of credit. Moreover, given India’s democratic political structures the Latin Americans are confident that it would be less of a political threat. India, however, has so far failed to respond to these overtures with an equal amount of enthusiasm. The speaker, however, ended his talk with a hint of confidence that in the coming years the Indian government and companies will increase its presence in Latin America as they become more aware of the opportunities that are on offer.

In the Q&A session the speaker answered several relevant questions. On a question that cast doubt on the success of Indian companies, be they in the pharmaceutical or IT sector, in Latin American markets because of the geographical distance, the speaker dismissed such a proposition. He pointed out the significant business Indian companies from specific sectors like IT, automobiles and pharmaceuticals have been able to do in China. In fact, the speaker, attempting to make less of the geographic distance argument, outlined many instances where India's trade with many distant Latin American countries was larger than with nearby countries in Asia. On a question related to whether increasing Chinese activities would impact the US security calculus conceived through the Monroe Doctrine, the speaker replied in the negative. According to him China has so far avoided military activities in the area, lest they irk the US. Rather, China has focused entirely on building its economic relations with the Latin American countries. The increasing economic influence of China in the region, the speaker noted, was perhaps the greatest threat to America's security given that historically the latter has been economically, as well as politically, dominant in the region.

*Report prepared by Rajesh Ghosh, Research Intern, Institute of Chinese Studies, New Delhi.*

### **About the Speaker**

Ambassador R. Viswanathan retired as the Ambassador of India to Argentina, Uruguay and Paraguay (2007-2012). He has earlier served as the Head of the Latin America Division in the Ministry of External Affairs of India (2004-2007); Ambassador to Venezuela (2000-2003); and Consul General of India in Sao Paulo (1996 to 2000) among others.

He is passionate about Latin America and blogs, tweets, writes articles, publishes books, and gives lectures in Indian and Latin American universities, business schools, think tanks as well as trade and industry organisations. He advises Indian companies and business organisations on Latin American markets. His articles have been published in newspapers and magazines world-wide. His interests cover politics, economies, history, literature, culture, music and movies of the region. His first book, *Business with Latin America* was published by Exim Bank of India in 2005. *Malgudi to Macondo (2012)* is his second book and was translated by the Telegu Academy. He speaks Spanish and Portuguese.

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