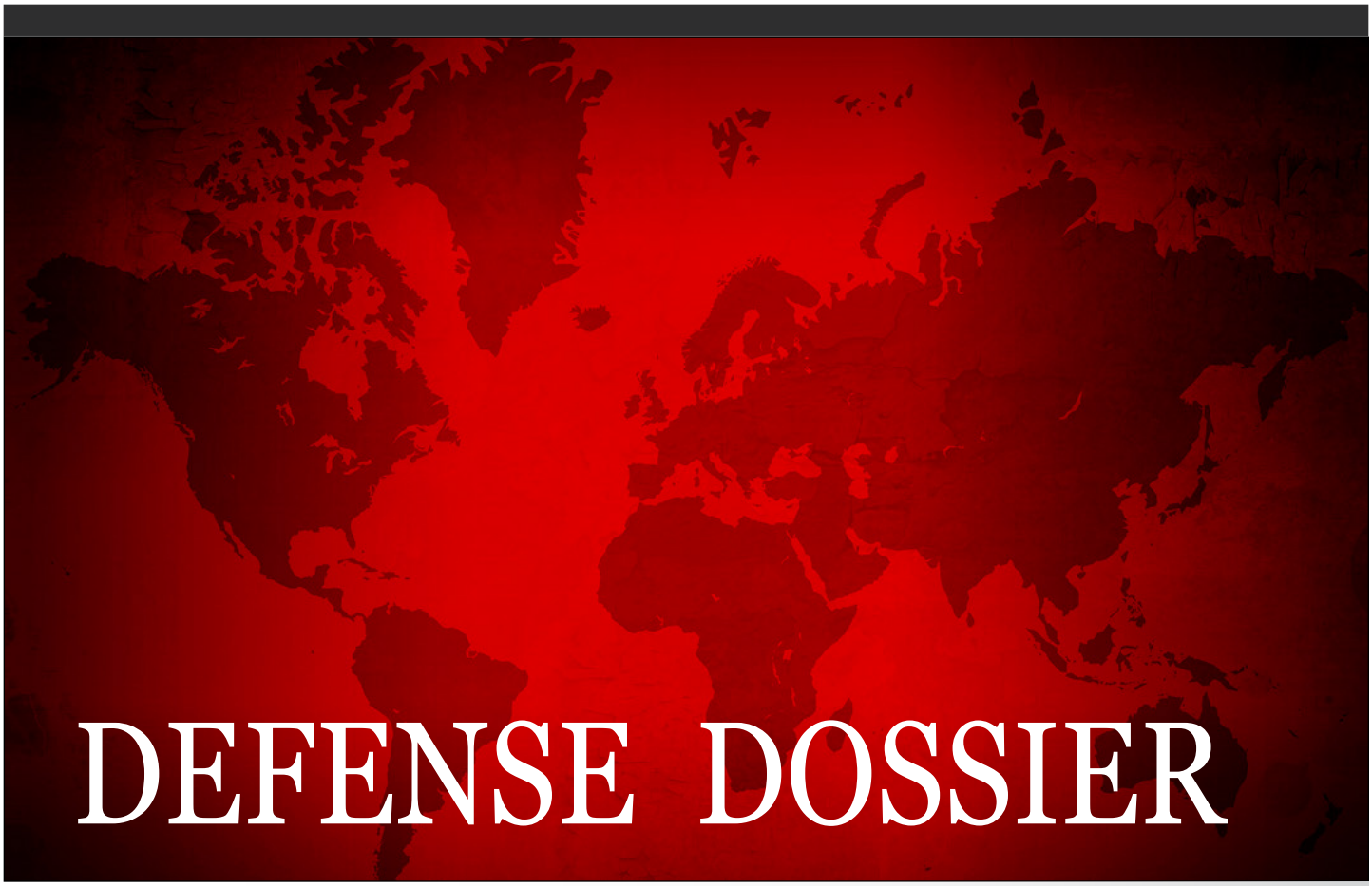

DEFENSE DOSSIER

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FROM THE EDITORS

Welcome to the December 2013 issue of AFPC's *Defense Dossier*. In this edition, we take a look at Latin America, a region perpetually neglected by U.S. foreign policy planners, where both America's military footprint and its influence are in retreat.

The decline of U.S. influence in Latin America has presented strategic opportunities for external actors, including China, Iran, and Russia. This foreign influence, in turn, has nurtured anti-American sentiment among the countries of the region, and exposed new threats to U.S. security, from proliferation to the spread of Islamic radicalism to political processes that can dramatically reshape allied governments.

This edition of the *Defense Dossier* highlights these dangers, and offers responses to challenges to U.S. security that have emerged close to home.

Sincerely,

Ilan Berman
Chief Editor

Richard Harrison
Managing Editor

THE DECLINE OF U.S. INFLUENCE IN LATIN AMERICA

J.D. GORDON

While 20th century revolutions in Russia and Iran sent shockwaves around the world and re-shaped the geopolitical map, a lesser noticed yet similarly powerful transformation has been unfolding over the last 60 years in Latin America. That revolution has been squarely targeted at U.S. influence, and regrettably it has picked up momentum over the past decade.

Inspired by Communist Cuban fervor and backed by Russia, and more recently by Venezuelan petro-dollars, far left populism has reached a fever pitch, launching *caudillos*, or strongman dictators, into power in Venezuela, Nicaragua, Ecuador, Bolivia and beyond. Meanwhile, sympathetic governments, led in some cases by former leftist guerillas, have also taken over in Brazil, Argentina, Uruguay and other nations.

AN IDEOLOGICAL BLOC

An infrastructure for this anti-Americanism has emerged as well, in the form of the Venezuelan-led Bolivarian Alliance of the Americas (ALBA). Through its auspices, authoritarians bent on expansion and collectivism have carried out a massive propaganda campaign against the U.S. and its regional allies in order to undermine their legitimacy, while promoting socialism and systematic economic redistribution at home.

As former Council on Foreign Relations Fellow Joel Hirst explains in his book *The Alba: Inside Venezuela's Bolivarian Alliance*, beginning in the early 2000s the late Venezuelan strongman Hugo Chavez and his followers carefully orchestrated a strategic plan to rally Latin American masses in challenging U.S. democratic values, free markets and security cooperation.[1] Once democratically elected, Chavez and his protégés have ruled as dictators by subverting their national constitutions to rule for life, systematically dismantling democratic institutions, and undermining the integrity of national elections.

According to Center for a Secure Free Society Senior Fellow Jon Perdue, the concept of "*democradura*"—a combination of the Spanish language words for democracy and dictatorship—has regrettably become the new normal in ALBA nations.[2] And while ALBA nations have struggled mightily under the weight of unsustainable economic policies, anti-U.S. tirades launched by their leaders have hurt America's regional popularity, as can increasingly be seen in national public opinion polls.

OUT TO LUNCH

This has occurred largely without protest or response from the United States. Apart from some notable exceptions—for instance, during the administrations of Presidents John F. Kennedy and Ronald Reagan—Latin America has largely remained a policy backwater for the United States, with America manifesting little by way of strategy toward the region, when it in fact noticed it at all.

Today, however, things are even worse. Under the administration of President Barack Obama, the U.S. has actually lent these radical, revolutionary trends a helping hand—and done so repeatedly.

First, in 2009, Obama sided with the Castro brothers

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and Hugo Chavez over the ouster of Honduran President Mel Zelaya. Even though the Chavez-protégé was clearly breaking Honduran law in his attempt to hold an unauthorized public referendum on changing the constitution to extend presidential term limits, Obama's insistence that his ouster was a "military coup" muddied the political waters, and gave Zelaya some undeserved legitimacy.

The same year, Obama remained silent as the 10-year lease at Ecuador's Manta Air Base expired, thereby losing the U.S. military's only "Forward Operating Location" in South America. This represents a significant setback; U.S. Air Force and Navy aircraft operating from Manta had been responsible for roughly half the narcotic shipment seizures in the Eastern Pacific over the previous years.

President Obama likewise dramatically scaled back Plan Colombia, a $7 billion counter-narcotic offensive spanning the Clinton and Bush administrations, despite the fact it was credited with restoring stability and prosperity to one of our top allies in Latin America. Meanwhile, the U.S.-Mexico Merida initiative, a $1.6 billion partnership launched during the George W. Bush administration to crack down on cartels, was put in jeopardy as a result of Operation Fast & Furious. That effort, an amateurish gun tracking program into Mexico launched under Attorney General Eric Holder, lost track of weapons, leading to the death of U.S. Border Agent Brian Terry and casting a cloud over U.S.-Mexico counter-drug cooperation.

Latin America has largely remained a policy backwater for the United States, with America manifesting little by way of strategy toward the region, when it in fact noticed it at all.

Meanwhile, multiple governments in Latin America have dramatically reduced America's official presence on their soil, as a result of revocation of Status of Forces Agreements that have effectively taken military cooperation off the table, the shuttering of USAID programs, and the elimination of DEA posts.

HOLDING THE LINE

Yet despite a sea change in political leadership in both Washington and Latin America, the U.S. military continues to maintain a presence in the region, making a positive impact where and when it can. Both the U.S. Southern Command and U.S. Special Operations Command, based respectively in Miami and Tampa, Florida, still oversee a myriad of training exercises and operations with partner nations from the Caribbean down to Patagonia.

To wit:

- Disaster relief from hurricanes, floods and earthquakes remain a highly visible and effective use of military resources in maintaining U.S. credibility as a good neighbor.
- *Panamax*, a naval exercise focused on defense of the Panama Canal, remains one of the world's most important maritime multi-lateral partnerships.
- The U.S. and Chilean Navies still participate in Exercise Teamwork South, alternating bi-annual deployments to California and Chile.
- Chile, Peru and Colombia have participated in Hawaii-based Rim of the Pacific (RIMPAC) Exercises.
- U.S. Army Special Forces and Navy SEALs routinely conduct small scale training exercises with their equivalents around the region.
- Counter-narcotic operations launched by the Joint Interagency Task Force in Key West still include Caribbean and Central American law enforcement authorities and sporadically net multi-ton drug seizures.

Some of these military-to-military partnerships, however, are today just a shell of what they used to be.

For instance, *Unitas*, an annual naval exercise between the U.S. and most South American countries since 1959, has been dramatically scaled back from its former decades-long scope of entire destroyer squadron 5-month circumnavigation deployments around the

continent. In a sign of decreasing resources, a thinly stretched military, and shifting political winds, just one U.S. Navy Frigate and a Coast Guard Cutter participated in *Unitas 2013*—which was whittled down to just a weeklong multi-lateral exercise off Colombia this September.

OMINOUS PORTENTS

More troubling than a gradually decreasing military footprint, however, has been the rise of extra-regional actors in the Hemisphere. It is an intrusion that has been aided and abetted by the ALBA bloc—and all but ignored by the White House.

President Obama made headlines in 2012 for downplaying the threat posed by Venezuela's Hugo Chavez to national security, yet his position was not surprising given that Chavez was secretly in his final battle with terminal cancer. Yet the president's comments were troubling, insofar as they indicated that Mr. Obama apparently saw no problem with Venezuela's military buildup, its harboring of Colombia's FARC narco-terrorists, its strategic partnership with Russia, Iran, Hezbollah, and its leadership of the eight-nation anti-U.S. ALBA bloc.

Indeed, throughout his five years in office, Mr. Obama has ignored the fact that as U.S. presence in Latin America shrinks, both Iran and China are on the rise. Iran in particular has made military, economic and diplomatic inroads into Venezuela, Bolivia, Ecuador, Nicaragua, Cuba, and even Brazil and Argentina.

Iran's former President, Mahmoud Ahmadinejad, visited numerous countries in Latin America six times since 2007, forging personal ties and signing accords each time. According to Bolivian legislators visiting Washington in 2013, Iran has roughly 150 Revolutionary Guard soldiers training ALBA nations in Bolivia to crush any civil unrest like the kind seen in Tehran during Iran's Green Revolution in mid-2009. Iran has also been engaged in complex money laundering operations to soften the blow of UN and Western economic sanctions, as well as engaging in exploration for strategic minerals like lithium, tantalum and uranium—all materials with dual uses, including for the development of nuclear weapons.

Meanwhile, China is making economic gains while we lose market share. According to the UN Economic Commission for Latin America and the Caribbean (ECLAC), China is now the third-largest investor in the region.[3] Furthermore, a Heritage Foundation report showed ever-increasing Chinese investments in the Western Hemisphere, which not including the U.S. and Canada, totaled over $90 billion during 2012.[4] U.S. imports, meanwhile, have dropped from over half to about one-third the total in recent years.

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U.S. investors have to increasingly fend for themselves. With Team Obama's lack of forceful leadership, some governments have been emboldened to cheat investors out of hundreds of millions of dollars through nationalization of commodities, expropriation without compensation, and unfair trade practices.

The World Bank's arbitration for Pacific Rim Mining versus El Salvador comes to mind, where the company spent $77 million on a decade of exploration permits and related costs, only to be denied extraction permits once they actually discovered gold. Team Obama's reaction? Ignore it while continuing to grant El Salvador hundreds of millions in U.S. taxpayer dollars for aid programs. And as bad as El Salvador and other nations have behaved towards investors, they all pale in comparison to the debt defaults of the increasingly erratic, autocratic government of Cristina Fernandez de Kirchner in Argentina.

Mr. Obama's silence on press crackdowns in Venezuela and Ecuador, meanwhile, has sent a clear message about his readiness to challenge the region's spreading anti-American revolution. In a word, he is not. Despite a history of U.S. leadership as a beacon of free speech

for more than two centuries, Mr. Obama has been conspicuously silent as the region's free press remains under siege.

GLASS HALF FULL

Though as negligent as recent U.S. policies have been towards Latin America, it could be worse. While U.S. influence is in decline, at least Latin America isn't being taken over by Islamists as many countries have throughout the Middle East, largely as a result of weakness from Washington. But failure to address mounting challenges to U.S. influence in the region posed by anti-free market, populist movements embodied by the ALBA-bloc of nations will have similarly negative consequences.

More troubling than a gradually decreasing military footprint, however, has been the rise of extra-regional actors in the Hemisphere.

To foster prosperity and freedom throughout the Western Hemisphere, U.S. policymakers must show their support and solidarity with governments that yield successful outcomes for their people, like Chile and Colombia. With the world's top economy, greatest military power and advocacy of free markets, the U.S. still retains the tools to make a positive impact on Latin America to benefit the broader family of all Americans, including from the North, Central and South. Washington leadership must focus more clearly in order to get it right. ■

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RUSSIA, IRAN AND CHINA IN LATIN AMERICA: EVALUATING THE THREAT

R. EVAN ELLIS

Since the end of the Cold War and the attacks of September 11, 2001, the discourse on security challenges to the U.S. in Latin America and the Caribbean has concentrated on threats from transnational organized crime and terrorism. The expanding activities of extra-regional state actors such as Russia, Iran and the People's Republic of China (PRC) have been noted, of course. Yet so far there has not been consensus concerning the nature and level of the challenge that they present.

There needs to be, because the activities of Russia, Iran and the PRC in the region are significant, and each poses a qualitatively different challenge to U.S. interests. Russian and Chinese activities, for example, extend the survival of anti-U.S. regimes in the Americas, and may contribute to a region that is less democratic, less governable and less secure. Iranian activities, however, are more operational, and could specifically facilitate terrorist incidents costing U.S. lives in the future.

RUSSIA'S RETURN

Russian activities in the region openly aid anti-U.S. regimes and challenge U.S. positions and interests in the region. They do not, however, directly seek harm to the U.S., nor are sufficient in size or scope to seriously undermine the U.S. position there.

Russia's engagement in Latin America concentrates on a limited number of sectors in which its companies have significant capability, including arms, petroleum, mining, some technology sectors, and the purchase of foodstuffs. Its $13.7 billion in bilateral trade with the region, however, is miniscule by comparison to China's $258 billion.[1]

In diplomacy, Russia has concentrated its attention on former allies of the Soviet Union (Nicaragua and Cuba), other anti-U.S. states (Venezuela, Bolivia and Ecuador), and countries with which it has longstanding commercial and/or military relationships (Brazil, Argentina, and Peru).

Russia's most visible engagement tool has been arms sales and service contracts. It has led with a reputation for providing durable military hardware at mid-range prices with few conditions, particularly targeting countries with aging stocks of Soviet equipment from the Cold War, such as Peru, Nicaragua and Cuba. Its largest client, however, has been Venezuela. Taking advantage of Venezuela's inability to buy from the West, Russia has sold almost $11 billion in goods since 2005, including Mi-17 helicopters, Su-30 fighters, small arms, tanks, armored vehicles, multiple rocket launchers and air defense munitions.[2]

Russia's leading commodity in this regard has been helicopters, including sales to Peru, Argentina, and Mexico. Although it has sold Brazil helicopters and Kornet anti-tank munitions, it has failed to win larger sales there, such as the Su-35 fighter or the Tigr Light Armored Vehicle. Moreover, by contrast to the Cold War, such sales are revenue generators more than diplomatic tools, as seen by the MI-17 sale to Bolivia, which fell through when the government in La Paz could not pay.

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Russia has also expanded counternarcotics activities in the region including a new law enforcement training facility in Managua,[3] with proposed counterdrug courses for Bolivian, Ecuadoran and Colombian law enforcement officials.[4] Such cooperation may be motivated, in part, by increasing flows of cocaine and other narcotics to Russia from the region. Yet it also provides a vehicle for Russian security and defense officials to interact with their counterparts from across the region in a fashion that is difficult for U.S. officials to object to.

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In the oil sector, private Russian companies with ties to the state such as Gazprom, Rosneft (including TNK), and Lukoil have pursued projects in countries such as Venezuela, Ecuador Bolivia, Argentina and Brazil. In mining, Russian firms have pursued projects in Cuba, Jamaica (nickel), Guyana (bauxite) among others.

Russia has also won infrastructure projects, such as the Toachi-Pilaton hydroelectric project in Ecuador, although few by comparison to China.

IRANIAN PENETRATION

Of the three extra-regional actors examined here, the activities of Iran present the most direct and immediate challenge to U.S. security.

On one hand, as acknowledged by a summer 2013 U.S. State Department report, the efforts by Iran's previous president Mahmoud Ahmadinejad to build alliances in the region has not advanced beyond the ALBA regimes, although it may be on track to restore relations with Argentina via an international "fact finding commission" to address accusations of its involvement in 1992 and 1994 terrorist incidents in that country.[5] Iran's greatest diplomatic loss, however, has been Brazil, with its President Dilma Rousseff halting the diplomatic thaw with Iran initiated by her predecessor, and even refusing to meet the Iranian president when he traveled to Brazil for the Rio+20 Environmental Summit in June 2012. Nor is it clear whether Iran's new president, Hassan Rouhani, will be as active in Latin America as his predecessor, or will instead concentrate on matters closer to home such as Syria and the Arab Spring.

Although Iran's appeal in Latin America is limited and possibly declining, evidence suggests that it may be using those relationships to circumvent international sanctions, develop missile components and other weapons technologies, and to build networks and place agents in the region—possibly for future terrorism against the United States.

In the financial arena, Iran has attempted to use the International Development Bank (BID) in Venezuela and both the Export Development Bank of Iran (EDBI) and COFIEC in Ecuador to move money in violation of international sanctions.[6] With respect to arms, the Venezuelan military industry company CAVIM has been sanctioned for supplying technology to Iran,[7] and the Venezuelan government has acknowledged working with it to co-develop UAVs.[8]

With respect to building networks, Argentine prosecutor Alberto Nisman has accused Iran of building intelligence and terrorist cells in the region,[9] while a 2010 Defense Department report declares that Iran is deploying members of its Qods force there.[10] Separately, journalist Douglas Farah has chronicled Iran's use of Islamic community centers in ALBA countries to recruit Latin Americans for religious indoctrination programs in Iran.[11]

The small number of religious Shi'ite Muslims in Latin America means that such networks are likely to support limited objectives such as terrorist financing, rather than broad-based movements. Nonetheless, they may used to operate against the United States, as

suggested by the 2007 attempt by Guyanese national Abdul Kadir to blow up New York's Kennedy Airport, or the October 2011 attempt to contract Mexican gang members to assassinate the Saudi ambassador in Washington, DC.[12]

CHINA'S PRESENCE

China's engagement with Latin America and the Caribbean is principally economic in character. It is intended to assure access to primary products, foodstuffs for the Chinese people, new markets for goods and services (as Chinese companies move up the value added chain into new industries), and technology partners to help develop competitive industries and a strong Chinese state. Nonetheless, the prospect of trade with, investment from, or sales to the PRC has made it a focus for virtually every political and business leader in the region, giving it significant "soft power" eclipsing that of Russia and Iran.

Since approximately 2008, Chinese companies have begun to establish a presence on the ground in the region in areas such as petroleum and mining operations, construction projects, telecommunications, and to some degree, factories and retail. The associated interactions with local labor forces, communities, and governments has generated challenges for these companies, including opposition to their projects, labor and regulatory disputes, and security issues, forcing the PRC to consider when and how to use its soft power to support its companies and nationals.

Expanding trans-Pacific commerce has also impacted organized crime. Groups such as Red Dragon, for example, have engaged in smuggling Chinese through the region toward the United States and Canada, forced in the process to collaborate with Latin American-based crime groups such as Los Zetas. China is also an important source of precursor chemicals for synthetic drugs, as well as a growing market for Latin American cocaine.

Beyond commerce and its byproducts, China, like Russia, sells arms to and interacts with the region's militaries and police forces, including high-level exchanges, professional education and training activities, and a limited number of humanitarian operations in the region.

As in commercial sectors, Chinese military enterprises have moved up the value-added chain from selling basic goods in the region, such as uniforms, to more complex equipment, leveraging opportunities provided by politically sympathetic regimes. Venezuela's 2008 purchase of Chinese K-8 fighters, for example, led Bolivia to buy six, just as Venezuela's 2005 purchase of JYL-1 air defense radars led Ecuador to buy Chinese JYL-2s.

Although Iran's appeal in Latin America is limited and possibly declining, evidence suggests that it may be using those relationships to circumvent international sanctions, develop missile components and other weapons technologies, and to build networks and place agents in the region—possibly for future terrorism against the United States.

Chinese companies have shown increasing sophistication in their Latin American marketing, with exhibits at regional military shows such as FIDAE, LAAD, and SITDEF, participation in formal procurements such as an air defense system bid by Poly Technologies in Peru, and the use of production offsets by CAIC to market its JC-1 fighter to Argentina.

While arms sales to Latin America sustain PLA defense industries and technologies, its relationships with and knowledge of the military institutions of the regions are bolstered by institutional visits, training, and officer exchanges, such as programs for Latin American military officers in the Defense Studies Institute in Champing, or PLA Army and Navy schools near Nanjing, as well as humanitarian activities such as the "Angel de Paz" exercise in Peru in 2010, or port visits such as that by the hospital ship *Peace Arc* to the Caribbean in 2011, or the PLA Navy warships *Lanzhou* and *Liuzhou* to Chile, Brazil and

Argentina in late 2013.

If the U.S. and PRC go to war, Chinese commercial assets [based in Latin America] such as factories, port concessions, satellites and telecommunications infrastructure could be used against the United States.

Finally, the PRC impacts the security environment of the region by contributing to the short-term viability of regimes hostile to the U.S. through its loans to, investments in and imports from them. Without the more than $40 billion from China Development Bank, for example, it is doubtful whether Venezuela's socialist regime could have survived the 2012 national elections, and thus continued to partner with Iran, buy Russian arms, and export revolution to its neighbors.

SHADOWS OVER THE FUTURE

Responsible U.S. planners must consider how the assets of Russia, Iran and China could be used against the United States in a future conflict. This includes terrorist attacks leveraging Iranian-backed financial networks, personnel, and possibly missiles and/or weapons of mass destruction. Similarly, if the U.S. and PRC go to war, Chinese commercial assets such as factories, port concessions, satellites and telecommunications infrastructure could be used against the United States. Indeed, in its 1991 evacuation of personnel from Somalia and its 2011 departure from Libya, the Chinese government demonstrated it would use commercial assets such as ships and airlines for government missions when needed.

Despite such challenges, the U.S. should not attempt to prevent countries of the region from interacting with Russia, Iran and China. Doing so would only breed resentment and erode the American position. Such relationships must be watched, and adverse scenarios planned for, while the U.S. also sets an example of what it is to be a good partner, supporting democracy and sustainable development. ■

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COLOMBIA'S PERILOUS PEACE

ILAN BERMAN

Today, Colombian politics are consumed above all by one issue: the peace process now underway between the government of president Juan Manuel Santos and the radical Revolutionary Armed Forces of Colombia, or FARC. Since its initiation last fall, the controversial initiative has polarized national politics to an unprecedented degree. It has also become a personal bone of contention between President Santos and his predecessor and one-time mentor, Alvaro Uribe—a very-public disagreement that is now being played out in the national media.

Underlying this acrimonious debate is a fundamental disagreement over the prospects for a durable peace, the motivations of the FARC, and the strategic impact that integration of the group will have on Colombia's larger political trajectory. Simply put, some believe that the FARC—diminished after nearly five decades of insurgency—is now eager to come in from the cold. Others, however, are convinced that the organization has not given up its ideological struggle, and is now simply pursuing it by other means.

URIBE'S LEGACY

That a peace process is possible at all is a testament to the policies implemented by the Uribe government during its time in office. When Uribe ascended to the Colombian presidency in 2002, he inherited a country in turmoil. His predecessor, Andres Pastrana (1998-2002), had been the latest head of state to attempt to negotiate a peace settlement with the FARC. But, like countless times before, talks had broken down as a result of continuing violence on the part of the FARC.

Uribe took a different tack. His government forged a qualitatively new strategy that focused on personal security, national integration and counterinsurgency.[1] The plan, encapsulated in the *Democratic Security and Defense Policy* issued in June 2003, involved the restoration of state presence in heretofore lawless areas, a strengthening of local and national institutions, greater protection of the Colombian population, and territorial consolidation.[2] The aim of these objectives was to cumulatively deny the FARC territory and dampen support for the organization among the country's disenfranchised poor.

The approach turned out to be singularly successful. By the end of Uribe's term in office, the FARC was significantly diminished in both quantitative and qualitative terms. A number of top commanders in the group had been killed, thousands of foot soldiers had defected, and the overall fighting strength of the FARC was estimated to have been whittled down by half, to just 10,000 men under arms.[3]

This, in turn, laid the groundwork for a sea change in policy on the part of the Colombian government, now headed by Uribe's successor (and one-time defense minister), Juan Manuel Santos. Beginning in the fall of 2012, a new negotiating track between the Colombian government and the FARC, proposed by Venezuela, got underway in Havana. Its purported goal? To end the nearly-half-century-old civil conflict in Colombia by rehabilitating and integrating the FARC.

DIVERGENT PERSPECTIVES

The benign view is that, after some five decades of violent opposition to the state, the FARC now wants at long last to lay down its arms and come in from the cold. Observers note that the group would benefit concretely by doing so, receiving legitimacy for its political ideas and becoming a highly visible part of the Colombian polity.[4]

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That certainly appears to be the reading of President Santos, who has staked both his reputation and his credibility on making peace with the FARC. Santos' enthusiasm is understandable; the potential upside for the Colombian government is huge, measured in greater domestic stability and prosperity, a surge in foreign direct investment, and perhaps even a Nobel Peace Prize for Santos himself. It is also crucial to the political future of the Colombian president, who is up for reelection in 2014. Quite simply, in the words of one regional observer, "the FARC now holds Santos' political future in its hands."[5]

The conflict with the FARC may be some five decades old, military officers point out, but the group "isn't tired." Nor is it on the ropes; the FARC has significant economic interests and political connections throughout the region.

However, a more skeptical reading of political events predominates in many corners of Colombia's body politic. Among the country's military elite, there is deep suspicion regarding the true motivations undergirding the peace process. The conflict with the FARC may be some five decades old, military officers point out, but the group "isn't tired."[6] Nor is it on the ropes; the FARC has significant economic interests and political connections throughout the region (including a significant stake in the flourishing business of illegal mining). As a result, at least some believe that the current peace process represents a poison pill of sorts engineered by Venezuela in order to expand pro-"Bolivarian" sentiment in the region, as well as to alter the contours of the political process within Colombia itself.[7]

Private sector experts, too, are incredulous. The FARC is not diminished, one specialist maintains, at least not in the way the Santos government claims. Rather, although the group's military capabilities are now more modest (whittled down to some 8,500 men under arms today), the FARC as a movement is substantially broader, and its ranks include civilian militias and other groupings. The total strength of the movement is estimated at in excess of 100,000 persons. As a result, the FARC's entry into the peace process doesn't reflect genuine moderation, but rather an attempt to coopt and transform Colombian politics—the same "Bolivarian" strategy that was championed by Venezuelan strongman Hugo Chavez in his day.

UNINTENDED CONSEQUENCES

Moreover, even if the peace process does succeed, it would not necessarily spell the end of Colombia's struggle with the FARC. The Colombian government's Uribe-era Disarmament, Demobilization, and Rehabilitation (DDR) program—designed to integrate and rehabilitate members of the movement who have given up their arms—remains chronically underfunded. It does not afford a "way out" for former FARC guerillas, who often turn to criminality as a way of supplementing their income and eking out a living. As a result, observers say, a mass "demobilization" of the FARC as a result of the peace process would actually increase Colombia's chronic problem with crime by swelling the ranks of the country's *bacrims* (criminal bands).[8] The peace process, in other words, could very well turn what is currently an external problem (in the form of the FARC) into an internal one (i.e., skyrocketing crime).

It could also dramatically reconfigure Colombia's political *status quo*. For decades, the country's solidly conservative, pro-democracy course has made it one of America's staunchest allies in the Western Hemisphere. Yet a Colombian polity that incorporates the FARC and its leftist supporters is likely to be significantly different—and decidedly less friendly to the United States and its interests.

Indeed, the FARC itself has already made clear that it envisions nothing less than a wholesale transformation of Colombian politics. As part of the negotiating process, the movement has demanded, *inter alia*: impunity for its negotiators and senior officials; protection of its cadres from extradition on kidnapping and drug charges (to the U.S., for example), and; a

disarmament of both sides overseen by other regional states (rather than America).[9]

ROCK AND A HARD PLACE

For its part, the Obama administration has both embraced and thrown its weight behind Colombia's unfolding peace efforts. In 2013 alone, Vice President Joe Biden himself twice visited Bogota in public demonstrations of U.S. support for the Santos government and its negotiations with the FARC. Yet, as the forgoing discussion demonstrates, there is ample reason for concern that Colombia's peace process could end up being a perilous one.

Observers say, a mass "demobilization" of the FARC as a result of the peace process would actually increase Colombia's chronic problem with crime by swelling the ranks of the country's bacrims (criminal bands).

The Prussian strategist Carl von Clausewitz famously said that warfare represents the "continuation of politics by other means."[10] It holds, then that the inverse can also be true—that politics can serve to attain strategic objectives when open warfare cannot. That could well be the case in Colombia today, with the security of the country, and perhaps its very geopolitical direction, hanging in the balance. ■

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ANTITERRORISM IN BRAZIL: A DANGEROUS VACUUM

JOSEPH HUMIRE

In the latest edition of its annual *Country Reports on Terrorism*, the State Department states that: "There were no known operational cells of either al-Qa'ida or Hezbollah in the hemisphere."[1] This assessment is a puzzling one, especially considering that one of Hezbollah's most successful terrorist operations occurred in the Western Hemisphere, when a car bomb leveled the AMIA Jewish community center in Buenos Aires, Argentina, killing 85 people and injuring hundreds more in July of 1994. The Argentine prosecutor for this case, Alberto Nisman, led an investigation that in 2006 drew a clear connection to both Hezbollah and its principal state sponsor, Iran, prompting Interpol to issue six extradition orders for Iranian and Lebanese suspects in this bombing.

Congressman Jeff Duncan (R-SC) raised this issue at a subcommittee hearing on July 9, 2013, which he organized on behalf of the U.S. House Homeland Security Committee. Drawing on his own discussions with Latin American intelligence and security officials, Duncan emphasized that both assessments—that of the State Department, and that of Latin American officials (including Nisman)—cannot possibly be right.

At the heart of this dichotomy is a divergence in the approaches and languages of the United States and Latin America towards counterterrorism. The former views Islamist terrorist networks as a top tier national security threat, while the latter simply sees them as a nuisance. Moreover, research by the American Foreign Policy Council has determined that close to half of the countries in Latin America do not currently possess the requisite legal framework to adequately address this problem.[2] But of all these countries, perhaps the most concerning is Brazil, particularly in light of its role as the host of the FIFA World Cup next year and the Summer Olympics in 2016.

THE RISE OF ISLAMISTS IN BRAZIL

The lack of an effective antiterrorism legal framework is one of the loopholes that let one of Iran's most notorious terrorists, Mohsen Rabbani, escape extradition when traveling to Brazil on at least one occasion in the last few years. Rabbani is not supposed to be able touch down anywhere in South America because of an Interpol "red notice" levied against him due to his role as the "mastermind" of the 1994 bombing of the AMIA Jewish community center in Buenos Aires. Yet, Rabbani has done just that.

In 2010, Rabbani is known to have visited Brazil, where his brother used to reside and work as an imam. Through the auspices of Islamic cultural centers and mosques, Rabbani had been gradually recruiting and indoctrinating young Brazilians into the ways of radical Islam for several years, and doing so with the knowledge of Brazilian intelligence (*Agéncia Brasilera de Inteligéncia*, or ABIN). While the ABIN monitored Rabbani's movements, it was not allowed to create a formal case-file on the wanted terrorist. And by the time Interpol alerted Brazilian Federal Police of Rabbani's extradition order, he was already on a flight back to Qom, Iran.

The Rabbani incident is only a small example of a dangerous reality: that radical Islamists have

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successfully exploited Brazil's weak legal infrastructure and permissive environment for decades. Brazil's Foz do Iguaço and the Tri-Border Area (TBA) at the intersection of Brazil, Paraguay and Argentina, for example, are known hotbeds of terrorist and extremist activity, and safe harbor for radical groups of all varieties. Even Osama Bin Laden and 9/11 mastermind Khalid Sheikh Mohammed reportedly visited Brazil in the early 1990s to attend clandestine terror summits in the Tri-Border Area.

This looming Islamist presence, once limited to the stateless region of the TBA, has expanded throughout Brazil in recent years. In 2011, Brazil's prominent *VEJA* magazine reported that al-Qaeda operatives were spotted in Sao Paulo, Brazil's largest city, controlling an Internet café that was used as a front for cyber-jihadists known as the "Jihad Media Battalion."[3]

The steady growth of Islamist infiltration in many of Brazil's major cities has been the concern of at least some Brazilian officials. In the words of one regional district attorney of the Federative Republic, "without anyone noticing, a generation of Islamic extremists is emerging in Brazil."[4]

Reinforcing this statement, earlier this year Brazilian authorities arrested a Lebanese businessman in Curitiba for operating a scheme within the clothing industry to defraud fellow Lebanese immigrants who recently arrived in Brazil.[5] This Lebanese businessman, Hamzi Ahmad Barakat, is the brother of Assad Ahmad Barakat, a legendary Hezbollah "fundraiser" that the U.S. Treasury has called the "most prominent and influential member" of Hezbollah in South America.

Assad Barakat is also in prison, and has been sitting in a Paraguayan jail since 2002 on charges of tax evasion. But both Barakat brothers, prominent members of Hezbollah, have only been condemned as criminals and never once mentioned as terrorists.

This is because, in and of itself, Brazil does not legally regard membership in a terrorist entity or an affiliate to be a criminal act, a position similar to that of the U.S. prior to the enactment of the 1996 Antiterrorism and Effective Death Penalty Act, which prompted the creation of the U.S. State Department's Foreign Terrorist Organizations list and gave U.S. law enforcement the legal authority to monitor and apprehend persons of interest based upon their involvement in Islamic extremism and membership in terrorist groups.

A LEGAL VACUUM

It appears evident that Brazilian authorities are aware of this growing Islamist terrorist presence within their borders. Nevertheless, they have not been successful at passing antiterrorism legislation. This is not due to a lack of proposals; over the past several years, a handful of legislative initiatives dealing with counterterrorism have been introduced in the Brazilian parliament. Currently, there are six bills under review in the Chamber of Deputies, with the oldest dating back to 1991. One of the most recent is a proposal developed by Parliamentarian Walter Feldman, a leading opposition member from the Brazilian Social Democrat party, which aims to define terrorism as "crimes that damage or put at risk life, physical integrity, freedom of movement or personal property." And yet, time and again, Brazil's legislative organs have failed to consider, let alone act upon, such initiatives.

Brazil does not legally regard membership in a terrorist entity or an affiliate to be a criminal act.

The lack of antiterrorism legislation in Brazil, however, is not just the consequence of missed opportunities and ineffective leadership; it is also symbolic of a larger public opinion debate taking place in Latin America. Many Latin Americans view antiterrorism as merely an excuse for the violation of the human rights of indigenous groups and other social movements within the region. The legacy of the 20th century's "dirty wars" in Latin America has left the collective regional electorate disillusioned and wary.

Ideology also plays a role. The lack of antiterrorism legislation in the region is at least in part the product of a concerted effort by the left-leaning political power bloc known as the Bolivarian Alliance of the Americas or ALBA, which—since its founding by Venezuelan strongman Hugo Chavez in 2004—has consistently sought to diminish U.S. influence in the region in its various forms.

Although Brazil is not an official member of ALBA, its former president, Luiz Inácio "Lula" da Silva, was a political mentor for Hugo Chavez, and an enabler of ALBA's anti-U.S. vision. In keeping with this role, for more than a half-decade, Lula's government refused multiple requests by Washington to take in released Guantanamo prisoners, rebuffed efforts to revise its legal code to widen the definition of what criminal conspiracy entailed, and stalled any form of counterterrorism cooperation with the U.S. And in the wake of recent leaks by NSA whistleblower Edward Snowden of U.S. spying on Brazilian authorities, the country's current President, Dilma Rouseff, has further stalled counterterrorism cooperation with the U.S.

CHALLENGE AND OPPORTUNITY

This past summer, Brazil got its first taste of the complex challenge that countrywide force protection presents. At a time when Brazilians should have been celebrating the Federations Cup being hosted in their country, a sudden spark of mass protests quickly spread throughout the country, exposing the fragility of the Brazilian security apparatus.

Institutional and infrastructure problems did not allow the Brazilian state apparatus to respond in a timely manner to the million-man protests that spread like wildfire throughout the country. And now with the *Copa Mundial* set to kick off in less than a year, followed by the Olympics in 2016, Brazil is facing a much greater threat than mere civil unrest.

Brazilian officials are well aware of the growing Islamist presence in their country, and understand that any terrorist attempt, much less attack, during the upcoming major events would spell disaster for the national economy and image. Yet some still believe that as long as they are a hub for Islamist terrorist networks they will not become a target.

Many Latin Americans view antiterrorism as merely an excuse for the violation of the human rights of indigenous groups and other social movements within the region.

Recent history suggests otherwise. Numerous episodes, such as al-Qaeda's attack on England in 2005, demonstrate that countries can quickly shift from being a haven of radical Islam to becoming a target of it. Brazil is no different. If it is to remain a global player as a rising democracy and emerging economy, Brazil will need to take the legal steps necessary to show the world that it is serious about confronting this threat. ■

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A NUCLEAR LATIN AMERICA?

FERNANDO MENÉNDEZ

When the United States looks to its south, the issue of weapons of mass destruction is rarely raised. Rather, policymakers often focus on more conventional economic and geopolitical factors. Indeed, since the days of the Cuban Missile Crisis, foreign policy analysts have long dismissively thought of the region as "America's backyard," one not rife with nuclear threats.

Given economic and political shifts in the region in the last two decades, however, such an oversight is no longer tenable. The rise of populist, openly hostile regimes, the growing influence and penetration of world powers such as Russia, China and Iran in the region, and the perceived shift in the global balance of power have pushed the question of nuclear proliferation in the Americas to the forefront.

A REGION IN FLUX

The issue of nuclear proliferation in the Americas can best be understood through a review of the region's changing political context and new strategic actors. First are the populist regimes grouped around the Bolivarian Alliance for the Americas (ALBA): Venezuela, Cuba, Bolivia, Ecuador and Nicaragua. All advocates of 21st century socialism, these regimes are openly hostile to the United States and liberal democracy. Lacking substantive economic models and performance, these governments play the nationalist card by promoting the need to "deter the North American colossus."

Second, a set of international state actors—namely China, Russia and Iran—is looking to curry favor and increase influence in the Hemisphere. Through their political, economic and security apparatuses, these states are actual or potential counterweights to U.S. hegemony, and engaging with them serves the agendas of both radical, and moderate, leaders in the region.

Finally, there are those countries positioned for economic takeoff playing an intermediary, and in some cases enabling, role in the conflicts between the ALBA bloc and the U.S. In this respect, Argentina and Brazil serve as case studies. While neither is overtly hostile to U.S. interests in the Americas, the stated objectives of each often find them allied for tactical, and even strategic, reasons to more radical elements in the region.

A RENEWED APPETITE

In the 1990s and early 2000s, as part of efforts to reassert its lost influence in the Americas, Russia signed a series of agreements with Argentina, Brazil and Venezuela promoting the idea of Latin America as a nuclear region. The notion was not without precedent; in the 1960s and 1970s, the military governments in Argentina and Brazil had established nuclear research and development programs. With the end of the Cold War, however, the flow of nuclear-related knowledge and technology pouring into the region dried up, even as the political scenery shifted leftward.

After a period of relative quiet on the nuclear front, the radical socialist government of Hugo Chávez came to power in Venezuela and 1999, and wasted no time reaching out to Russia for military and nuclear assistance. More than a decade of deliberation later, and after nine visits by Chavez to Moscow, in 2010 the two countries signed a nuclear cooperation accord.[1] The same year, Russia and Venezuela reached a deal to build the latter's first nuclear reactor. Ultimately, the project would be scrapped after the political fallout from the 2011 Fukushima disaster, but it was an overt

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indication of Venezuela's nuclear appetite.

The deal generated no small amount of concern from neighboring Colombia, as did Venezuela's purchase of more than $4 billion of Russian military sales, at least $2.2 billion on flexible credit terms. That arrangement enabled Russia to transfer Soviet-era military hardware to Venezuela as part of its strategy to stimulate Russian arms industries. Included in the deal were about 100 T-72 tanks, fighter jets and helicopters, short-range missiles and 100,000 Kalashnikov rifles of an earlier make.[2]

Analysis published by the Carnegie Endowment for International Peace reported that while Venezuela was not currently mining an estimated 50,000 tons of untapped uranium reserves, there was widespread speculation concerning collaboration with Iran in strategic minerals that Venezuela could mine uranium for Iran.

Russia would not be Venezuela's only atomic partner. A 2009 report by Israel's Foreign Ministry concluded that Venezuelan President Hugo Chávez was trying to undermine the United States by supporting Iran, and had emerged as—among other things—a major source of strategic minerals for Iran's burgeoning nuclear program.[3] A subsequent analysis published by the Carnegie Endowment for International Peace reported that while Venezuela was not currently mining an estimated 50,000 tons of untapped uranium reserves, there was widespread speculation concerning collaboration with Iran in strategic minerals that Venezuela could mine uranium for Iran.[4]

A NUCLEAR BRAZIL?

Brazil, the South American component of the emerging BRIC (Brazil, Russia, India and China) nations, is seen as a successful economic model guided by the pragmatic, clear-headed policies of the once-militant trade union leader Luiz Inácio "Lula" da Silva, and his successor, the former urban guerrilla Dilma Roussef. Brazil's foreign policies, while not overtly anti-American, reflect a complex chess game involving regional as well as extra-regional players. Moreover, the subtlety of the policies underscores a sophisticated assessment of the changing global winds.

Brazil's foreign policy establishment has long operated on the perception of a global shift in the balance of power. This shift sees the United States and the West as being in gradual decline compared to the rise of the BRICs. Consequently, Brazil has oriented much of its foreign policy towards countries like China and Russia. China is now Brazil's second largest trading partner, surpassed only by the United States. Brazil's growing economic stature also presents it with an opportunity for international leadership. For the last several years, Brazil has advocated for a permanent seat on the UN Security Council, the first for a Latin American country. Unlike the other BRICs, however, Brazil is the only nation without nuclear weapons.

Brazil's former Vice President, the late José Alencar, strongly favored the acquisition of a Brazilian nuclear weapons capability despite Brazil's being a signatory to the Nuclear Nonproliferation Treaty (NPT) and its constitutional declaration to use nuclear energy only for peaceful purposes. Alencar, who argued Pakistan had achieved international relevance because it has a nuclear weapon, also called for the need for nuclear deterrence in Latin America. In September 2009, asked how Brazil, a signatory to the NPT, could justify obtaining nuclear weapons Alencar responded that the NPT was "a matter that was open to negotiation."[5]

Brazil's nuclear ambitions predate the election of President Luiz Inácio "Lula" da Silva. Between 1975 and 1990, Brazil had three separate nuclear weapons programs operational, with each branch of the armed forces pursuing its own route to the bomb. The Navy proved the most successful with its operation of small reactors for submarines. By 1990, the Brazilian military was on the verge of testing a nuclear bomb, drilling a 300-meter (984 foot) shaft in which to test a nuclear device in what was to be a "peaceful nuclear explosion."

The advent of democracy, however, saw the abandonment of these nuclear plans. In 1988, the country's revised constitution declared nuclear activities would be restricted to "peaceful purposes." Then, in 1994, Brazil ratified the Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean (known as the Treaty of Tlatelolco). However, while a participant in various nonproliferation accords, Brazil subsequently refused to adopt the Additional Protocol to the NPT strengthening the International Atomic Energy Agency (IAEA)'s ability to detect clandestine weapons programs, mainly through a stronger inspections regime.

Under Brazil's 2008 *National Strategy for Defense*, while the country is a signatory to the NPT it is allowed to enrich uranium for its fleet of nuclear submarines. Part of Brazil's strategy is the development of an enormous nuclear attack submarine analogous to India's ballistic missile-capable *Arihant*-class.[6] In addition to its potential as a missile platform, the propulsion reactors in Brazil's submarines require a higher degree of uranium enrichment than those for commercial power, possibly above 90 percent.

Providing a cover to Brazil's production of nuclear power is its classification as a restricted national security secret. In 2004, for example, the IAEA was denied unlimited access to the Resende enrichment facility near Rio de Janeiro. Currently, all production facilities are designated restricted military areas, making them off-limits to the IAEA inspectors. No one outside knows what happens to the fuel once on restricted military bases.

Brazil's nuclear ambitions must be placed within the larger context of its overall strategic objectives. In the Americas, while Brazil does not overtly contest U.S. hegemony, its objectives are aimed at countering the advance of U.S. aims. Writing in London's *Guardian* on October 2, 2012, journalist Raúl Zibecki cites one of Brazil's top diplomats, Samuel Pinheiro Guimares, declaring that:

… Brazil's strategy sought to prevent the 'removal' of Chávez through a coup, to block the reincorporation of Venezuela into the North American economy, to extend *Mercosur* with the inclusion of Bolivia and Ecuador and to hinder the U.S. project to consolidate the Pacific Alliance, which includes Chile, Colombia, Mexico and Peru.[7]

In addition to its potential as a missile platform, the propulsion reactors in Brazil's submarines require a higher degree of uranium enrichment than those for commercial power, possibly above 90 percent.

This helps clarify Brazil's strategic thinking with regard to a growing Chinese presence. Despite its preoccupation with the Middle East and its recent economic troubles, the U.S. remains the predominant actor in the Americas, and only the presence of a country capable of projecting superior economic and political power could significantly shift the balance of forces away from the current hegemon. Moreover, unlike the former Soviet Union—once described as a third world country with nuclear weapons—China has the economic resources to create an alternative locus of financing, trade and development. From Brazil's perspective, a rising China is a strategic ally, one not particularly concerned with nuclear proliferation in the Americas.

CRISTINA'S ARGENTINA

Indeed, Chinese involvement with Latin American nuclear power extends to the Bariloche Atomic Centre run by Argentina's National Atomic Energy Commission (CNEA) in San Carlos de Bariloche, where Chinese loans to build a fourth nuclear reactor are being negotiated. The Atocha I plant near Buenos Aires and the Embalse plant in Central Córdoba province, along with an Atocha II plant currently under construction, supply Argentina with less than 5% of its energy needs. Argentina's nuclear program, however, has been known to serve other objectives since its inception.

In the 1960s, the Centre facilities allowed Argentina to supply its initial production of about 90 tons of unsafeguarded yellowcake to Israel to fuel its Dimona reactor, creating the fissile material for Israel's first nuclear weapons. Today, the Centre operates as a training facility for physicists, nuclear engineers and an increasing number of students and scientists from the ALBA countries are noticeable by their presence at Bariloche. Likewise, the China National Nuclear Corporation (CNNC), a major exporter of civilian use nuclear technology, is developing a footprint in Argentina's nuclear industry.

While on the periphery of the ALBA coalition, Argentina's President Cristina Fernandez de Kirchner uses the nationalist card to deflect attention from her mismanagement of that country's economy while also launching anti-American rhetoric within the hemisphere. In a Kremlin meeting in 2008, Fernandez and then-Russian President Dimitri Medvedev signed a series of cooperation agreements, including nuclear energy, and declared their intention to work towards a "multipolar world." "Living in the world without rules is bad, but even worse is living in the world where rules exist only for the weak and where the strong constantly break them," Fernandez said in a thinly veiled reference to the United States.[8]

WHITHER THE REGION?

Given that U.S. foreign policy seems transfixed by events in the Middle East, and that Latin America arguably rates low in its list of foreign policy priorities, it perhaps seems far-fetched to envision the unveiling of a nuclear weapon right in "America's backyard," at least in the foreseeable future. Yet the availability of uranium and other minerals (Venezuela, Bolivia), nuclear technology and know-how (Bariloche, and the Brazilian military programs), the enabling capacity of countries such as China and Russia, the perception of a shift in the global balance of power and the presence of hostile enemies of the United States (Iran, Hezbollah cells) present a potential and actual threat to U.S. national security arising from our southern flank.

Unlike the last time nuclear weapons were introduced into the region, by the Soviet Union during the October 1962 Cuban Missile Crisis, future proliferation in the Americas will most likely emerge from local causes. Nevertheless, external factors such as the financing and importation of superior technology and know-how from countries such as China and Russia cannot be ruled out. Nor, for that matter, can we preclude the export of materials, equipment and semi-finished components from regional states to foreign nuclear programs (e.g., that of Iran). In other words, the capacity exists for the development of a Latin American bomb. Only the political conditions and requisite political will to create one are missing.

Of course, U.S. policymakers and the nation's intelligence community can continue to ignore these developments. But they cannot in good faith say that they have not been warned. ■

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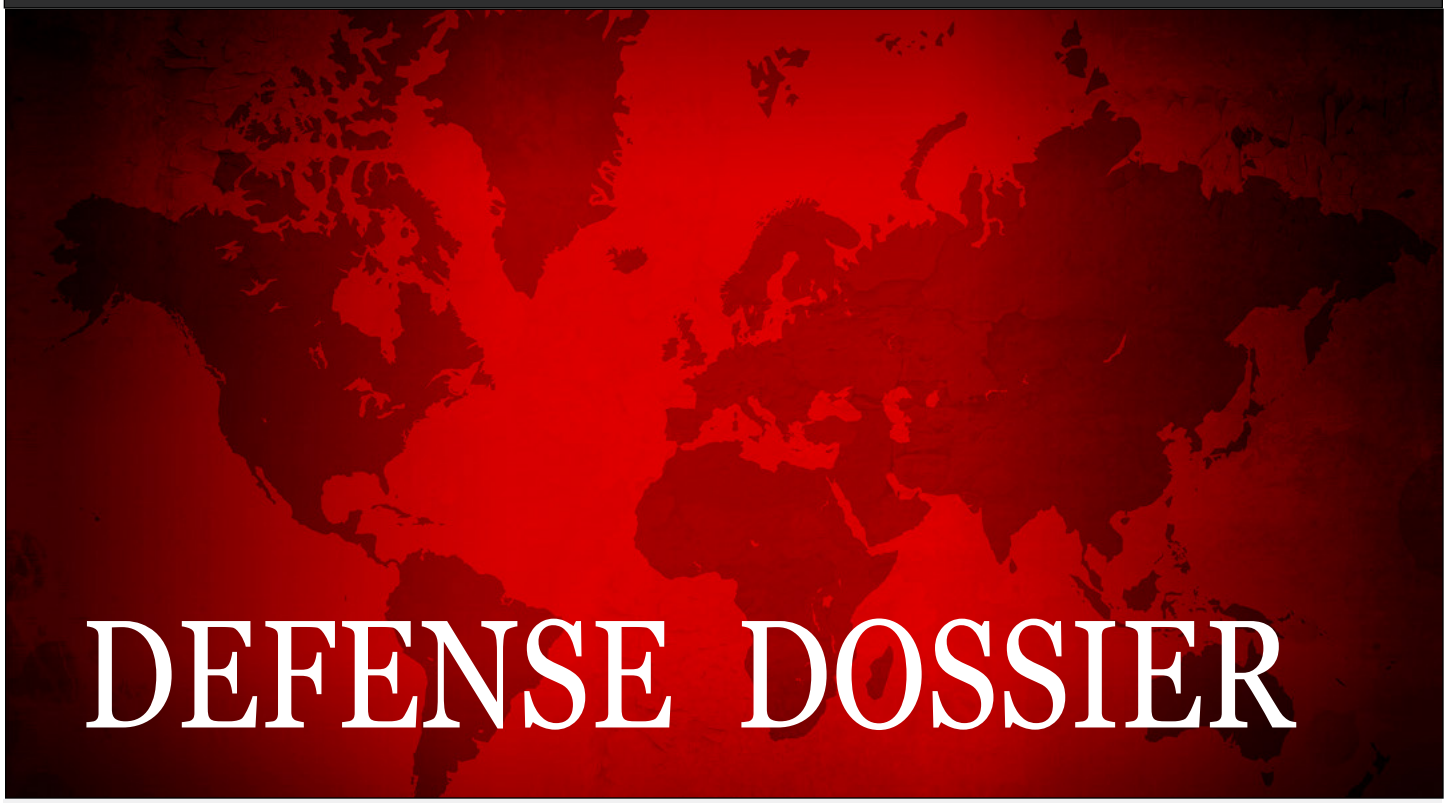

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