

A satellite-style map of the Americas, showing North and South America in shades of green and brown, set against a dark blue background representing the oceans. The map is oriented vertically, with North America at the top and South America at the bottom.

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HEMISPHERIC DEFENSE IN THE 21ST CENTURY

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EXECUTIVE SUMMARY

In 1823, President James Monroe used his seventh State of the Union address to declare to the major powers of the world that the United States would “consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety” and would counter any attempt by outside powers to “interposition” themselves in the Americas. For nearly two centuries his doctrine has served as the implicit basis for U.S. policy in the Western Hemisphere, although the degree to which it has been actively supported and enforced has varied greatly.

Hemispheric Defense: Lessons from History

If history is any guide, the United States puts itself at risk when ignoring Western Hemispheric security affairs. The Monroe Doctrine has been tested repeatedly by strategic competitors who have sought to “interpose” themselves in the Western Hemisphere and exploit the military weakness of independent Latin American states. An assessment of these periodic challenges to U.S. interests reveals several interesting patterns:

- Although Latin America has never been a primary theater of strategic competition, adversaries have repeatedly exploited security challenges in the region to divert U.S. attention and resources from more strategically vital regions, often imposing disproportionate costs upon Washington.
- Most of the United States’ strategic competitors have been constrained in their ability to project conventional military power into the Western Hemisphere; they typically compensate for this by seeking to acquire local basing, access, and proxies.

- External powers seeking to influence the region have often created “strange bedfellow” partnerships in Latin America between actors that have little in common with them aside from a shared interest in undermining the security and power of the United States.
- Under-governed areas have repeatedly provided external powers with a foothold in the Western Hemisphere as well as excuses to interpose themselves in hemispheric affairs.
- Going back at least a century, non-state actors have periodically undermined the stability of states in the region, creating under-governed areas and serving as proxies in the employ of external powers.

Although changing geopolitical and technological circumstances have required Washington to adopt different strategies over time to counter the threats to U.S. interests in Latin America, they also exhibit some common characteristics, including:

- Even during times when hemispheric defense was considered a high priority, the United States—constrained by limited resources, competing priorities, and regional concerns about American imperialism—has consistently pursued an “economy of force” approach, seeking to minimize the U.S. military’s footprint in the region.
- Likewise, the United States has traditionally limited its objectives in Latin America, preferring to deny rivals access to the region rather than attempting to exert direct control over it.
- Consistent with a strategy emphasizing economy of force and denying access over exercising direct control, the United States has generally preferred preventative action to reactive measures as a means of preventing enemies from exploiting under-governed areas and non-state actors to establish themselves in Latin America.

Today’s Seeds of Instability

Latin America has a long history of banditry, smuggling, and organized crime. Rarely have they been as pervasive and potentially harmful to U.S. interests as they are today. Notably, the \$40 billion a year trade in illegal drugs has spawned intense competition among the Mexican cartels to engage in a fierce, albeit low-level arms race. They have acquired weapons and equipment formerly reserved for state armies or state-sponsored insurgent groups, and hired former police and military personnel provide a level of training and tactical proficiency to their forces often equal or superior to those of the government forces they face. The cartels also leverage their immense wealth to buy the silence or support of police and other government officials.

These efforts, when combined with the weak governments that exist in many Latin American states, have enabled the cartels to achieve *de facto* control over many urban and rural areas. This is particularly true in Mexico, where the cartels' writ extends into major cities and large swathes of territory along the U.S.-Mexican border. The situation in the "northern triangle" of Central America (the area comprising Guatemala, Honduras, and El Salvador) is even more worrisome. Similar pockets of lawlessness exist in rural areas in Colombia, Venezuela, Ecuador, Peru, and Bolivia. In Colombia and along its borders with Venezuela, Ecuador, and Peru much of the coca-growing territory remains under the control of the Revolutionary Armed Forces of Colombia (FARC), a hybrid organization that combines elements of a left-wing insurgent group and a profit-driven drug cartel. The FARC has established relationships with the Mexican cartels, the Bolivarian Alliance, Hezbollah, and Al Qaeda in the Islamic Maghreb.

Several Latin American states have joined to form the Bolivarian Alliance of the Americas (ALBA), an organization of left-leaning regimes whose overarching purpose is to promote radical populism and socialism, foster regional integration, and reduce Washington's "imperialist" influence in the region. Although militarily weak, the ALBA states challenge American interests by espousing an anti-American narrative and consistently opposing U.S. efforts to foster cooperation and economic integration. ALBA states have emerged as critical nodes in a cooperative network of state and non-state actors hostile to the United States. The ALBA states—particularly Venezuela—provide support and sanctuary within their borders to coca growers, drug traffickers, criminal organizations, the FARC, and Hezbollah while maintaining close relations with Iran.

Prospects for Proxy Conflict and a New Great Game

Two trends suggest that the United States' major geopolitical competitors might seek to exploit these regional conditions in ways that impose disproportionate costs on the United States and divert its attention from other regions, such as the Western Pacific and Middle East, that are accorded higher priority in U.S. security planning. The first trend is the return to a heightened level of competition among the world's "great powers." The second trend is the growing cost of projecting power by traditional military means that, as in the past, will incentivize U.S. rivals external to the region to employ an indirect approach in advancing their interests in Latin America.

Several external powers could feature in a Latin American "Great Game." Since 2005, Iran has worked aggressively to increase its diplomatic and economic links with Latin American countries, particularly the Bolivarian Alliance members, and Venezuela in particular. Iran's chief paramilitary instrument, the Islamic Revolutionary Guard Corps (IRGC), or Quds Force, has operated in Latin America for years. The Quds Force is reported to be working with Hezbollah, the FARC, and,

more recently, the Mexican cartels. Iran already leverages its regional proxies to conduct attacks that it would find very difficult to accomplish directly with traditional military means.

While Iran appears to be the only state thus far to have actively embraced the use of proxies in Latin America to promote its interests, other external powers such as Russia could conceivably follow suit. Although the Soviet Union's collapse greatly reduced Russia's military and economic power and severed its links with its Cold War proxies in the region, in the past decade Russia has reinvigorated partnerships with anti-U.S. regimes in Cuba and Nicaragua while developing ties with Venezuela through the sale of sophisticated military equipment. While Russia's ultimate goals are unclear, their actions appear driven by a desire to promote its image as a world power and to create the ability to employ proxies to promote unrest in the region. This would thereby potentially impose disproportionate costs on the United States while distracting Washington's attention from Russian actions elsewhere.

China's influence in Latin America has also grown substantially in recent years. Since the turn of the century, trade and diplomacy between China and Latin America have increased dramatically, driven primarily by China's need to secure broader access to natural resources and agricultural commodities. Although this economic activity has been a boon to the region's development, it has undermined the economic influence of the United States. Meanwhile, Beijing has ramped up its military engagement and assistance in the region. Although modest, Chinese arms sales to states in the region—often at “friendship prices”—have increased in recent years, with Venezuela a particularly favored buyer. High-level visits and educational exchanges of military personnel have also increased noticeably. Notably, Brazil and Venezuela appear to be a focus of Chinese military-to-military engagement.

That being said, Chinese military deployments to the Western Hemisphere remain small and non-threatening. However, history suggests that the “flag” often follows trade. Thus as its commercial interests grow China might seek to protect them by expanding its military presence in Latin America and potentially even acquiring basing in the region.

A Hemispheric Defense Strategy

In light of these recent developments and ongoing trends, America cannot afford to overlook the security of the Western Hemisphere. The United States should therefore develop and execute a strategy of hemispheric defense designed to maintain stability in the region and uphold the Monroe Doctrine. This strategy should have three proximate objectives:

- Marginalize the drug cartels and other non-state actors;
- Contain regional rivals such as Venezuela; and
- Minimize the influence of powers external to the region.

Marginalizing the drug cartels and other non-state actors in Latin America will require the United States to ramp up its efforts to disrupt the \$40 billion annual trade in illegal drugs, and improve the security of the nation's borders. Recent attempts to do so have focused too heavily on "inputs" such as the size of the budget or number of border guards allocated to these missions, while failing to determine whether these inputs were effective in reducing illegal access. Top priority has also been given to preventing illegal immigration, a problem that is declining naturally as a consequence of demographic and economic changes. Accordingly, U.S. border security efforts should increase its emphasis on counter-narcotics, counter-proliferation, and counter-terrorism missions.

The United States should not limit its defense of the homeland to the "one-yard line" but should seek to disrupt, dismantle, and defeat the drug cartels and other worrisome non-state entities operating elsewhere in the hemisphere. Since these actors thrive in under-governed spaces, the United States should support comprehensive campaigns in which U.S. and Latin American partner states combine their efforts to restore and preserve internal security and re-establish the rule of law where they exist. Toward this end, the United States should adapt and utilize counter-network operational concepts and capabilities developed and employed over the past decade by the U.S. military and intelligence agencies to suppress hostile non-state groups and high-value individuals and assets in particular. However, U.S. forces and capabilities should be employed primarily in an indirect, enabling role, providing support to the militaries, law enforcement agents, and police forces of foreign partners.

The United States should also work with its partners to contain regional rivals, such as those states comprising the Bolivarian Alliance for the Americas (ALBA). Although the focus of this report is on military strategy and defense policy, countering the ALBA's spread and influence will require Washington to employ the full range of its diplomatic and economic assets. Despite growing competition from China, the United States remains the dominant trading partner in Latin America. The value of close economic ties with the United States is clear when one contrasts the growth they have enabled with the poor economic performance of Venezuela and other ALBA states, such as Cuba and Nicaragua. The United States should give priority to negotiating bi-lateral free-trade agreements with willing states if ALBA's leaders continue to oppose more comprehensive multilateral agreements. These efforts could limit significantly ALBA's appeal and further growth.

The United States should concurrently work to slow the growing influence of external powers within the region. Successfully marginalizing non-state actors and containing antagonistic states in the region could foreclose opportunities for Beijing, Moscow, and Tehran to expand their reach into the hemisphere. Beyond that, Washington should redouble its efforts to expand free trade and bilateral economic activity between the United States and willing partners in the region. In tandem with its economic engagement, the United States should strive to remain

the security partner of choice in the face of growing competition from other powers. States in the region will want assistance from outside powers that can help them address their greatest concerns. The U.S. military (and defense industry) must anticipate how the threats these states face might change as the geopolitical situation evolves and new military technologies emerge and proliferate. At present, threats to computer network infrastructure and to high-value offshore energy infrastructure appear to be an emerging cause of concern. Accordingly, the United States should seek to develop counters to these threats, both to protect its own critical infrastructure, but also to enhance its appeal as the foremost provider of cutting-edge security assistance.

While the ALBA states pose little conventional military threat to the United States or its partners, their willingness to cooperate with violent non-state actors like the FARC and Hezbollah and external powers like Iran and Russia poses a threat to U.S. security interests and those of its partners in the region. Success in disrupting, defeating, and dismantling non-state enemies in the region should discourage such behavior, but the United States should retain the capability to take more direct action if necessary. That being said, due to the high costs involved, the global demands on U.S. force deployments, and the long (often unwelcome) history of U.S. military action in Latin America, direct military intervention in the region should be an option of last resort. There are, however, other military actions that the United States could threaten or take in conjunction with its partners to deter ambiguous aggression by adversaries in the region, including unconventional warfare.

The competition for influence in this region should not be viewed in isolation. In reality, Latin America constitutes only one theater in a much broader contest between the United States and its geostrategic rivals. Accordingly, Washington should not artificially constrain its strategy for hemispheric defense solely to actions in the Americas. One way to reduce the temptation for powers external to the region to develop and employ local proxies against the United States is for Washington to prepare to respond in kind in theaters where competitors have more at stake. While the measures advocated in this paper should minimize the opportunity for external powers to use Latin America as a strategic boon, the threat that the United States might retaliate in *their* “backyards” could also greatly reduce their incentives to do so.

INTRODUCTION

Since the Monroe Doctrine was proclaimed nearly two centuries ago, Latin America¹ has been recognized as a region of vital interest to U.S. security. Yet it has often been accorded low priority in the United States' security calculations, particularly in recent years. History suggests that when Washington pursues a policy of benign neglect toward Latin America it typically does so at its peril.

Periods of relative U.S. strategic indifference have led to major powers external to the region attempting to gain influence at the expense of the nations of Latin America and the United States. The Bolivarian revolutions in the early 19th century; attempts by France to establish a foothold in Mexico during the U.S. Civil War; German efforts to engage Mexico in an anti-U.S. alliance in World War I; fears of a move by the Axis powers against the region in the late 1930s; and the Soviet Union's penetration of the region during the Cold War exemplify efforts by powers outside the Western Hemisphere to penetrate the region.

Attempts by powers external to the region to undermine the stability of Central and South America have often occurred when local security has been problem-

History suggests that when Washington pursues a policy of benign neglect toward Latin America it typically does so at its peril.

¹ There is no single agreed-upon term of reference for the region and collection of countries comprising North and South America. "Latin America" is often used as a generic reference to the full region south of the United States, but some references tend to exclude Mexico, holding Mexico to be a part of the North America triad of Canada, the United States, and Mexico. "North America" in this context ignores the continental reference and excludes Central America. Purists will note the term distinguishes countries that speak one of the Romance languages, Spanish and Portuguese in this instance, excluding English speaking countries like Belize and Guyana and French speaking countries like French Guiana and Suriname. Some use Latin America for the region as a whole but exclude island countries in the Caribbean. For simplicity, this paper will use the term Latin America (or its U.S. military abbreviation LATAM) as a general reference to the full region south of the U.S.-Mexico border to include the Caribbean unless otherwise explicitly noted. The term "Americas" will be used to reference the totality of the North and South American continents. Central America will refer to those countries south of Mexico, from Guatemala to and including Panama.

atic, and have been aided by the existence of weak or failing governments in the region. History suggests they are also more likely to succeed when states or non-state groups are looking to undermine regional security and are willing to make common cause with extra-hemispheric powers and serve as their proxies. In some instances these proxy states have been willing to allow their great power sponsors to base military forces in their countries, as occurred with Cuba during the Cold War and Nicaragua more recently. This has also enabled the proxy or client state to reduce their threat of direct U.S. intervention.

These challenges have been most effectively mitigated when they could be recognized early and Washington could develop a strategy to address them. However, they often emerged with relatively little warning. The United States has successfully pursued a strategy emphasizing an economy of force, where the U.S. Government's "footprint" has been minimized in no small part due to concerns among Washington's hemispheric neighbors over possible U.S. imperialistic designs.

Despite these historical trends, following the Soviet Union's collapse in 1991, U.S. concerns over communist activity in the Latin America receded and the region once again assumed the status as a strategic backwater for U.S. policy makers.² Today, however, ongoing trends suggest that the United States may confront new security challenges in the region in the coming decade, indicating the need for updating Washington's hemispheric security strategy.

With this in mind, this report explores the long-term security competition in Latin America between the United States, its allies and partners, and states in the region that are either overtly or covertly hostile to U.S. interests, to include their partnerships with significant powers external to the region and with non-state entities that have a significant bearing on the competition. The report is organized into four chapters. Chapter 1 provides the foundation for the assessment by placing it in historical context. It describes the evolution of U.S. strategies for hemispheric defense over the past two centuries from the formation of the Republic to the Cold War's end. The chapter concludes by identifying key recurring trends that can help inform thinking about how an effective hemispheric defense strategy might best be designed.

Chapter 2 provides an overview of selected trends in the region that could have a significant bearing on U.S. security in the coming decade. It focuses primarily on the ongoing illicit drug trade and its consequences for regional stability. The drug cartels' links to non-state terrorist organizations, Hezbollah specifically, and their corrosive effects on effective governance in a number of Latin American

² The Obama administration accords priority to the Asia-Pacific and the Middle East regions in its most recent defense strategic guidance. See *Sustaining Global Leadership: Priorities for 21st Century Defense* (Department of Defense, January 2012). In their transmittal letters both President Barack Obama and Defense Secretary Leon Panetta mention both regions. While the president also mentions North Africa and Secretary Panetta includes Europe, neither mentions Latin America.

states are addressed. The chapter also examines the formation of the so-called Bolivarian Alliance organized by regimes hostile to the United States. The discussion then turns to three powers external to the Western Hemisphere—China, Iran and Russia—attempting to increase their influence in Latin America in ways that may threaten regional stability and U.S. security interests.

Chapter 3 presents a scenario describing how the ongoing trends described in Chapter 2 could play out over the coming decade, identifying the security challenges to regional security in general and U.S. security in particular. Importantly, the objective of providing the scenario is not to predict the future security environment in Latin America; rather the scenario is intended to illustrate how the combined capabilities and actions of the various actors described in Chapter 2—powers external to the region; local powers; and non-state criminal and terror organizations—might produce a significant security challenge to the United States.

Finally, Chapter 4 builds upon the preceding discussion to outline the main elements of a strategy designed to dissuade and, if necessary, defeat the types of security challenges described in the scenario. In addition, the strategy draws upon the insights derived from the region's history and takes into account the United States current and projected situation, including manpower and resource constraints; the country's global commitments; and changes in technology and the character of military competitions.

CHAPTER 1: THE EVOLUTION OF HEMISPHERIC DEFENSE

For many people, the idea of a serious threat to U.S. national security arising in the Americas may seem fanciful. For roughly a century, Americans' security outlook has been almost exclusively concentrated on competitions, crises, and conflicts across Eurasia. While Americans have not always felt safe at home over this time, the preeminent threats to their security and interests—aspiring regional hegemon, nuclear-armed rivals, and terrorist networks—have consistently emanated from overseas. The absence of a major rival within its own hemisphere has enabled the United States to focus on pursuing a forward defense posture characterized by expeditionary military bases and operations along the Eurasian periphery.

This advantageous condition has also been the result of the United States' wealth, its (and the Western Hemisphere's) insular location, and the deliberate efforts of U.S. policymakers and military planners. Thanks to the vastness of the Atlantic and Pacific Oceans, the Americas historically have been beyond the reach of all but the most formidable military powers.³ Until the 20th century, the United States and its American neighbors enjoyed an "era of free security"⁴ in which they were largely isolated from the strategic rivalries and military competitions that plagued Europe and Asia. Meanwhile, geographic, economic, and cultural factors have helped to prevent the emergence in Latin America or Canada of any serious Western Hemispheric military rival or strategic competitor to the United States. However, the same factors that have prevented the emergence of military rivals to

³ Among these powers were Britain, France, and Spain in the 18th century; Britain and France in the early 19th century; Britain and Germany in the late 19th and early 20th centuries; Britain and Japan between World Wars I and II; and the Soviet Union during the Cold War. Today, it is doubtful that any overseas power could effectively project *conventional* military power into the Americas in the face of active opposition by the U.S. military.

⁴ Brian McAllister Linn, *The Echo of Battle: The Army's Way of War* (Cambridge: Harvard University Press, 2009), p. 11.

It has been the combination of the declared policy with military strategies, doctrines, and forces created to enforce it that has kept the Western Hemisphere remarkably free of foreign influence.

the United States in Latin America have at times created conditions in the region that have invited intrusion by outside powers.

Since the early years of the Republic, the vulnerability of the United States' American neighbors has been a perennial source of concern for U.S. policymakers, and precluding their exploitation by foreign powers has been a recurring focus of U.S. military planning. For over a century the so-called "Monroe Doctrine" declaring U.S. opposition to the intrusion of foreign powers into the Americas was a central tenet of U.S. foreign policy and part of what one historian has called the "Old Testament" of American statecraft.⁵ This doctrine was expressly intended to deter overseas powers from exploiting the military weakness of the independent Latin American states by considering any aggression against them to be a direct challenge to the security interests of the United States.

Over the past two centuries, this doctrine has been largely upheld, but not by words alone. Rather, it has been the combination of the declared policy with military strategies, doctrines, and forces created to enforce it that has kept the Western Hemisphere remarkably free of foreign influence.

The Monroe Doctrine

In December 1823, President James Monroe used his seventh State of the Union address to declare a policy that has served as the implicit basis for U.S. policy in the Western Hemisphere ever since. Monroe's declaration—it would not be called a "doctrine" until many years later—was prompted by the disintegration of the Spanish and Portuguese empires in Latin America and by concern that the newly independent states would not be able to defend themselves against efforts at re-colonization. Accordingly, Monroe sought to deter encroachment by European powers by declaring that the United States would "consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety." While Monroe pledged not to interfere with the European powers' remaining colonies, he declared that any "interposition" on the independent Latin American states "for the purpose of oppressing them, or controlling in any other manner their destiny" would be seen as "the manifestation of an unfriendly disposition toward the United States."⁶

As Latin American and European leaders alike were aware, however, there was very little U.S. military power backing up President Monroe's implicit threat. At the time of Monroe's declaration, the U.S. Army comprised only 6,000 men,⁷ while the U.S. Navy, the primary military instrument with which the United States

⁵ Walter McDougall, *Promised Land, Crusader State: The American Encounter with the World Since 1776* (New York: Mariner Books, 1998), p. 73.

⁶ "Monroe Doctrine; December 2 1823," Yale Law School Avalon Project, available at: http://avalon.law.yale.edu/19th_century/monroe.asp.

⁷ Mary Barbier, *The U.S. Army* (Pleasantville, NY: World Almanac Library, 2005), p. 15.

might oppose foreign “interposition,” possessed only seven third-rate ships of the line, nine frigates, and a small number of lesser warships.⁸ Britain’s Royal Navy, by contrast, possessed more than 100 ships of the line and, with only a fraction of its fleet, had plundered the shores of the Chesapeake Bay with impunity only eleven years earlier during the War of 1812.⁹ Although the U.S. Navy would expand in the decades to come, it remained relatively weak when compared to the fleets possessed by the major European powers and, at times, even some South American states. This small force likely would have been “incapable of beating up on Chile, much less on an imperial power that chose to meddle there.”¹⁰

Thus while the United States sought to deter the “interposition” of overseas powers in the New World as early as 1823, it was not until the end of the century that it developed a military strategy and forces capable of doing so. Constrained for most of the 19th century by limited budgets and strong domestic opposition to standing forces, the U.S. military could field only a modest army and navy that (except during the Mexican War and Civil War) were narrowly focused on coastal defense and conflicts with the American Indians—border and internal security, to be precise. These forces were extremely limited in their ability to influence events beyond the perimeter of harbor fortifications and frontier stockades that they established. Fortunately for the United States, Britain’s interests in the Americas lay not in territorial expansion but in preventing France, Portugal, and Spain from recovering their lost colonies and in promoting free trade with the newly independent states of Latin America.¹¹ Had Britain wished to expand its holdings in the Western Hemisphere, there would have been little the United States could have done to oppose its designs.

War Plans BLACK and GREEN

By the end of the 19th century, however, continued reliance upon British benevolence in the Western Hemisphere had become unacceptable to U.S. policymakers and military strategists. In the 1880s and 90s a wave of “new navalism” championed by strategist Alfred Thayer Mahan ushered in widespread enthusiasm for a

⁸ *Naval Register for the Year 1823*. Available at: <http://www.ibiblio.org/pha/USN/1823/NavReg1823.html>.

⁹ Admittedly, most of these ships were laid up and kept in inactive condition with no crews, but this condition was itself a reflection of the total preponderance of Britain’s navy at the time. Paul Kennedy, *The Rise and Fall of British Naval Mastery* (London: Ashfield Press, 1976), pp. 156-157.

¹⁰ Walter McDougall, *Promised Land, Crusader State*, p. 73. The United States considered taking punitive action against Chile in 1891 when two U.S. sailors were killed in a brawl while on liberty in Santiago. Cooler heads prevailed when policymakers realized that Chile’s navy was at the time more powerful than the United States’. Craig L. Symonds, *The Naval Institute Historical Atlas of the U.S. Navy* (Naval Institute Press, January 2001), p.108.

¹¹ The British actually sought to declare what became the Monroe Doctrine jointly with the United States but were rebuffed by Secretary of State John Quincy Adams, who preferred that the United States act unilaterally.

more active American military role abroad, particularly in Latin America and the Caribbean. Although economic interests were a major factor in the United States' growing focus on Latin America, it was also a defensive reaction to the emergence of a new player with designs on the Western Hemisphere: Imperial Germany. Only unified in 1870, Germany was a latecomer to the competition for overseas colonies and naval power. With much of the world already divided up among the established colonial powers, Germany hoped to carve out its own spheres of influence in Latin America and the Caribbean.

To project and sustain its growing power into the Americas, however, Germany would need naval bases in the region. To remain on station, a squadron of steam-powered warships required friendly coaling stations in theater from which each ship could draw fuel. At the time, any nation looking to project its power overseas needed to secure such bases in advance or in the early stages of expansion or conflict. To realize Germany's ambitions in Latin America, the Imperial German Navy therefore planned to steam its rapidly growing fleet across the Atlantic, establish a base of operations in the Caribbean, and inflict a humiliating defeat on the United States Navy if it attempted to enforce the Monroe Doctrine. The first plans for this contingency, designated *Operationsplan III*,¹² were developed as a "winter project" in 1897-98 and called for the German navy to seek out and destroy the U.S. Navy and bombard its East Coast bases before seizing coaling station in the Caribbean and blockading the U.S. eastern seaboard. Two subsequent iterations, drawn up in 1899-1900 and 1902-03, called for establishing a base on Cuba or Puerto Rico, followed by amphibious operations targeting Boston and/or New York. German planners believed such operations were feasible and would result in Germany establishing a "firm position in the West Indies," a "free hand in South America," and the "revocation of the Monroe Doctrine."¹³

Germany's ambitions were not kept secret and prompted public outrage in the United States¹⁴ and an urgent effort by U.S. policymakers and military planners to transform the U.S. military into a force that, for the first time, would be capable of enforcing the Monroe Doctrine against a major power. Most significantly, the building of battleships under the "New Navy" modernization program begun in the late 1880s was greatly accelerated. At the same time, the Joint Army and Navy Board was established to systematically de-

¹² *Operationsplan I* was the contingency plan for conflict with the "Dual Alliance" of France and Russia, *Operationsplan II* for conflict with Britain.

¹³ Dirk Bönker, *Militarism in a Global Age: Naval Ambitions in Germany and the United States before World War I* (Ithaca, NY: Cornell University Press, 2012), p. 61.

¹⁴ In 1899 the Washington Post opined that "We know by a thousand unmistakable signs and by the experience of years that in the German government the United States has a sleepless and insatiable enemy." Col. Adolf Carlson, *Joint U.S. Army-Navy War Planning on the Eve of the First World War: Its Origins and Legacy* (Carlisle, PA: Strategic Studies Institute, 1998), p. 11.

velop joint contingency plans to inform the employment of U.S. forces in the event of conflict. General Tasker Bliss, chief of the Army War College, identified enforcing the Monroe Doctrine as the most important scenario for which plans should be developed with Germany as the most likely opponent. Accordingly, among the first plans developed was a detailed blueprint for countering a German incursion into the Americas known under the color-coding system introduced in 1904 as War Plan BLACK.¹⁵

Meanwhile, U.S. policymakers acted decisively to deny Germany the Caribbean base of operations that her navy would need to operate effectively in the Americas. In 1898, the United States intervened decisively in the ongoing rebellion against Spanish colonial rule in Cuba. During the resulting Spanish-American War, the United States seized and annexed the Spanish colonies of Puerto Rico, Guam, and the Philippines—all potential naval bases of interest to Germany¹⁶—while Cuba was given its independence but made a de-facto U.S. protectorate by the terms of the 1901 Platt Amendment.¹⁷ In 1903, President Theodore Roosevelt threatened to go to war if a German squadron sent to punish Venezuela for defaulting on its debts landed any German troops ashore. When Germany and other European powers threatened to intervene in the defaulting Dominican Republic two years later, Roosevelt enforced the “Roosevelt Corollary” to the Monroe Doctrine by dispatching U.S. troops to Santo Domingo “for the sole purpose of keeping Germany from taking it,” as one senior policymaker later recalled.¹⁸

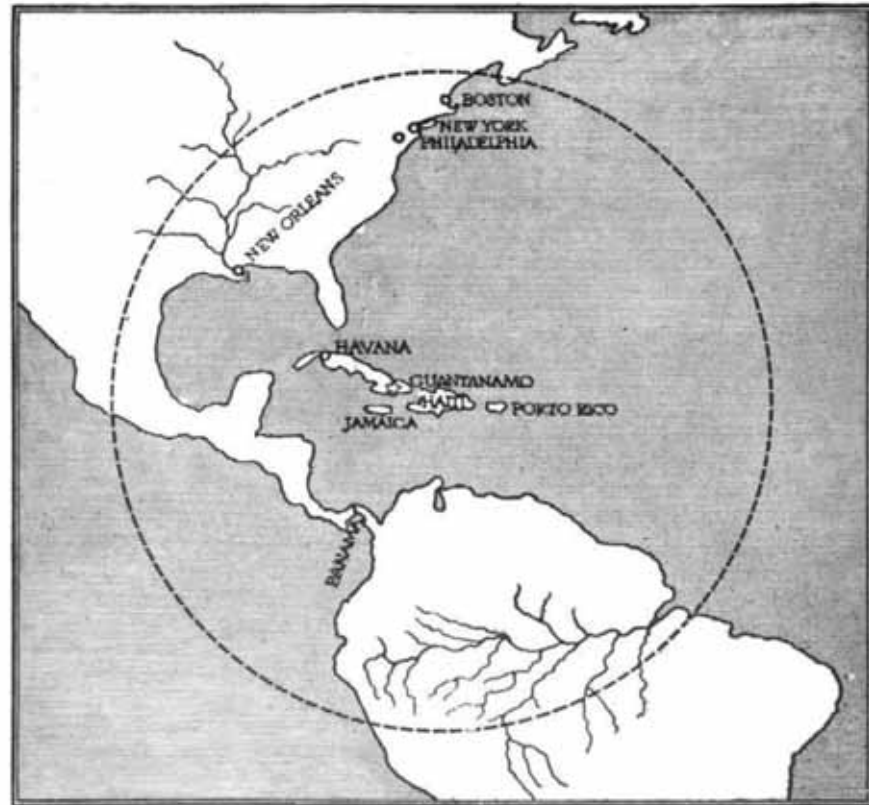
¹⁵ Under this system, each prospective adversary was assigned a color—Red for Great Britain, Orange for Japan, etc. Contingencies with multiple adversaries were also planned for, and assigned names like War Plan Red-Orange in the case of conflict with the combined forces of the Anglo-Japanese naval alliance.

¹⁶ Germany attempted to contest U.S. annexation of the Philippines by dispatching to Manila Bay a squadron of warships that landed supplies for the Spanish, generally behaving provocatively, and nearly coming to blows with the U.S. squadron under Commodore Dewey. The Germans only backed down when Dewey told a German interpreter to “Tell your Admiral if he wants war, I am ready.” Carlson, p. 12.

¹⁷ Secretary of War Elihu Root, the driving force behind the amendment, would later remark that one could not understand it “unless you know something about the character of Kaiser Wilhelm the Second.” Michael Lind, *The American Way of Strategy: U.S. Foreign Policy and the American Way of Life* (Oxford: Oxford University Press, 2008), p. 83.

¹⁸ *Ibid*, p. 83.

FIGURE 1. A 1916 ILLUSTRATION OF THE AREA OF INTEREST TO CONTEMPORARY U.S. POLICYMAKERS AND MILITARY PLANNERS FROM *ILLUSTRATED WORLD MAGAZINE*¹⁹



THE MONROE DOCTRINE IS VITAL TO US—WE MUST REMAIN SUPREME IN THE CIRCLED AREA

Collectively these actions prevented Germany from gaining access to what today are referred to as “under-governed spaces.” Even as late as 1915, however, with Germany embroiled in the First World War and blockaded by the British Fleet, “the prevention by all means in our power of German influence becoming dominant in any nation bordering the Caribbean or near the Panama Canal”²⁰ remained a central focus of U.S. foreign policy and military planning.

In the meantime, another potential threat had emerged in Mexico, which had descended into civil war in 1910 following the overthrow of its dictator, Porfirio

¹⁹ W. T. Walsh, “After the War—What? In which the Monroe Doctrine Figures,” *Illustrated World*, vol. 25, no. 1, March 1916.

²⁰ Secretary of State Robert Lansing, quoted in Lind, p. 91.

Diaz. Washington was concerned that one of the European powers might exploit the instability to establish a dominant position in that country, as Napoleon III had done some 50 years earlier.²¹ As early as 1904, General Bliss had identified instability in Mexico as one of the most important conflict scenarios for which the Joint Board should initiate planning. Accordingly War Plan GREEN was developed. In the event such an external threat to Mexico materialized, Plan GREEN called for U.S. forces to secure the border, seize the strategically vital oilfields near Tampico, and blockade Mexico's eastern ports.

As U.S. intervention in World War I approached, Germany sought to incite conflict between Mexico and the United States to distract Washington's attention and divert American forces from Europe. Toward this end, Germany provided support to the paramilitary forces of "Pancho" Villa that raided the border town of Columbus, New Mexico in March 1916, prompting the United States to dispatch 5,000 troops on a yearlong punitive expedition into Mexico.²² This incursion angered Mexicans and led its unaligned government under Venustiano Carranza to seek greater cooperation with Germany.²³ Mexico offered Germany bases for its submarines in return for economic and military aid. Emboldened by these discussions, German foreign minister Arthur Zimmerman directed the German delegation in January 1917 to propose an anti-American alliance between Mexico, Germany, and Japan, promising German military assistance and the return of Texas, New Mexico, and Arizona in the peace negotiations.²⁴

Fortunately for the United States, President Carranza and his advisors were skeptical that Germany could be of much assistance and that their lost territories could be recovered, and elected to remain neutral. Meanwhile, when the Zimmerman Telegram was disclosed to the Americans by British intelligence, it provoked more outrage towards Germany than Mexico, and prompted America's entry into the European war. President Wilson opted not to take any action against Mexico, recognizing that it would serve Germany's ends.²⁵ Germany, too, acted with restraint once the alliance was declined. Had either of these parties behaved aggressively, War Plan GREEN might have been put into action.

²¹ Carlson, p. 16.

²² There is no evidence in German archives that Germany supplied arms or money to Villa before the Columbus raid, but Villa's biographer, Friedrich Katz, argues it likely occurred. Cole Blasier, *The Hovering Giant: U.S. Responses to Revolutionary Change* (Pittsburgh, University of Pittsburgh Press, 1985), pp. 109-110.

²³ Ibid, pp. 109-114.

²⁴ Ibid.

²⁵ President Wilson told a close confidant in 1916, "Germany is anxious to have us at war with Mexico, so that our minds and our energies will be taken off the great war across the sea . . . It is beginning to look as if war with Germany is inevitable. If it should come—I pray God it may not—I do not wish America's energies and forces divided, for we will need every ounce of reserve we have to lick Germany." Blasier, pp. 109-110.

Hemispheric Defense and the RAINBOW Plans

The outcome of World War I put a temporary end to U.S. concerns about imperial expansion in the New World. Germany had been defeated and disarmed. The three eastern empires—Austria-Hungary, the Ottoman Empire, and Russia—had either collapsed or were in a state of civil war. America’s wartime allies, Britain, France and Italy, were too occupied recovering from the war to pose a threat to the Western Hemisphere. Moreover, following the massive buildup of military capabilities that had occurred during the war, the U.S. Navy had achieved a rough parity with the world’s preeminent maritime force, Britain’s Royal Navy. With its fleet and a small but experienced Army, the United States now appeared ready to uphold the Monroe Doctrine against all comers. Given this combination of favorable circumstances, planning for U.S. military intervention in the Western Hemisphere declined.

This respite, however, proved short-lived. Concerns over the security of the Americas arose again in the 1930s as Imperial Japan and Nazi Germany assumed increasingly warlike postures. Of the two powers, Japan was assessed to present the more immediate threat, since Britain and France would presumably provide a first line of defense against any German expansion to the West. Accordingly, U.S. military planners viewed war with Japan as the “main event” throughout most of the 1920s and well into the 1930s, focusing primary attention on developing War Plan ORANGE, the blueprint in the event of conflict with Japan.²⁶ War with Japan, however, was viewed primarily as an “away game” in which the U.S. Pacific Fleet would set out from its secure base at Pearl Harbor and steam west to engage the Japanese fleet in decisive battle and relieve the U.S. outpost in the Philippines. Although the Panama Canal was part of these plans, little thought was given to the security of Latin America in planning for ORANGE.²⁷

Concerns over the security of the Americas leapt suddenly to the fore, however, following the stunning German military successes of 1939-40, which culminated in the sudden collapse, surrender, and occupation of France in June 1940. Suddenly, the United States faced the prospect that it could soon confront a far more powerful Germany, especially if Britain, now alone, should fall. With Japan and Germany moving into closer alignment, the United States felt growing pressure from across both the Atlantic and Pacific. Faced with this radically altered strategic situation, the U.S. military’s Joint Planning Board began drawing up a new series of war plans, codenamed RAINBOW. As one U.S. Army planner noted, the principal objective remained as it was before the previous world war: to “deny an enemy bases from which he might launch military operations against any of the

²⁶ Louis Morton, “Germany First: The Basic Concept of Allied Strategy in World War II,” in *Command Decisions*, Kent Roberts Greenfield, ed. (Washington: U.S. Army Center of Military History, 1959), pp. 20-21.

²⁷ *Ibid.*, p. 14.

democratic nations of this hemisphere” and “to reduce to a minimum the likelihood of accepting war upon our own territory.”²⁸ Planners were split between two different schools, however, concerning how large an area they needed to deny to the enemy.

One group advocated a strategy of “quarter-sphere defense” according to which the United States would focus its efforts on denying the enemy access to an area bounded by Alaska in the northwest, the Galapagos Islands in the southwest, the eastern-most tip of Brazil in the southeast, and Newfoundland in the northeast (i.e. the northern half of the Western Hemisphere).²⁹ Proponents of defending this perimeter believed it to be the optimal perimeter along which the United States could unilaterally defend its territory and the Panama Canal. Its southwestern vertex in the Galapagos was determined by the range at which Japanese carrier aircraft could strike the Panama Canal, while its extension to the tip of Brazil was necessitated by the proximity of Vichy French bases in West Africa.³⁰ To support this strategy, the Joint Planning Board began drawing up RAINBOW 1, which called for the United States to maintain this perimeter without the help of allies until conditions in the Atlantic allowed sufficient forces to be built up in the Pacific for offensive operations against Japan.³¹

²⁸ Stetson Conn, Rose Charlotte Engleman, and Byron Fairchild, *Guarding the United States and Its Outposts* (Washington, DC: U.S. Army Center of Military History, 2000), p.4

²⁹ Colonel John Child, “Latin America: Military-Strategic Concepts,” *Air University Review*, Sept-Oct 1976.

³⁰ Conn, Engleman, Fairchild, pp. 8-10.

³¹ Morton, p. 24.

FIGURE 2. QUARTER-SPHERE AND HEMISPHERE DEFENSIVE PERIMETERS³²



A second group of policymakers and planners advocated a strategy of true “hemispheric defense” according to which the United States would commit to denying the enemy access to the entire hemisphere, including all of Latin America. Defending this extensive perimeter would require enlisting the active participation of the Latin American states (as well as Canada). Although the defense of the entire hemisphere would require additional resources, its proponents thought it essential to build the psychological solidarity needed to keep the region together in a protracted war.³³ Accordingly, the Joint Planning Board began drawing up RAINBOW 4, which called for the United States to defend the entire hemisphere by deploying U.S. forces as far afield as the Southern Cone of South America.³⁴

The United States’ leadership never made a clear choice between the two. In the darkest days of 1940, President Roosevelt and his advisors decided that the United States must concentrate on hemispheric defense and what they called the “South American situation.” Accordingly, the Joint Planning Bureau was directed to concentrate its efforts on developing RAINBOW 4 while plans were hurriedly made to dispatch an expeditionary force to Brazil.³⁵ As the situation improved,

³² Child 1976, n.p.

³³ Ibid, n.p.

³⁴ Morton, p. 24.

³⁵ Conn, Engleman, Fairchild, pp. 9-10.

bilateral Joint Defense Commissions with both in 1942.³⁷ To build the capability and capacity of these new partners, the United States provided its Latin American allies with \$324 million in material as part of the Lend-Lease Program, 71 percent of which went to Brazil.³⁸

Economy of Force and IDAD

In the absence of conventional military threats to the Western Hemisphere, the U.S. intelligence community assumed the primary responsibility for denying access to the region.

Following the defeat of Nazi Germany and Imperial Japan in World War II, a threat of a significantly different nature emerged as the Cold War with the Soviet Union intensified. At the conclusion of World War II, the Soviet military was a land-centric force that lacked the overseas bases, blue-water naval forces, and long-range aircraft it would need to project power into the Western Hemisphere or anywhere else outside Eurasia. Following the Korean War the United States, by contrast, possessed an abundance of long-range bombers armed with nuclear weapons capable of holding at risk military and civilian targets throughout the Soviet Union, complemented by a global network of bases linking the various U.S. fleets that dominated the world's oceans. This favorable asymmetry provided the United States with a major advantage during the Cold War.

With U.S. military planners focused on the “forward defense” of U.S. interests and commitments in Europe and Asia, Latin America was accorded low priority and viewed as an “economy of force” theater. As such, the United States sought to promote collective security with the Latin American nations and to increase their capabilities by providing arms to individual states through its Military Assistance Program (MAP).³⁹

In the absence of conventional military threats to the Western Hemisphere, the U.S. intelligence community assumed the primary responsibility for denying access to the region to the Soviet Union. Fearing that the Soviets could establish what Central Intelligence Agency Director Allen Dulles called a “beachhead in the Western Hemisphere,”⁴⁰ the CIA covertly backed a 1954 coup against Guatemala's leftist government. Seven years later, the Kennedy administration attempted to repeat this success on a larger scale with the botched Bay of Pigs Invasion.⁴¹ Both of these covert operations were preemptive measures intended to preclude the

³⁷ Child 1976, n.p.

³⁸ Stetson Conn and Byron Fairchild, *The Framework of Hemisphere Defense* (Washington, DC: U.S. Army Center of Military History, 1989), p. 236.

³⁹ Jack Child, “Postwar U.S. Strategic Planning for Latin America (1945-1976): From ‘Rainbow’ to ‘IDAD,’” in *Military Planning in the Twentieth Century: Proceedings of the Eleventh Military History Symposium, 10-12 October 1984* (Washington, DC: Office of Air Force History, 1986), pp. 340-350.

⁴⁰ Nick Cullather, *Secret History: The CIA's Classified Account of its Operations in Guatemala, 1952-1954* (Stanford, CA: Stanford University Press, 1999), p.17.

⁴¹ Richard Reeves, *President Kennedy: Profile of Power* (New York: Simon & Schuster, 1993), pp. 76-106.

Soviets from gaining bases or increased influence in the region. Although the Guatemalan operation was successful in this regard, the Bay of Pigs fiasco succeeded only in driving Cuban dictator Fidel Castro into closer alignment with the Soviets. The Soviets gained access to Cuban air and naval bases, a site for massive signals intelligence operation, and, for six weeks in 1962, a base for nuclear-tipped ballistic missiles that could not otherwise reach the United States.

FIGURE 4. A GRAPHIC SHOWN TO PRESIDENT KENNEDY DURING THE CUBAN MISSILE CRISIS ILLUSTRATING THE AREAS OF THE UNITED STATES HELD AT RISK BY SOVIET MISSILES IN CUBA.⁴²



⁴² Map of Missile Range in Cuba (2). [ARC Identifier 595351; Item from Collection JFK-222: Theodore Sorensen Papers, 1934 – 2003] National Archive.

Having failed to prevent the loss of Cuba to the Communists, U.S. strategists set out to prevent “more Cubas” from occurring in other countries threatened by Marxist insurgencies. They developed a strategy emphasizing Internal Defense and Development (IDAD). Articulated in a January 1961 Policy Planning Staff paper on “A New Concept for Hemispheric Defense and Development,” the IDAD concept called for a shift in focus from defending the perimeter of the Americas from attack by conventional forces to suppressing internal threats. Part of a broader effort to promote reform in Latin America, the central military element of the IDAD concept was “the nation building role of the indigenous military force . . . [which included] first, the nation protector mission, and second, the use of military skills and resources in ways contributing to the economic development and special progress of the nation, i.e., civic actions.”⁴³

To support IDAD, additional resources were allocated to Latin America during the early and middle 1960s. The U.S. Military Assistance Program was expanded substantially, the Inter-American Defense Board was reinvigorated, and U.S. military training and officer education was expanded to include more Latin American military personnel.⁴⁴ In 1963, the 8th Special Forces Group was established in Panama with the primary mission of training and advising Latin American military forces in counterinsurgency tactics.

While building up local security forces was the United States’ preferred approach, Washington also stood ready to intervene directly if the situation appeared to be deteriorating. Thus, faced with a civil war in the Dominican Republic in 1965, President Lyndon Johnson dispatched 42,000 U.S. troops to occupy the country with an “unannounced mission” from the Chairman of the Joint Chiefs “to prevent the Dominican Republic from going Communist.”⁴⁵ Significantly, the Organization of American States established an Inter-American Peace Force (IAPF) to put a multilateral face on the occupation, although the force was ultimately short lived.

Within the decade, however, the attention paid to Latin America by U.S. policymakers and military planners began to wane once again. Vietnam proved a major distraction, while concerns about “more Cubas” faded over time, especially following the death of Argentine revolutionary leader Ernesto “Che” Guevara, who led an unsuccessful insurgency against the Bolivian government. The IDAD concept endured, but its implementation was increasingly constrained after 1965 by the rapidly increasing demand for resources to support U.S. operations in Vietnam and other higher priorities and the progressive imposition of numerous leg-

⁴³ Child 1986, pp. 352-354.

⁴⁴ Ibid, pp. 354-355.

⁴⁵ *Foreign Relations of the United States, 1964-1968*: Volume XXXII, Dominican Republic; Cuba; Haiti; Guyana, Document 43.

islative restrictions on U.S. military aid.⁴⁶ This period of benign neglect of Latin America by the United States ended in the late 1970s and early 1980s when leftist elements either rose to power or threatened to do so in Nicaragua, El Salvador, Guatemala, Honduras, and Grenada.

These developments prompted new round of calls for renewing attention to Latin America. Jeane Kirkpatrick, an ardent anti-communist, called Latin America “the most important place in the world for the United States.”⁴⁷ In an influential 1979 article, Kirkpatrick argued for providing military assistance to authoritarian anti-communist regimes.⁴⁸ One year later, the “Committee of Santa Fe” published a manifesto calling Latin America the “exposed southern flank” and “soft underbelly” of the United States. “Latin America,” the committee asserted, was “part of America’s power base” and, as such, could not “be allowed to crumble if the United States [was] to retain adequate extra energy to be able to play a balancing role elsewhere in the world.”⁴⁹ Accordingly, the committee called for the more muscular enforcement of the Monroe Doctrine.

Upon taking office in 1981, President Ronald Reagan adopted these policy recommendations. In 1983, concerns that the leftist government in Grenada was aligning with the Cubans and Soviets and building a 9,000 foot runway to accommodate Soviet airlifters prompted Reagan to order the invasion of that small island nation with 7,300 U.S. troops supported by a small multinational Caribbean Peace Force. Over the course of the decade, the United States overtly provided training and material assistance to the authoritarian regimes in El Salvador and Guatemala while covertly supplying the anti-communist Contras in Nicaragua. In all, between 1980 and 1990 the United States spent an average of nearly \$1.3 billion annually on economic and military assistance intended to combat leftist movements.⁵⁰ These actions constituted a break with the de facto 1970s policy of benign neglect. They became known as the “Reagan Doctrine,” which consisted of overtly and covertly supporting anti-communist forces—even authoritarian or extremist forces—around the world to impose costs upon the Soviet Union.

In parallel with the Reagan administration’s anti-communist strategy, in 1982 U.S. military forces started providing support to the expanding “War on Drugs.” They assisted the U.S. Coast Guard and law enforcement agencies in intercepting shipments of cocaine through the Caribbean and provided training and assistance

⁴⁶ Child 1986, pp. 362-363.

⁴⁷ Greg Grandin, *Empire’s Workshop: Latin America, the United States, and the Rise of New Imperialism* (New York: Holt, 2007), p. 71.

⁴⁸ Jeane Kirkpatrick, “Dictatorships & Double Standards,” *Commentary*, vol. 68, no. 5, November 1979.

⁴⁹ The Committee of Santa Fe, “A New Inter-American Policy for the Eighties,” Council for Inter-American Security, 1980.

⁵⁰ Peter J. Meyer and Clare Ribando Seelke, *Central America Regional Security Initiative: Background and Policy Issues for Congress* (Washington, DC: Congressional Research Service, 2013), p. 1.

to counter-narcotics forces in Latin America. In 1986 President Reagan reinforced this effort when he signed National Security Decision Directive 221, identifying the drug trade as a “national security threat . . . [that was] particularly serious outside U.S. borders” and “a regional, as well as country specific, problem.” In accordance with this finding, the Directive authorized an expanded role for the U.S. military and intelligence community in counter-narcotics efforts.⁵¹

On assuming office in 1989, President George H.W. Bush announced the \$2.2 billion Andean Initiative, dramatically increasing the level of training and assistance provided by the U.S. military to counter-narcotics forces in Colombia, Peru, and Bolivia. DoD’s counter-narcotics budget quadrupled between FY1988 and FY1992 in support of this expanding counter-narcotics role for the military.⁵²

Plan Colombia

Following the collapse of the Soviet Union in 1991, Latin America entered yet another period of benign neglect by the United States in security matters. Absent the threat of a major external power to the U.S. position in the region, Latin America once again assumed its role as a strategic backwater. Counter-narcotics operations continued with a sustained focus⁵³ on the Andean Ridge and Colombia, where a leftist insurgency led by the Revolutionary Armed Forces of Colombia (FARC) was on the rise. When it appeared the FARC might topple Colombia’s government in the late 1990s, the Clinton administration decided to act. The United States and Colombia committed to “Plan Colombia,” a \$7.5 billion comprehensive effort to defeat the FARC by developing the Colombian economy, eliminating coca cultivation, cracking down on political corruption, and undertaking economic reforms.

U.S. support to these efforts involved the whole of the U.S. government and billions of dollars in aid, but the central military element of U.S. assistance to Colombia was the persistent deployment of special operations forces (mostly from the regionally-focused 7th Special Forces Group) and federal law enforcement agents to train and advise Colombian military and police forces in the conduct of counternarcotic and counterinsurgency operations. Thanks in no small part to U.S. financial support and the training and support provided by these advisors, the Colombian military and police have developed into far more capable orga-

⁵¹ National Security Council, “National Security Decision Directive 221: Narcotics and National Security,” April 8, 1986.

⁵² Peter Zirnite, *Reluctant Recruits: The US Military and the War on Drugs* (Washington, DC: Washington Office on Latin America, 1997), pp. 2-3.

⁵³ Meanwhile, fewer resources were allocated to other areas such as Central America. Between FY1993 and FY2007 total U.S. assistance to Central America averaged \$413 million annually, roughly a third of what it had averaged over the previous fifteen years. Peter J. Meyer and Clare Ribando Seelke, *Central America Regional Security Initiative: Background and Policy issues for Congress* (Washington, DC: Congressional Research Service, 2011), p. 19.

nizations.⁵⁴ As a result of these successes, Colombia has been able to reduce its reliance on U.S. support while consolidating the gains that support made possible. While U.S. advisors remain engaged in relatively small numbers, security assistance funding has fallen by half.⁵⁵ In recent years, Colombia has become a “security exporter” capable of providing training and assistance to other states in the region⁵⁶ and has driven the FARC to seek a negotiated settlement to the decades-long conflict.

While Plan Colombia and U.S. drug interdiction efforts in the Caribbean were largely successful in reducing drug trafficking in those regions, they had the unintended effect of driving coca cultivation out of Colombia and into Venezuela, Peru, and Bolivia, and rerouting the flow of drugs up the Central American isthmus and through Mexico. The implications of these developments will be addressed presently.

Lessons Learned

Before proceeding to the present-day situation, it is worth briefly noting a number of salient takeaways that emerge from this review of historical U.S. approaches to security concerns in Latin America. A number of items stand out:

The enduring elements of U.S. strategy. Although the diverse threats to U.S. interests in Latin America have required unique responses by U.S. military planners, several characteristics connect the strategies that have been developed over the centuries.

U.S. strategists have anticipated that adversaries could exploit the geographic proximity of Latin America to the U.S. homeland to distract the United States from other, more distant regions where U.S. security interests were threatened. At the same time U.S. planners also recognized that, owing to the great distance

Although the diverse threats to U.S. interests in Latin America have required unique responses by U.S. military planners, several characteristics connect the strategies that have been developed over the centuries.

⁵⁴ On the military side, U.S. training and assistance helped enable Colombian SOF to conduct operations that decimated the FARC, demobilized paramilitary groups, and reestablished a government presence in every Colombian municipality for the first time in decades. One of their most spectacular tactical successes came in July 2008 when, in a coup de main, Colombian commandos bloodlessly liberated fifteen FARC hostages including a former Colombian presidential candidate and three Americans who had been held captive for more than five years. Despite teetering on the brink of state failure only a decade earlier, Colombia today is safer and more stable than it has been in generations. Janice Burton, “ARSOF in Colombia: 50 years of Persistent Engagement,” *Special Warfare*, vol. 25, no. 4, October-December 2012.

⁵⁵ Total U.S. assistance peaked in 2003 at \$808 billion. \$417.5 billion was requested for Fiscal Year 2013. Congress capped the number of U.S. military personnel and contractors deployed in Colombia at 1,400. In recent years U.S. presence has fallen below half of that level. June S. Beittel, *Colombia: Background, U.S. Relations, and Congressional Interest* (Washington, DC: Congressional Research Service, 2012), p. 38-39.

⁵⁶ For example, Colombia has been providing specialized training in counter-narcotics operations to Mexican helicopter pilots and has deployed mobile training teams to train and advise security forces in El Salvador, Panama, and Costa Rica. Donna Miles, “Commander: ‘Beyond the Horizons’ to Have Far-Reaching Impact,” *American Forces Press Service*, June 29, 2012.

involved and security challenges in their own region, powers external to the Western Hemisphere were constrained in their ability to project substantial conventional forces into Latin America. Accordingly, U.S. strategists have consistently sought to maintain stability in the hemisphere by pursuing an “economy of force” approach. This has had the additional virtue of minimizing Latin American states’ concerns over possible U.S. imperialist designs.

Second, in light of these resource constraints and competing priorities, U.S. strategists have limited their objectives accordingly and consistently pursued strategies of denial, not direct control, in Latin America. Indeed, contrary to claims that the United States is an imperialist power that has sought to dominate its “backyard,” U.S. military intervention in the region has traditionally been temporary. Far more frequent have been Washington’s periods of absence and neglect. This stands in marked contrast to the role the United States has played in Europe and Asia since becoming a global power following World War II. In those regions Washington has maintained sizable military forces at the request of the host governments.

Finally, in accordance with the consistent emphasis on economy of force, U.S. strategists have typically preferred preventative action to reactive measures.

The emphasis on cost imposition. Over the past two hundred years, the United States’ great power rivals have not viewed the Western Hemisphere as a decisive theater of action. Rather, they have emphasized leveraging their actions in Central and South America as a means of diverting U.S. attention from other, more strategically vital regions and imposing disproportionate costs on Washington. Imperial Germany’s plans for an invasion along the U.S. eastern seaboard and the Soviet Union’s attempt to place nuclear-armed ballistic missiles in Cuba are exceptions to the rule, which finds great powers external to the region relying on proxy forces to avoid a direct confrontation with the United States. Other examples include Pancho Villa during World War I and the Sandinistas during the 1980s.

The importance of local bases. Most of the United States’ great power rivals, with the exception of Great Britain in the 19th century, have been relatively constrained in their ability to project power into the Western Hemisphere. Accordingly, these competitors have been dependent on access to bases in the region to threaten the U.S. homeland. Denying adversaries such bases has therefore historically been an effective means of frustrating their ambitions. Following World War II and the United States’ emergence as the globe’s preeminent military power, external powers found success by securing client states and base access in the hemisphere and using them to support ambiguous forms of aggression, such as terrorism, organized crime, and insurgencies.

The presence of strange bedfellows. Over the past century, countries with little common history or cultural background (e.g., Germany and Mexico; the Soviet Union, Cuba, and Nicaragua; Iran and Venezuela) have come together

to threaten U.S. interests in the Western Hemisphere. Despite their differences, all were motivated by a desire to undermine a common enemy: the United States. Typically, these partnerships involve the local Latin American nation trading basing access for military and/or economic aid.

Rapid shifts in the strategic environment. Throughout the same period, threats to U.S. national security arose quickly. There was almost no German Navy to speak of in 1890, but within the decade it was making plans for the invasion of Cape Cod. In 1940, the buffer between Germany and the United States that was provided by France disappeared in a matter of weeks. The Batista government of Cuba fell on New Year's Day in 1959, and within four years the island was being used as a base for Soviet nuclear missiles.

The problem of under-governed areas. Under-governed areas like Spain's restive colonies or revolutionary Mexico have provided external powers with both basing opportunities and an excuse to intervene in local groups' struggle for power. Poor economic performance and indebtedness have also exposed states in Latin America to exploitation by creditors overseas. More recently, the inability of many Latin American governments to exercise control over their territory and borders has made it relatively easy for insurgent movements, terrorist organizations, and organized crime to establish themselves and to flourish in some instances. These conditions have lowered the barriers to external powers looking to destabilize the region and expand their influence, often at the United States' expense.

The role of non-state actors. Throughout history, non-state actors have played two important roles in the competition between the United States and external powers. First, their actions can undermine the stability of states, creating conditions that can be exploited by extra-regional actors seeking access to the Western Hemisphere. Second, they can be used as proxies, as Germany exploited Pancho Villa to distract the United States from the conflict in Europe during World War I.

The impact of technology. Technological developments have periodically necessitated updates to concepts and plans for hemispheric defense. The advent of steam power, for example, placed great strategic importance on denying the enemy bases (coaling stations) in the region. The development of long-range aircraft required the U.S. to extend its denial zone from the Caribbean out to the Galapagos and Brazil. The advent of nuclear weapons meant that even a tiny enemy presence in the Americas as in Cuba in the early 1960s could pose a direct military threat to the United States.

The importance of planning. Over the last century, advance planning has enabled the United States to respond more rapidly and effectively to emerging threats. As one study of the early 20th century color plans observes:

The early efforts of the Joint Planning Board appear quaint. It is amusing to see how wrong many of their operational assessments were. But on the big question, the need of the United States to prepare for war, they were dead right. That is the lesson that they can teach, that the nation's security and survival depend so heavily on a small group of professionals, contemplating and making provision for the worst case.⁵⁷

The need to prioritize. Some geographic locations have always been of greater strategic importance than others due to their proximity to the United States (e.g. Cuba in 1898 and 1962), their proximity to potential threats (Brazil in 1940), or their proximity to important economic resources (the Tampico oil fields during World War I; the Panama Canal). Since resources are always constrained, especially in an economy-of-force theater, it is important to set priorities and allocate scarce resources accordingly.

Having distilled some key trends and “lessons” from the U.S. experience with hemispheric defense, this assessment now turns to an examination of current regional trends and their implications for regional security.

⁵⁷ Carlson, pp. 27-28.

CHAPTER 2: REGIONAL SECURITY TRENDS

As the previous chapter demonstrates, for the past two hundred years the principal cause of concern for U.S. defense policymakers and planners thinking about Latin America has been the prospect that great powers outside the Western Hemisphere could exploit the military weakness and internal security challenges of the states within it to threaten U.S. security.

While there is reason for optimism about the future of Latin America,⁵⁸ there is also cause for concern. The region faces enduring obstacles to economic⁵⁹ and political development⁶⁰ as well as significant internal security challenges. As General John Kelly, the commander of U.S. Southern Command (SOUTHCOM)⁶¹ noted in

While there is reason for optimism about the future of Latin America, there is also cause for concern.

⁵⁸ A number of observers have called the 2010s “Latin America’s decade,” reflecting the progress made to date and the prospects for future economic development. Oscar Montealegre, “The Latin American Decade in Motion,” *The Diplomatic Courier*, May 7, 2013.

⁵⁹ Charlene Barshefsky and James T. Hill, *U.S.-Latin America Relations: A New Direction for a New Reality* (New York: Council on Foreign Relations, 2008), pp. 13-15.

⁶⁰ According to the latest annual ranking of countries in the Democracy Index, the vast majority of countries in Latin America are characterized as “flawed democracies.” These countries conduct “free and fair elections” but suffer from “problems in governance, an underdeveloped political culture and low levels of political participation.” Only two countries—Uruguay and Costa Rica—are considered to be “full democracies” while eight countries were placed lower on the scale as “hybrid regimes.” Cuba was the only Latin America country listed as an “authoritarian regime,” although it may be joined by Nicaragua, Venezuela, and perhaps other countries if current trends persist. Economist Intelligence Unit, “Democracy Index 2010,” *The Economist Intelligence Unit Limited* (London), 2010, available at: www.eiu.com. The EIU rates countries on democracy on a scale of 1 to 10, using five primary metrics: electoral process and pluralism, functioning of government, political participation, political culture, and civil liberties.

⁶¹ United States Southern Command (SOUTHCOM) is the Geographic Combatant Command with responsibility for South America, Central America, and the Caribbean. SOUTHCOM’s area of responsibility does *not* include Mexico, which falls under Northern Command (NORTHCOM), but due to the transnational nature of the Mexican cartels, SOUTHCOM is nonetheless concerned with the problems they pose.

his March 2013 posture statement before Congress, Latin America:

[I]s a region of enormous promise and exciting opportunities, but it is also one of persistent challenges and complex threats. It is a region of relative peace, low likelihood of interstate conflicts, and overall economic growth, yet is also home to corrosive criminal violence, permissive environments for illicit activities, and episodic political and social protests.⁶²

The instability and non-traditional security challenges that General Kelly cites provide potential opportunities for the United States' major rivals to (borrowing a term from Monroe's declaration) "interpose" themselves into the region and, by so doing, threaten regional stability and U.S. security.

Two discernible trends suggest that current and prospective Eurasian rivals could seek to exploit regional conditions and dynamics in ways that could impose immense costs on the United States and divert its attention from more distant theaters overseas. The first trend is a return to a heightened level of competition among the "great powers" following two decades of U.S. dominance. The second trend concerns the growing cost of projecting power by traditional military means due to the proliferation of "anti-access/area-denial" (A2/AD) capabilities in general, and precision-guided munitions (PGMs) in particular. These trends suggest that, despite a possible decline in relative U.S. power, external forces will continue to find it beyond their means to threaten the hemisphere through traditional forms of power projection.

Far more likely is a return of a competition similar to that which the United States engaged in with the Soviet Union during the Cold War. During that period both powers sought to avoid direct conflict with the other, given the risks of escalation to nuclear conflict. Instead each focused primarily on gaining an advantage over the other through the employment of client states and non-state groups as proxies. Proxies were employed for reasons other than avoiding a direct clash, such as gaining positional advantage (e.g., enabling the sponsor to establish bases in its country, as the Soviets did in Cuba). Proxies were also employed as a means of diverting a rival's attention from what was considered the key region of the competition and to impose disproportionate costs on a rival (e.g., Moscow's support of North Vietnam as a means of drawing off U.S. resources from Europe).

This chapter outlines trends in the Western Hemisphere security environment that outside powers may seek to exploit to advance their objectives in ways that threaten regional stability and U.S. security. This is followed by a discussion of how these external powers might proceed to do so.

⁶² John F. Kelly, "Posture Statement of General John F. Kelly, United States Marine Corps, Commander, United States Southern Command," presented before the Senate Armed Services Committee, 113th Congress (Washington DC), March 19, 2013, p. 2.

Seeds of Instability

Crime, Illicit Networks, and Under-Governed Areas

Latin America has a long history of banditry, smuggling, and organized crime. As in the case of Pancho Villa and the 1916-1917 Punitive Expedition, these activities have occasionally risen to a level at which they influence U.S. national security calculations. Rarely, however, have these activities been as pervasive and destabilizing as they are today.

Although a wide variety of illicit activity occurs in Latin America, criminal organizations conducting drug trafficking are the dominant forces in the Latin American underworld today, accounting for roughly \$40 billion per year⁶³ of an estimated \$100 billion in annual illicit trade.⁶⁴ Since the Colombian cartels were dismantled in the 1990s, this lucrative trade has been dominated by powerful Mexican cartels whose operations extend across the length and breadth of Mexico, as well as up the supply chain into the cocaine-producing regions of the Andean Ridge and through their wholesale and retail drug distribution networks across the United States.⁶⁵ The cartels, along with countless smaller criminal organizations, comprise what the head of SOUTHCOM has described as,

⁶³ Many studies have addressed the drug trade flowing between Mexico and the United States. Many estimates place it at \$35-45 billion annually. Organized crime syndicates such as the cartels also derive revenue from human trafficking, smuggling, kidnapping for ransom, protection rackets, etc. See Devon Duff and Jen Rygler, "Drug Trafficking, Violence, and Mexico's Economic Future," *Knowledge@Wharton*, January 26, 2011, available at: <http://knowledge.wharton.upenn.edu/article/drug-trafficking-violence-and-mexicos-economic-future/>. In an August 7, 2010, article for the Los Angeles Times, Tracy Wilkinson and Ken Ellingwood estimate drug proceeds to approach \$40 billion annually, "equivalent to almost 20 percent of the government's annual budget." See: <http://articles.latimes.com/2010/aug/07/world/la-fg-mexico-cartels-20100808>. See also Bob Killebrew and Jennifer Bernal, *Crime Wars: Gangs, Cartels and U.S. National Security* (Washington, DC: Center for a New American Security, September 2010), p.16

⁶⁴ Douglas M. Fraser, "Posture Statement of General Douglas M. Fraser, United States Air Force, Commander, United States Southern Command," presented before the House Armed Services Committee, 112th Congress (Washington DC), March 30, 2011, p. 6.

⁶⁵ Once across the border, bulk shipments of drugs are subdivided for further transport to retail distribution points throughout the United States. Final drug distribution is usually handled by local gangs affiliated with a cartel that has established control in a geographic area. The U.S. Department of Justice estimates that there are "900,000 criminally active gang members representing approximately 20,000 domestic street gangs in more than 2,500 cities" across the U.S. that control the drug distribution network. National Drug Intelligence Center (NDIC), *National Drug Threat Assessment 2010* (Washington, DC: U.S. Department of Justice, February 2010), pp. 12-25.

[a]n interconnected system of arteries that traverse the entire Western Hemisphere, stretching across the Atlantic and Pacific, through the Caribbean, and up and down North, South, and Central America . . . [a] vast system of illicit pathways [that is used] to move tons of drugs, thousands of people, and countless weapons into and out of the United States, Europe, and Africa with an efficiency, payload, and gross profit any global transportation company would envy.⁶⁶

That being said, the drug trafficking underworld is by no means a monolithic entity or cooperative alliance. Rather, it is a fractious and brutally competitive business in which rival entities are constantly and literally fighting to maximize their share of the drug trade and for control of the critical transshipment points, or *plazas*, through which it flows. To attack their competitor's operations and protect their own operations from rivals and the Mexican government's crackdown that began in 2006, the cartels have built up larger, better armed, and more ruthless forces of hired gunmen known as *sicarios*. Using the billions of dollars generated by their illicit activities, they have acquired weapons and equipment formerly reserved for state armies or state-sponsored insurgent groups, including body armor, assault rifles, machine guns, grenades, landmines, anti-tank rockets, mortars, car bombs, armored vehicles, helicopters, transport planes, and—perhaps most remarkably—long-range submersibles.⁶⁷

The cartels' profits have also enabled them to hire former police and military personnel, including members of several countries' elite special operations units⁶⁸

⁶⁶ Kelly, p.10

⁶⁷ Although they are not remotely as sophisticated as the vessels operated by modern navies, these craft are well-suited for their task. The semi-submersibles (which sit very low in the water) and submarines (which are capable of running completely submerged) are used primarily to transport cocaine from mangrove swamps along the Pacific coast of Colombia and Ecuador to transshipment points up the Central American isthmus. Semi-submersibles are typically limited in range to roughly 2,000 miles, but the fully submersible vehicles are assessed to have ranges that would enable them to travel all the way to the United States. Each can carry more than \$100 million in drugs on a single voyage. By one estimate, semi-submersibles make roughly 120 trips in a year. Less is known about the true submarines, as they have been seized ashore but never successfully intercepted at sea. Robert Mackey "Advances in 'Narco-Submarine' Technology," *The New York Times*, July 6, 2010; Michael S. Schmidt and Thom Shanker "To Smuggle More Drugs, Traffickers Go Under the Sea," *The New York Times*, September 9, 2012; "Self-Propelled Semi Submersible (SPSS)," *Joint Interagency Task Force South Fact Sheet*, 2008; and Lance J. Watkins "Self-Propelled Semi-Submersibles: The Next Great Threat to Regional Security and Stability," unpublished paper, Naval Postgraduate School, June, 2011.

⁶⁸ Los Zetas, for example, was originally founded by thirty members of Mexico's elite Airmobile Special Forces Group (GAFE) who deserted in search of better pay as mercenary bodyguards and hit men for the Gulf Cartel. The *Kaibiles*, Guatemalan Special Forces, are another major source of well-trained manpower.

and, in several cases, active and former members of the U.S. military.⁶⁹ These personnel bring with them—and can provide to the cartels—a level of training and tactical proficiency that can be equal or superior to those of the government forces they face. As a result of this proficiency and the military-grade weapons possessed by the cartels, more than 2,500 Mexican police officers and 200 military personnel were killed in confrontations with organized crime forces between 2008 and 2012 along with tens of thousands of civilians.⁷⁰ In the poorer states of Central America, state security forces operate at an even greater disadvantage.⁷¹

While their paramilitary forces enable the cartels to dominate entire cities and large remote areas through force and intimidation, they are not the only tool available. The cartels also leverage their immense wealth to buy the silence or support of police and government officials who are often presented with a choice between *plata o plomo*—“silver or lead.” According to the head of the Mexican Federal Police, around 2010 the cartels were spending an estimated \$100 million each month on bribes to police.⁷² By buying off officials—and torturing or killing those who cannot be corrupted—the cartels have greatly undermined the effectiveness of national government forces in general and local police in particular. This, in turn, has undermined the confidence of the population in their government’s willingness and ability to protect them.

Through these means and methods the cartels have gained a substantial degree of *de facto* control over many urban and rural areas across Mexico, including major cities and large swathes of territory along the U.S.-Mexico border. In many of these crime-ridden areas the loss of confidence in the government and police has prompted the formation of vigilante militias, presenting an additional challenge

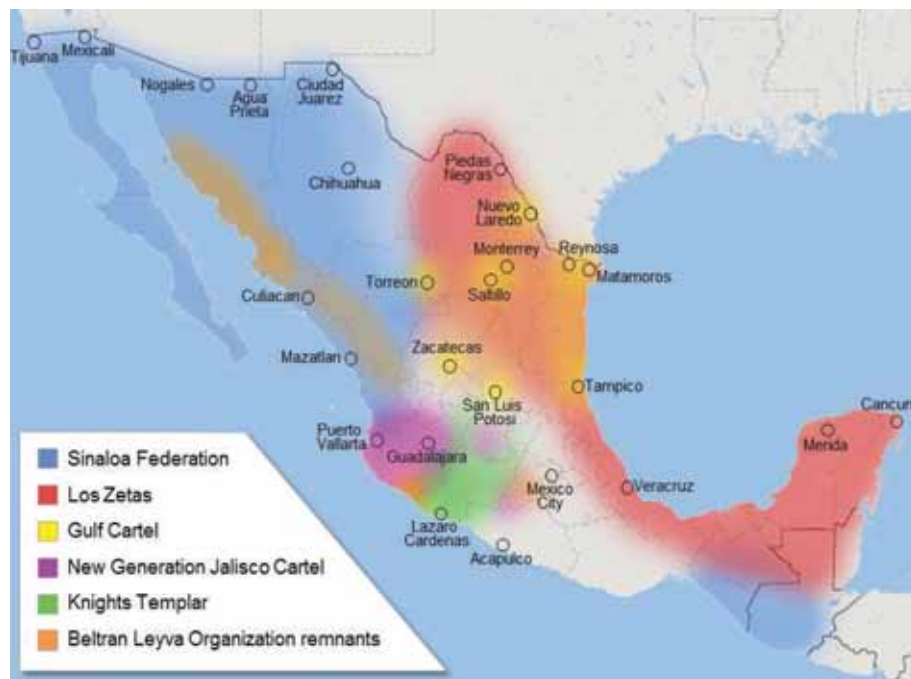
The cartels have gained a substantial degree of *de facto* control over many urban and rural areas across Mexico, including major cities and large swathes of territory along the U.S.-Mexico border.

⁶⁹ In 2009, for example, an active-duty U.S. Army private first class stationed at Fort Bliss, Texas murdered an Immigrations and Customs Enforcement information official in exchange for \$5,000. In another revealing case, DEA Agents posing as members of a Mexican cartel were able to secure the agreement of an active-duty sergeant and a recently-discharged first lieutenant from the U.S. Army’s 4th Infantry Brigade Combat Team in Fort Carson, Colorado to agree to a murder-for-hire plot in exchange for \$50,000 each and a quantity of cocaine. The first lieutenant also provided the undercover agents with AR-15 assault rifles, body armor, and training manuals stolen from the Army and offered to provide two weeks of military training to cartel gunmen. Joseph Kolb, “Mexican Cartels Hiring US Soldiers as Hit Men,” *FoxNews.com*, August 1, 2013.

⁷⁰ Cory Molzahn, Octavio Rodriguez Ferreira, and David A. Shirk, *Drug Violence in Mexico: Data and Analysis Through 2012* (San Diego, CA: Justice in Mexico Project, 2013), p. 31.

⁷¹ Meyer and Seelke 2011, pp. 4, 6-7.

⁷² Genaro Garcia Luna, quoted in Dudley Althaus, “Despite Millions in U.S. Aid, Police Corruption Plagues Mexico,” *Houston Chronicle*, October 18, 2010.

FIGURE 5. AREAS OF CARTEL INFLUENCE IN MEXICO⁷⁵

to government control.⁷³ Meanwhile, in the “northern triangle” of Central America (the area comprising Guatemala, Honduras, and El Salvador through which the cartels transship almost all cocaine bound for Mexico and the United States) the situation is even more dire. Approximately 90 percent of crimes in this area go unpunished, while in Guatemala roughly half the country’s territory is effectively under drug traffickers’ control.⁷⁴

⁷³ There are vigilante militias in at least nine of Mexico’s 31 states where vigilante members bearing machetes, shotguns, and automatic rifles are engaged in a range of security activities including manning checkpoints and searching suspicious individuals. They have detained, shot, and killed hundreds of alleged criminals in these states while suffering their own significant losses. They are concentrated in areas where the cartels’ activities are greatest: along the U.S. border and especially in the Pacific states of Guerrero and Michoacán where vigilante militia strength numbers in the thousands. In the absence of effective government law enforcement, many vigilante groups have proven to be effective providers of local security and have the support of the local community. International Crisis Group, “Justice at the Barrel of a Gun: Vigilante Militias in Mexico,” Update Briefing, Latin America Briefing Number 29, May 28, 2013, pp. 7-8.

⁷⁴ Meyer and Seelke 2013, pp. 7-9.

⁷⁵ Based on graphics contained in Tristan Reed, “Mexico’s Drug War: Balkanization Leads to Regional Challenges,” *STRATFOR*, April 18, 2013.

Further south, similar pockets of lawlessness exist in coca-growing areas in Colombia, Venezuela, Ecuador, Peru, and Bolivia. In Colombia and along its borders with Venezuela, Ecuador, and Peru, much of the coca-growing territory remains under the control of the Revolutionary Armed Forces of Colombia, or FARC. A guerrilla organization founded in the 1960s as a Marxist-Leninist revolutionary movement dedicated to the overthrow of the Colombian government, the FARC embraced coca growing in the 1990s as a means of funding its operations and has subsequently evolved into a hybrid mix of left-wing insurgent group and profit-driven cartel.⁷⁶ This hybrid nature has facilitated cooperation between the FARC and ideological sympathizers like the Bolivarian Alliance, Hezbollah, Al Qaeda in the Islamic Maghreb, and other extremist groups⁷⁷ as well as with purely criminal organizations like the Mexican cartels. Although the FARC has been greatly weakened over the past decade and no longer poses the existential threat to the Colombian government that it once did, it remains firmly in control of large tracts of coca-producing jungle, mostly straddling the borders between Colombia and FARC supporters Venezuela and Ecuador.

In summary, organized crime elements have exploited under-governed areas to establish zones under their de facto control. In so doing they pose a significant and growing threat to regional security in general and U.S. interests in particular. As SOUTHCOM commander General Kelly recently observed:

[T]he proximity of the U.S. homeland to criminally governed spaces is a vulnerability with direct implications for U.S. national security. I am also troubled by the significant criminal capabilities that are available [within them] to anyone—for a price. Transnational criminal organizations have access to key facilitators who specialize in document forgery, trade-based money laundering, weapons procurement, and human smuggling, including the smuggling of special interest aliens. This criminal expertise and the ability to move people, products, and funds are skills that can be exploited by a variety of malign actors, including terrorists.⁷⁸

“The proximity of the U.S. homeland to criminally governed spaces is a vulnerability with direct implications for U.S. national security.”

– Gen. John Kelly

⁷⁶ Angela Rabasa and Peter Chalk, *Colombian Labyrinth: The Synergy of Drugs and Insurgency and Its Implications for Regional Stability* (Santa Monica: RAND Corporation, 2001), pp. xiii-xiv.

⁷⁷ These links have been uncovered by U.S. and Colombian military and law enforcement operations. In 2008, computers seized in a Colombian raid on a FARC headquarters in Ecuador confirmed that Venezuela had been providing the FARC with advanced weapons and other support. In October 2012 a Lebanese native, Jamal Yousef, was sentenced to 12 years in prison for conspiring to provide weapons to the FARC in exchange for over a ton of cocaine. “Lebanese Man Sentenced to 12 Years in Prison for Conspiring to Provide Material Support to Terrorists,” Federal Bureau of Investigation (New York Field Office), October 11, 2012. See also Killebrew and Bernal, p. 27.

⁷⁸ Kelly, p. 11.

Hezbollah and the Bolivarian Alliance

Hezbollah in Latin America

Non-state entities recognized by the U.S. as terrorist organizations also operate in the region, most notably Lebanon-based Hezbollah, an Iranian client group. Hezbollah maintains an active presence in the tri-border area (TBA) of South America—the nexus of Argentina, Brazil, and Paraguay—stretching back to the 1980s.

The TBA has traditionally been under-governed and is known by some as “the United Nations of crime.”⁷⁹ Eight syndicate groups facilitate this activity in South America’s so-called “Southern Cone,” overseeing legitimate businesses along with a wide range of illegal activities to include money laundering, drug and arms trafficking, identity theft and false identification documents, counterfeiting currency and intellectual property, and smuggling. Not surprisingly they are linked to organized crime and to non-state insurgent and terrorist groups, such as the FARC.⁸⁰ Estimates are that over \$12 billion in illicit transactions are conducted per year, a sum exceeding Paraguay’s entire GDP by a substantial amount.⁸¹

Hezbollah achieved notoriety in the region in 1992 when it bombed the Israeli embassy in Argentina. This was followed with the bombing of the AMIA Jewish community center in Buenos Aires two years later. Like many other terrorist organizations, as Hezbollah expanded its established relationships with drug cartels⁸² that it supports in a variety of ways. For example, the cartels have enlisted Hezbollah, known for its tunnel construction along the Israeli border, for help in improving their tunnels along the U.S.-Mexican border. In 2008, Hezbollah helped broker a deal in which one of Mexico’s major drug cartels, Sinaloa, sent members to Iran for weapons and explosives training via Venezuela using Venezuelan travel documents.⁸³

⁷⁹ Matthew Levitt, “South of the Border, a Threat from Hezbollah,” *The Washington Institute*, Spring 2013, p. 78.

⁸⁰ Patricia Taft, David A. Poplack, and Rita Grossman-Vermaas, *The Crime-Terrorism Nexus: Threat Convergence Risks in the Tri-Border Area* (Washington, DC: The Fund for Peace, 2009), p. 6.

⁸¹ Rex Hudson, “Terrorist and Organized Crime Groups in the Tri-Border Area of South America,” Library of Congress (2003), available at: http://www.loc.gov/rr/frd/pdf-files/TerrOrgCrime_Tri-Border Area.pdf. Cited in Taft, Poplack, Grossman, p.7.

⁸² For example, drug rings broken up in Ecuador in 2005, Colombia in 2008, and Curaçao in 2009 were all explicitly tied to Hezbollah. The DEA estimates that nineteen of the forty-three U.S.-designated Foreign Terrorist Organizations are linked to the global drug trade. Levitt, “South of the Border,” pp.79-80.

⁸³ In 2009 U.S. authorities accused Venezuela of issuing passports to members of Hamas and Hezbollah. “Myrick Calls for Taskforce to Investigate Presence of Hezbollah on the U.S. Southern Border,” Letter from U.S. Congresswoman Sue Myrick to Secretary of the Department of Homeland Security Janet Napolitano, June 23, 2010; Robert Morgenthau, “The Link between Iran and Venezuela: A Crisis in the Making?” speech before the Brookings Institution, Washington, DC, September 8, 2009; and Doris Gomora, “Aprenden Narcoterror con Extremistas: EU,” *El Universal* (Mexico City), July 17, 2008, cited in Levitt, “South of the Border,” pp. 79-80.

As the locus of the drug trade and other illegal cartel activities moved north into Central America and Mexico, Hezbollah has sought to move with it with mixed success.

In October 2011, Hezbollah was linked to the efforts of an Iranian-American to conspire with Iranian agents to assassinate the Saudi ambassador to the United States. The plot involved members of the Los Zetas Mexican drug cartel.⁸⁴ The would-be assassin, Mansour Arbabsiar, had established contact with his cousin, a Quds Force⁸⁵ handler, Gen. Gholam Shakuri. The plot is believed by some to be part of a wider campaign by the Quds Force and Hezbollah to embark on a campaign of violence extending beyond the Middle East to other Western targets, including those in the United States.⁸⁶

In early September 2012, Mexican authorities arrested three men suspected of operating a Hezbollah cell in the Yucatan area and Central America, including a dual U.S.-Lebanese citizen linked to a U.S.-based Hezbollah money laundering operation.⁸⁷ A few months later, in December 2012, Wassim el Abd Fadel, a suspected Hezbollah member with Paraguayan citizenship, was arrested in Paraguay. Fadel was charged with human and drug trafficking and money laundering. Fadel reportedly deposited the proceeds of his criminal activities—ranging from \$50-200,000 per transaction—into Turkish and Syrian bank accounts linked to Hezbollah.⁸⁸

⁸⁴ Ilan Berman, "Iran Courts Latin America," *Middle East Quarterly*, Summer 2012, p. 63.

⁸⁵ The Quds Force is a unit of Iran's Revolutionary Guard.

⁸⁶ U.S. Department of Justice, Office of Public Affairs, "Two Men Charged in Alleged Plot to Assassinate Saudi Arabian Ambassador to the United States," press release, October 11, 2011, available at: <http://www.justice.gov/opa/pr/2011/October/11-ag-1339.html>; and James Clapper, "Statement for the Record on the Worldwide Threat Assessment of the U.S. Intelligence Community for the House Permanent Select Committee on Intelligence," February 10, 2011, available at: http://www.au.af.mil/au/awc/awcgate/dni/threat_assessment_10feb11.pdf. Cited in Matthew Levitt, *Hizballah and the Quds Force in Iran's Shadow War with the West* (Washington, DC: The Washington Institute for Near East Policy, 2013), p. 1.

⁸⁷ At the time of his arrest Allaboun produced a fake passport, and he had been issued a valid birth certificate and driver's license under a false name. Officials discovered that eighteen Hezbollah members had obtained passports from a U.S. embassy. Reflecting the relative ease with which Hezbollah has circumvented U.S. border controls, the owner of a Lebanese café in Tijuana admitted to assisting more than 300 Lebanese sneak into the U.S. over a three-year period. Claire O'Neill McCleskey, "Hezbollah Suspect Obtained Fake Belize IDs in 72 Hours," *InSight Crime*, September 13, 2012; Federal Bureau of Investigation, Terrorist Research and Analytical Center, "International Radical Fundamentalism: An Analytical Overview of Groups and Trends," November 1994; *United States of America v. Rafic Labboun*, Indictment, United States District Court, Northern District of California San Jose, Case No. CR.-09-0058, January 20, 2009; *United States of America v. Rafic Labboun*, Criminal Complaint, January 9, 2009; and "Mexico Extradites Suspected Hezbollah Member," *Fox News Latino*, September 11, 2012. Cited in Levitt, "South of the Border," pp. 79,81.

⁸⁸ Marta Escurra, "Paraguay: Alleged Hezbollah Financier Detained," *Infosurhoy.com*, January 24, 2013. Fadel is suspected to have ties to Lebanese national Moussa Alí Hamdan, who was extradited to the United States in 2011 to face charges of terrorist financing. In 2010 two of his alleged cohorts, Amer Zoher El Hossni and Nemir Alí Zhayter, were also extradited to the United States to face charges on cocaine trafficking. At the time of his arrest Fadel owned a mansion in Touline near the Lebanese capital city of Beirut.

Hezbollah has become a fixture in Central and Latin America and has developed links with the increasingly powerful organized crime groups in the region.

In summary, Hezbollah has become a fixture in Central and Latin America, expanding both its activities and influence over time. It has developed links with the increasingly powerful organized crime groups in the region, particularly the narco cartels, along with radical insurgent groups such as the FARC and states like Venezuela who are hostile to the United States and its regional partners. Hezbollah's principal objectives appear to be undermining U.S. influence in the region, imposing costs on the United States, and generating revenue to sustain its operations in Latin America and elsewhere in the world. These objectives are shared by Iran, Hezbollah's main state sponsor.

The Bolivarian Alliance

As noted above, geographic, economic, and cultural factors have traditionally helped to prevent the emergence in Latin America of any real military rival to the United States. Although there are no traditional military threats in the region, there are indigenous states whose actions, policies, and rhetoric challenge regional stability and U.S. security. Over the past decade, several states have come together to form the Bolivarian Alliance of the Americas (ALBA), an organization of left-leaning Latin American regimes whose overarching purpose is to promote radical populism and socialism, foster regional integration, and reduce what they perceive as Washington's "imperialist" influence in the region.⁸⁹ Since its founding by Hugo Chavez of Venezuela and Fidel Castro of Cuba in December 2004, the Bolivarian Alliance has expanded to include Antigua and Barbuda, Bolivia, Dominica, Ecuador, Nicaragua, and Saint Vincent and the Grenadines.

Although the members of the Bolivarian Alliance are militarily weak and pose almost no traditional military threat to the United States or its allies in the region,⁹⁰ they challenge American interests in the region in other ways. First, they espouse an anti-American narrative that finds substantial support in the region and consistently oppose U.S. efforts to foster cooperation and regional economic integration.⁹¹ Second, in their efforts to undermine the government of Colombia, which they consider to be a U.S. puppet, ALBA states provide support and sanctuaries within their borders to coca growers, drug

⁸⁹ Mark P. Sullivan, *Latin America and the Caribbean: Key Issues for the 113th Congress* (Washington, DC: Congressional Research Service, February 8, 2013), p.26.

⁹⁰ Venezuela is arguably one exception. In recent years it has adopted a belligerent stance towards Colombia. Tensions reached new heights in 2009 when Venezuelan soldiers destroyed two bridges at the border between the two countries and in 2010 when the President of Colombia accused Venezuela of supporting the FARC, whereupon Venezuela broke off diplomatic relations.

⁹¹ For example, the ALBA states have consistently opposed free trade agreements between the United States and Latin America while promoting alternative arrangements that exclude the United States.

traffickers, other criminal organizations, and the FARC.⁹² Links to Hezbollah have also been detected.⁹³ Perhaps of greatest concern, they have aligned themselves closely with Iran, inviting it and Syria to participate as “observer states” in the alliance. Other worrisome ALBA activities involve lifting visa requirements for Iranian citizens and hosting large numbers of Iranian diplomats and commercial exchange members that some observers believe to be Iranian intelligence and paramilitary Quds Force operatives.⁹⁴ By hosting and cooperating with both foreign agents and violent non-state actors, the ALBA states have come to function as critical nodes in a network of groups hostile to the United States.

A Coming Era of Proxy Wars in the Western Hemisphere?

History shows that Washington has often emphasized an indirect approach to meeting challenges to its security in Latin America. Yet the United States has not shied away from more direct, traditional uses of force when interests and circumstances dictated, as demonstrated over the past half century by U.S. invasions of the Dominican Republic (1965), Grenada (1983), and Panama (1989) and the occupation of Haiti (1994). Yet several trends seem likely to raise the cost of such operations, perhaps to prohibitive levels. Foremost among these trends is the diffusion of precision-guided weaponry to state and non-state entities.

⁹² Several senior Venezuelan politicians and military officers—including a former Minister of Defense—have been sanctioned by the U.S. Treasury Department’s Office of Foreign Assets for their involvement in drug trafficking and FARC’s terrorist activity. Kelly, p. 13.

⁹³ Venezuelan diplomats posted to Syria and Lebanon have been sanctioned by the U.S. Treasury Department for their support to Hezbollah. Ibid.

⁹⁴ Joby Warrick, “Iran Seeking to Expand Influence in Latin America,” *Washington Post*, January 1, 2012. As Douglas Farah told Congress in 2013, “Now Iran has a disproportionately large diplomatic corps—far larger than regional superpower Brazil—in most ALBA countries, staffed with hundreds of ‘economic attaches’ despite negligible commerce; a growing number of embassies; and diplomatic and non-diplomatic safe havens for Quds Force, MOIS and other intelligence services to operate, plan, network, and reap significant financial gain.” Douglas Farah, “Threat to the Homeland: Iran’s Extending Influence in the Western Hemisphere,” Testimony before the House Committee on Homeland Security Subcommittee on Oversight and Management Efficiency, July 9, 2013.

The Second Lebanon War as “Precursor” War

A precursor of this trend can be seen in the Second Lebanon War between Israel and Hezbollah.⁹⁵ During the conflict, which lasted less than five weeks, irregular Hezbollah forces held their own against the highly regarded Israeli Defense Force (IDF), demonstrating what is now possible for non-state entities to accomplish given the proliferation of militarily-relevant advanced technologies.

Hezbollah’s militia engaged IDF armor columns with salvos of advanced, man-portable, antitank guided missiles and other effective anti-armor weapons (e.g. rocket-propelled grenades (RPGs) with anti-armor warheads) in great numbers. When the IDF employed its ground forces in southern Lebanon, its armored forces suffered severe losses; out of the four hundred tanks involved in the fighting in southern Lebanon, forty-eight were hit and forty damaged.⁹⁶ Hezbollah’s defensive line was also well equipped with latest-generation thermal and low-/no-light enhanced illumination imaging systems, while frontline units were connected to each other and higher command elements via a proprietary, fiber-optic based communications network, making collection of communications traffic by Israeli intelligence extremely difficult.

Perhaps most important, Hezbollah possessed thousands of short- and medium-range rockets, often skillfully hidden below ground or in bunkers that made detection from overhead surveillance platforms nearly impossible. During the brief conflict Hezbollah’s forces fired some four thousand *unguided* rockets of various types that hit Israel. Hezbollah’s rocket inventory enabled its forces to attack targets throughout the northern half of Israel. Over nine hundred rockets hit near or on buildings, civilian infrastructure, and industrial plants. Some two thousand homes were destroyed, and over fifty Israelis died with several thousand more injured. The casualties would undoubtedly been greater if between 100,000 and 250,000 Israeli civilians had not fled their homes. Haifa, Israel’s major seaport had to be shut down, as did its oil refinery.⁹⁷ Hezbollah also employed several unmanned aerial vehicles for surveillance of Israel, as well as C-802 anti-ship cruise missiles used to attack and damage an Israeli corvette.⁹⁸

⁹⁵ For excellent insights into this conflict, see Russell W. Glenn, *All Glory is Fleeting: Insights from the Second Lebanon War* (Santa Monica, CA: The RAND Corporation, 2008), and Matt M. Matthews, *We Were Caught Unprepared: The 2006 Hezbollah-Israeli War* (Fort Leavenworth, KS: Combat Studies Institute Press, 2008).

⁹⁶ Matthews, p. 64.

⁹⁷ Uzi Rubin, *The Rocket Campaign Against Israel During the 2006 Lebanon War* (Ramat Gan, Israel: The Began-Sadat Center for Strategic Studies, June 2007), pp. 10-11, 14.

⁹⁸ Media reports indicate that Hezbollah used at least three UAVs during the war, two of which were confirmed to have been shot down by the IDF. Reports vary as to whether any of the UAVs were carrying ordnance.

The G-RAMM Battlefield

The brief war between Israel and Hezbollah suggests that future irregular forces may be well-equipped with enhanced communications, extended-range surveillance capabilities, and *precision-guided* rockets, artillery, mortars and missiles (G-RAMM)⁹⁹ able to hit targets with high accuracy at ranges measured from the tens of kilometers perhaps up to a hundred kilometers or more.

In projecting power against enemies equipped in this manner and employing these kinds of tactics U.S. forces—as well as other conventional forces—will find themselves operating in a far more lethal battlefield than those in either of the Gulf wars or in stability operations in Afghanistan and Iraq. Moreover, currently constituted conventional forces typically depend on large fixed infrastructure (e.g., military bases, logistics depots, ports, airfields, railheads, bridges) to deploy themselves and sustain combat operations. These transportation and support hubs also serve as the nodes through which internal commerce and foreign trade moves within a country. This key, fixed infrastructure will almost certainly prove far more difficult to defend against irregular forces armed with G-RAMM weaponry.

Indeed, had Hezbollah’s “RAMM” inventory had only a small fraction of G-RAMM munitions, say 10-20 percent, it would have been able to inflict far greater damage than it did historically to Israeli population centers, key government facilities, military installations, and essential commercial assets such as ports, airfields, and industrial complexes. An irregular enemy force armed with G-RAMM capabilities in substantial numbers could seriously threaten Latin American governments as well as any U.S. (or external great power) forces and support elements attempting a traditional intervention operation.

Implications for the U.S. and Other Major Powers

The preceding narrative suggests that the combat potential of irregular forces is likely to increase dramatically in the coming years. As this occurs, the cost of operating conventional forces—especially ground forces—and defending key military support infrastructure is likely to rise substantially. Given these considerations the United States and other major powers external to the Western Hemisphere will have strong incentives to avoid the use of conventional forms of military power, particularly large ground forces, in favor of employing irregular proxy forces to advance their interests.

Major powers external to the Western Hemisphere will have strong incentives to avoid the use of conventional forms of military power, in favor of employing irregular proxy forces to advance their interests.

⁹⁹ For the purposes of this document, G-RAMM, or “guided rockets, artillery, mortars, and missiles,” is defined as a class of battlefield weapons with enhanced homing, guidance, and control systems that together allow them to actively change their trajectories or flight paths to guide onto their targets, resulting in extreme accuracy and lethality. At times the context allows for G-RAMM to also represent various advanced technologies related to detecting, tracking, and targeting enemy forces, especially with guided weapons.

Moreover, the high cost and questionable benefit of the campaigns in Afghanistan and Iraq are likely to create strong domestic opposition in the United States to such operations for some time to come. This must be added to the United States' greatly diminished fiscal standing that has led to large cuts in planned investments in defense.

These factors suggest that Washington will be much less likely to engage in direct military action in Latin America in the coming years than historically has been the case. At the same time, rivals of the United States like China and Russia may be incentivized by these trends, as well as the United States' overwhelming military dominance in the Western Hemisphere, to avoid the direct use of force to expand their influence in Latin America. Instead, like some of the Bolivarian Alliance members, they appear likely to follow the path taken by the Soviet Union during the Cold War and Iran today: supporting non-state proxies to impose disproportionate costs on the United States and to distract Washington's resources and attention from other parts of the world.

This is not to say that Beijing, Moscow, and Tehran would eschew future opportunities to establish bases in Latin America. As in the past, such bases can support efforts to accomplish several important objectives. They can, for example, further insulate a Latin American regime from the threat of direct U.S. military intervention, since Washington would have to account for the possibility that the conflict would lead to a direct confrontation with a more capable and potentially nuclear-armed power.¹⁰⁰ Bases in the hemisphere can also enable external powers to conduct military assistance activities, such as training, more easily. Electronic surveillance of the United States and Latin American states could be accomplished more cheaply and effectively from forward positions. Finally, certain kinds of military capabilities, such as long-range ballistic missiles and attack submarines, could be profitably stationed in Latin America by powers external to that region, particularly if they intended to create the option of initiating conflict at some future date. These reasons, among others, have made preventing an extra-hemispheric power from establishing bases in Latin America an enduring U.S. priority.

Players in a Latin American Great Game

Given current trends, several powers external to the region may, either now or over the coming decade, have both the motive and the means to employ both state and non-state proxies in Latin America to achieve their interests. Principal among them is Iran, which is already engaged in supporting proxies against the United States and its partners in the Middle East and has long been developing proxies in Latin America. Additionally, there are reasons to think that China and Russia may be interested in cultivating and supporting Latin American proxies as well.

¹⁰⁰ This assumes that Iran becomes a nuclear power.

Iran

For at least a decade Iran has aggressively worked to increase its diplomatic and economic links with Latin American countries.¹⁰¹ Since 2005, Iran has more than doubled its diplomatic presence and number of embassies in the region, opened a number of “cultural centers,” and signed more than five hundred agreements with Latin American states.¹⁰² Most of this engagement has been with members of the Bolivarian Alliance, Venezuela in particular. Tehran’s objectives extend beyond expanding trade and diplomatic discourse, as former Iranian President Mahmud Ahmadinejad made clear when stating, “When the Western countries were trying to isolate Iran, we went to the U.S. backyard.”¹⁰³ It remains to be seen how his successor, Hassan Rouhani, views the region.

Iran appears intent on increasing its covert intelligence and paramilitary operations in the region. Its chief paramilitary instrument is the Islamic Revolutionary Guard Corps—Quds Force (IRGC-QF), which has been operating in Latin America for years. As Lieutenant General Ronald Burgess, then Director of the Defense Intelligence Agency, told Congress in 2010:

The Quds Force employs complementary diplomatic and paramilitary strategies. The Quds Force stations operatives in foreign embassies, charities, and religious/cultural institutions to foster relationships with people, often building on existing socio-economic ties with the well-established Shia diaspora. At the same time, it engages in paramilitary operations to support extremists and destabilize unfriendly regimes. The IRGC and Quds Force are behind some of the deadliest terrorist attacks of the past three decades

Generally, it directs and supports groups actually executing the attacks, thereby maintaining plausible deniability within the international community. Support for these extremists takes the form of providing arms, funding, and paramilitary training. In this, Quds Force is not constrained by ideology; many of the groups it supports do not share, and sometimes openly oppose, Iranian revolutionary principles, but Iran supports them because of common interests or enemies.¹⁰⁴

¹⁰¹ Mark P. Sullivan and June S. Beittel, *Latin America: Terrorism Issues* (Washington, DC: Congressional Research Service, April 5, 2013), p.17.

¹⁰² Ilan Berman, “Threat to the Homeland: Iran’s Extending Influence in the Western Hemisphere,” Testimony before the House of Representatives Homeland Security Committee Subcommittee on Oversight and Management Efficiency,” July 9, 2013.

¹⁰³ “Ahmadinejad Defends Presence in US Backyard,” *PressTV*, May 28, 2009.

¹⁰⁴ Ronald Burgess, “Iran’s Military Power,” Statement before the Committee on Armed Services, United States Senate, by Lieutenant General Ronald L. Burgess, Jr., United States Army, Director, Defense Intelligence Agency, April 14, 2010, pp. 9-10.

Iran appears intent on gaining access to a network of non-state actors that it could use to execute attacks on U.S. interests in the Western Hemisphere that it would find difficult if not impossible to accomplish directly via traditional military means.

The Quds Force is already cooperating with state and non-state actors in Latin America including its longtime partner Hezbollah in the Tri-Border Area and Venezuela. As Iran and Venezuela grew closer over the last decade, the Quds Force has aided the Venezuelan military in supporting the FARC.¹⁰⁵

Recent developments suggest that the Quds Force is also seeking to develop ties with the Mexican cartels. In October 2011, the U.S. Attorney General and Director of the FBI revealed a complex plot in which a Quds Force operative conspired with a dual U.S.-Iranian citizen living in Texas and a DEA informant posing as a member of a Mexican cartel to assassinate the Saudi ambassador to the United States in Washington for \$1.5 million.¹⁰⁶ Also in 2011, Univision reported that the former Iranian ambassador to Mexico had conspired with Mexican computer science students to carry out cyber attacks on the United States.¹⁰⁷

As such incidents demonstrate, Iran appears intent on gaining access to a network of non-state actors that it could use to execute attacks on U.S. interests in the Western Hemisphere that it would find difficult if not impossible to accomplish directly via traditional military means. As James Clapper, the Director of National Intelligence told Congress in 2012, Iran’s partnerships in the region “can pose an immediate threat by giving Iran—directly through the IRGC, the Quds Force, or its proxies like Hezbollah—a platform in the region to carry out attacks against the United States, our interests, and allies.”¹⁰⁸

To what ends might Iran be ramping up its intelligence and paramilitary presence in the region? According to Douglas Farah, a longtime observer of Iran’s presence in Latin America:

[T]oday there is a much clearer indication available, to both the intelligence community and investigators on the ground, that the goal of Iran’s presence in the region is twofold: to develop the capacity and capability to wreak havoc in Latin America—and possibly the U.S. home-

¹⁰⁵ “Iran Quds Force in Venezuela,” *STRATFOR*, April 22, 2010. In 2010, the Department of Defense reported to Congress that the Quds Force was then “well established in the Middle East and North Africa, and in recent years [had] witnessed an increased presence in Latin America, particularly Venezuela.” See also Rory Carroll, “Iran’s Elite Force Expanding Influence in Venezuela, Claims Pentagon,” *The Guardian*, April 27, 2010.

¹⁰⁶ Although some observers have expressed skepticism that Iran would be so brash, the evidence presented against Manssor Arbabsiar, the Iranian-American suspect in the case, leaves little doubt that his actions were in fact being directed and supported by the Quds Force. According to the Department of Justice, Arbabsiar received instructions directly from a known Quds Force commander during phone calls monitored by the FBI. Arbabsiar ultimately pleaded guilty and was sentenced to 25 years in prison in 2013. Department of Justice Office of Public Affairs, “Manssor Arbabsiar Sentenced in New York City Federal Court to 25 Years in Prison for Conspiring with Iranian Military Officials to Assassinate the Saudi Arabian Ambassador to the United States,” May 30, 2013.

¹⁰⁷ Anna Mahjar-Barducci, “Iran Preparing Serious Cyber Attack Against the U.S. from Latin America,” *Gatestone Institute*, December 14, 2011.

¹⁰⁸ James Clapper, testimony before the Senate Select Committee on Intelligence, January 31, 2012.

land—if the Iranian leadership views this as necessary to the survival of its nuclear program; and, to develop and expand the ability to avoid international sanctions.¹⁰⁹

Iran could derive strategic benefits from a “capacity and capability to wreak havoc.” Primarily, it could help divert U.S. attention from the Persian Gulf and deter direct U.S. military action against Iran by engaging in acts of violence against the U.S. homeland. By prompting the United States to devote more attention and resources to the region in peacetime, Iran could impose far greater costs upon the United States than it would incur in generating the attacks.

Recently, some observers have suggested that Iran’s influence in the region is in decline.¹¹⁰ They note that Iran has failed to follow through on much of the development and economic assistance promised to its friends in the region, and this has not gone unnoticed. Iran’s position may also have been weakened by the death of Venezuela’s president, Hugo Chavez, in March 2013. Yet it would be premature to conclude that Iran’s presence and influence in the region cannot weather some setbacks. Iran retains a strong cooperative relationship with several key Latin American non-state actors, and Tehran still represents a counterweight to U.S. influence, however modest, for those states that subscribe to the Bolivarian Alliance’s agenda.

Russia

While Iran’s interest in Latin America is a relatively recent phenomenon, Russia’s extends back to the early days of the Cold War. As described above, the Cold War saw the United States and Soviet Union engaged in a series of proxy conflicts in Latin America, punctuated by the 1962 Cuban Missile Crisis. Although the Soviet Union’s collapse greatly reduced Russia’s military and economic power and severed the ideological links with its proxies in the region, over the past decade Russia has sought to reinvigorate old anti-U.S. relationships and develop new ones.

¹⁰⁹ Douglas Farah, “Iran’s Influence and Activity in Latin America,” Testimony before the Senate Foreign Relations Committee Subcommittee on Western Hemisphere, Peace Corps, and Global Narcotics Affairs, February 16, 2012.

¹¹⁰ The U.S. Department of State reportedly reached this conclusion in a June 2012 report on Iranian influence in Latin America and the Caribbean. According to an unclassified appendix, the report’s policy recommendations were based on the assumption that “As a result of diplomatic outreach, strengthening of allies’ capacity, international nonproliferation efforts, a strong sanctions policy, and Iran’s poor management of its foreign relations, Iranian influence in Latin America and the Caribbean is waning.” “Annex A: Unclassified Summary of Policy Recommendations,” Appended to the Office of Congressman Jeff Duncan press release “Duncan Releases Statement on the State Department’s Report on Iranian Activity and Influence in the Western Hemisphere,” June 26, 2013.

A major initiative along these lines occurred in 2008, when then Russian President Dmitry Medvedev visited Venezuela, Cuba, Brazil, and Peru.¹¹¹ During the course of his visit he finalized a series of trade and bi-lateral infrastructure agreements that also included arms agreements to provide Venezuela with a wide range of weaponry including tanks, anti-aircraft systems, fighter aircraft, transport aircraft, helicopters, small arms and ammunition, armored and amphibious vehicles, and small arms manufacturing facilities.¹¹² Recently, Russian experts project that Venezuela will become the world's second largest buyer of Russian weaponry (after India) by 2015.¹¹³

Russia's current president, Vladimir Putin, has worked to restore relations with Cuba through high level visits and economic assistance to the Havana regime, raising the prospect of a greater Russian military presence in the Western Hemisphere.¹¹⁴ In July 2012 the Russian Navy's commander declared that Moscow was in the process of "working out the issue of creating sites for material and technical support on the territory of Cuba, the Seychelles, and Vietnam."¹¹⁵ In April 2013, the chief of Russia's general staff visited Cuba and inspected several military and intelligence facilities, leading some observers to suspect that Russia is interested in regaining access to bases on the island.¹¹⁶

Russia has also reestablished ties with Nicaragua. Since 2007 Nicaragua has been governed by Daniel Ortega and the leftist Sandinista party, former Soviet allies who held power from 1979-1990. Moscow has moved quickly to capitalize on its old client's return to power. In 2008 Russia stated it was willing to help modernize Nicaragua's aging military arsenal. Later that year, three Russian warships weighed anchor at a Nicaraguan port in the first such visit since the fall of the Soviet Union. Since then Moscow has funded several military construction projects in the country. In return, Nicaragua has allowed Russia to establish intelligence collection facilities on its soil.¹¹⁷

The precise goals of the Russian return to Latin America are unclear. These moves may be in part the diplomatic equivalent of Russia's resumption of long-range bomber flights toward U.S. airspace or the occasional deployment of Rus-

¹¹¹ Sara Miller Llana, "Russia's New Presence in Latin America", *Christian Science Monitor*, November 25, 2008.

¹¹² "Major Arms Deals by Latin American Countries," *Reuters*, September 16, 2009. "Latinamerica [sic] turns to Europe, Russia and China for military hardware," *MercoPress*, September 8, 2009.

¹¹³ "Russia Vows to Keep Arms Deals with Caracas After Chavez Death," *RIA Novosti*, March 6, 2013.

¹¹⁴ The Soviet Union had access to Cuban bases during the Cold War. One facility, a major signals intelligence (SIGINT) station at Lourdes, Cuba, remained open until 2001.

¹¹⁵ Admiral Viktor Chirkov's remarks were initially reported by the state-run Russian news agency RIA. "Russia Wants Naval Bases Abroad: Report," *Reuters*, July 27, 2012.

¹¹⁶ Bill Gertz, "Inside the Ring: Russia Boosts Cuba Ties," *Washington Times*, July 31, 2013.

¹¹⁷ Ilan Berman, "The Russian Beachhead in Nicaragua Keeps Growing," *Wall Street Journal*, July 8, 2013.

sian submarines off the eastern seaboard;¹¹⁸ that is to say, they are meant to be a reminder to the United States of Russian military might. Most likely Russia's principal motives are twofold: first, to promote its self-image as a world power, and second, to create the option to stir up trouble in the region as a means of imposing costs on the United States and distracting attention from other Russian activities that might stimulate U.S. opposition.

China

If Russia's efforts in the region are modest by recent historical standards, the opposite is true for China. The country now boasts the world's second-largest economy, fueled in part by massive construction projects and growth in manufacturing that demand ever-increasing quantities of raw materials as well as a large and growing middle class with a rapidly growing demand for a better diet including meat, fish, and other food products. As one observer has noted, "Latin America was hardly on China's radar screen until the turn of the century, when the Asian giant's entry into the World Trade Organization allowed it to integrate more fully into the world economy."¹¹⁹ Since that point, trade and diplomacy between China and Latin America have increased dramatically, driven primarily by China's need to secure broader access to natural resources and agricultural commodities.¹²⁰

To place the situation in context, consider that in 1980 China's GDP was roughly one-seventh that of Latin America. By 2007, it was nearly equal.¹²¹ Latin American exports to China increased from nearly \$3 billion a year in 1999 to \$21.7 billion in 2004.¹²² By 2008, total annual trade between Latin America and China had increased to \$140 billion,¹²³ while between 2000 and 2011, China's imports from Latin America increased twentyfold from \$3.9 to \$86 billion.¹²⁴ China has become a key trading partner to many countries in the region and

Russia's principal motives are twofold: first, to promote its self-image as a world power, and second, to create the option to stir up trouble in the region.

¹¹⁸ For example, see Bill Gertz, "Russian Bombers Buzz U.S. Territory—Again," *Washington Times*, May 6, 2013, available at: <http://www.washingtontimes.com/news/2013/may/6/russian-bombers-again-fly-close-to-us/?page=all>; and Mark Mazzetti and Thom Shanker, "Russian Subs Patrolling off East Coast of U.S.," *New York Times*, August 4, 2009, available at: <http://www.nytimes.com/2009/08/05/world/05patrol.html>.

¹¹⁹ Kevin Gallagher, "China Discovers Latin America," *Berkeley Review of Latin American Studies*, Fall 2011, p. 8.

¹²⁰ Robert D. Kaplan, "The Geography of Chinese Power," *Foreign Affairs*, May/June 2010.

¹²¹ Rhys Jenkins and Enrique Dussel Peters, eds., "China and Latin America: Economic Relations in the Twenty-First Century," *German Development Institute* (Bonn), 2009. p. 5.

¹²² Kerry Dumbaugh and Mark P. Sullivan, *China's Growing Interest in Latin America* (Washington, DC: Congressional Research Service, April 20, 2005), p.2.

¹²³ Tyler Bridges, "China's Big Move into Latin America," *The Christian Science Monitor*, July 12, 2009, available at: <http://www.csmonitor.com/World/Americas/2009/0712/p06s10-woam.html>.

¹²⁴ Patricia Rey Mallen, "Latin Lovers: China and U.S. Both Vying to Increase Influence and Trade in Latin America," *Caribbean International Business Times*, May 30, 2013.

now ranks as Brazil's and Chile's top trading partner and Argentina's and Peru's second largest partner.

Chinese direct investment in Latin American companies increased fivefold between 2005 and 2010. Almost all of this investment has been "resource seeking" investment in sectors that produce commodities like oil and copper for export.¹²⁵ China has provided roughly \$75 billion in loan commitments to Latin American states since 2000 with Venezuela, Brazil, Argentina, and Ecuador the top recipients.¹²⁶ China's state-subsidized export-important bank now out-finances the U.S. Export-Import Bank by a factor of four. Of the \$194 billion lent to Latin America states between 2005 and 2011, China provided \$74 billion.¹²⁷ Between 2007 and 2012, China loaned \$42.5 billion to Venezuela, arguably the most hostile Latin American regime to the United States outside of Cuba.¹²⁸ At the close of 2010, China had arranged a series of energy deals in the region totaling \$66 billion for access to gas, oil, and partnership stakes in major regional energy companies.¹²⁹ China has also proposed to finance a pipeline to move Colombian and Venezuelan oil to the Colombian Pacific coast.¹³⁰ These investments have provided China with political clout in the region as well as economic access.

Beijing has also established a modest role as arms supplier to Latin America, closing arms sales agreements with Argentina, Bolivia, Cuba, Ecuador, Paraguay, Peru, Uruguay, and Venezuela.¹³¹ Chinese arms sales have increased from roughly \$100 million in 2004-2007 to \$600 million in 2008-2011, with Venezuela a favored customer.¹³² In order to increase their attractiveness to foreign buyers, much of this equipment has been offered at "friendship prices."¹³³ Meanwhile, high-level visits and educational exchanges of military personnel have increased dramatically, although the scale of military exchanges

¹²⁵ Gallagher, pp. 8-9.

¹²⁶ Except for Brazil, these states are "non-credit worthy" countries that cannot obtain credit in international capital markets.

¹²⁷ Jon Brandt et al., *Chinese Engagement in Latin America and the Caribbean: Implications for US Foreign Policy* (Washington, DC: American University School of International Service, 2012), pp. 5-6. In second place was the Inter-American Development Bank with \$67 billion.

¹²⁸ Charlie Devereux, "China Bankrolling Chavez's Re-Election Bid with Oil Loans," *Bloomberg*, September 26, 2012.

¹²⁹ Andres Cala, "China Roots Spread in Latin America with New Deals," *Energy Tribune*, December 22, 2010, available at: <http://www.energytribune.com/articles.cfm/6153/China-Roots-Spread-in-Latin-America-with-New-Deals>.

¹³⁰ Simon Hall, "Colombia, China Strike Oil Deals," *The Wall Street Journal*, May 9, 2012, available at: <http://online.wsj.com/article/SB10001424052702304203604577394022580435862.html>.

¹³¹ Loro Horta, "In Uncle Sam's Backyard: China's Military Influence in Latin America," *Military Review*, September-October 2008, pp. 50-51.

¹³² Jon Brandt et al., pp. 14-15.

¹³³ Horta, pp. 51-52.

between Latin America and China remains a small fraction of those between Latin America and the U.S. military. As with military sales, Venezuela has emerged as a focus of Chinese military engagement within the region for visits and exchanges.

In addition to Venezuela, Brazil appears to be a growing (and perhaps central) focus of Chinese efforts to increase its military-to-military engagement within the region. As part of a general surge in military-to-military contact, China is collaborating with Brazil on aircraft carrier training.¹³⁴ In exchange for assisting the PLA in training on carrier flight operations using the Brazilian carrier *Sao Paulo*, there are reports the Chinese will assist the Brazilian military in its efforts to construct nuclear-powered submarines.¹³⁵ The two nations have also cooperated for more than two decades on the development and launching of earth observation satellites.

As suggested by the narrative above, despite its economic might, China's military activity in the region remains quite modest and substantially below that of either Iran or Russia. PLA deployments have been small and nonthreatening: modest numbers of military police were formerly deployed on a multi-year peace-keeping mission in Haiti, and a Chinese Navy destroyer and logistics ship visited several ports on the Pacific coast of Latin America in 2009.¹³⁶

That said, history shows how quickly powers external to the region can emerge to challenge its security. Looking out a decade or so, there are reasons to think that China might be interested in expanding its military presence in the Western Hemisphere, particularly if Beijing's relations with Washington continue to erode. In addition to the desire to protect China's growing economic interests, one finds that:

Nothing in the public discourse of the Chinese leadership, policy papers, or debates suggests that Latin America is considered in the short term as a base for military operations. Nonetheless, in the long term, when the PRC is both economically and militarily more powerful than it is today, the ability to deter a strategic adversary such as the United States through holding it at risk in its own theater, and to disrupt its ability to project power at home before those forces can reach the PRC, is consistent with . . . a holistic, asymmetric approach towards warfare.

Within this broad approach, China's military ties in Latin America afford geographically-specific benefits, such as collecting intelligence on

Looking out a decade or so, there are reasons to think that China might be interested in expanding its military presence in the Western Hemisphere.

¹³⁴ Ibid, pp. 54-55.

¹³⁵ Kai Thaler, "Using BRIC to Build at Sea: The Brazil-China Aircraft Carrier Agreement and Shifting Naval Power," *IPRIS Viewpoints*, January 2010, pp. 1-2, 4-5.

¹³⁶ It is reported, however, that the PLA has a presence at three Soviet-era surveillance sites in Cuba at Lourdes, Bejucal, and Santiago de Cuba. R. Evan Ellis, *China-Latin America Military Engagement: Good Will, Good Business, and Strategic Position* (Carlisle, PA: Strategic Studies Institute, 2011), p. 39.

the operation of U.S. forces, creating diversionary crises, closing down strategic chokepoints such as the Panama Canal, or conducting disruption operations in close proximity to the United States.¹³⁷

The acquisition of bases in Latin America and the rotational deployment of Chinese forces to host countries in the region would be in line with the broad approach described above. In recent years there has been a great deal of speculation that a number of commercial infrastructure improvements in the Indian Ocean basin (often called the “string of pearls”) being carried out by Chinese companies or funded with Chinese assistance are, in fact, designed as “dual-use” facilities capable of hosting Chinese air and naval forces. Chinese leaders know that there are many unknowns in assessing what its geostrategic position will be a decade or so in the future. Dual-use facilities provide Beijing with “options to hedge against the unknown,” whether or not it chooses to execute them.¹³⁸ This being the case, it is conceivable that China might pursue a similar approach in Latin America, where Chinese companies operate a number of extant port facilities and are constructing more.¹³⁹

Concerns along these lines have heightened with the recent announcement that a Hong Kong-based firm won a concession from the Nicaraguan government to design, build, and manage a \$40 billion canal to rival Panama’s. The project calls for constructing a canal that may run as long as 180 miles, two deep-water ports, two free-trade zones, an oil pipeline, a railroad, and an international airport. Nicaragua will own 10 percent of the company with its ownership increasing by ten percent each decade until it reaches full control in a century.¹⁴⁰ This raises the question of whether China would be any less likely to employ military force to protect its interest in such a strategic asset than were the British with respect to the Suez Canal or the Americans and the Panama Canal.

As suggested above, China enjoys close relations with a number of states in the region, including Venezuela and other members of the Bolivarian Alliance that might provide base access. Depending upon their location, these bases might prove useful hosts for ballistic missiles threatening the United States from the south or PLAN submarines capable of conducting commerce raiding operations in U.S. home waters. Moreover, some of these states have cooperative relationships with non-state actors (e.g., the FARC; Hezbollah) that could serve as proxies for

¹³⁷ Ibid, pp. 8-9.

¹³⁸ James Holmes, “Don’t Worry About China’s String of Pearls... Yet,” *The Diplomat*, July 9, 2013.

¹³⁹ Adriana Erthal Abdenur, “China in Latin America: Investments in Port Infrastructure,” *BRICS Policy Center*, May 2013.

¹⁴⁰ Jose de Cordoba, “Nicaragua Revives Its Canal Dream,” *Wall Street Journal*, June 13, 2013, available at: <http://online.wsj.com/article/SB10001424127887323734304578543432234604100.html>.

China.¹⁴¹ China could employ proxies in pursuit of a number of objectives to include diverting U.S. attention and military resources from a crisis or conflict in East Asia, such as a standoff over Taiwan or the disputed Senkaku islands.

Summary

U.S. security interests in Latin America will be increasingly tested by both indigenous countries, such as those comprising the Bolivarian Alliance, and by non-state entities. In some cases, indigenous actors will be aided and abetted by powers external to the region. Relatively speaking, the United States is less well positioned to counter such efforts than any time in the recent past. The cost of projecting power along traditional lines is increasing dramatically, perhaps prohibitively given the diffusion of advanced weaponry and the Pentagon's shrinking defense budgets which are straining the U.S. military's ability to meet the nation's global commitments.

Yet the United States ignores these trends at its peril. As the history of two centuries reveals, the security situation in the region can deteriorate quickly, and both state and non-state actors that seem to have little in common are capable of uniting to impose costs on a common enemy, often the United States. In the following chapter, a hypothetical scenario is used to illustrate how, based on the regional security trends presented in this chapter, disparate forces could combine to pose a major security challenge to regional stability and U.S. interests.

¹⁴¹ A precedent for this approach was established during the Cold War by the Soviet Union, which supported Cuba as a proxy, which in turn supported other communist guerrilla movements in Latin America and Africa.

CHAPTER 3: THE MEXICAN CRISIS OF 2022

This chapter presents a scenario whose purpose is to stimulate thinking about prospective challenges to U.S. security in Latin America as a means of supporting the development of a long-term U.S. strategy for the region. Toward this end it draws upon and extends the trends outlined in the previous chapter and describes how they might come together in the future in ways threatening to regional stability and U.S. interests.

April 8, 2022

In Washington, the President of the United States is preparing to address the nation on the deteriorating situation in Latin America. According to extracts from his prepared remarks that have been provided to the media, the president will announce that the United States now faces the “gravest regional challenge to our security since the Cuban Missile Crisis” and that “A number of alarming trends have combined to create this threat to our security. Addressing it requires the United States to take prompt action.” Although details have not been provided to the media, experts anticipate that the president will announce a number of major initiatives to restore order at home and stability to violence-plagued areas in Latin America, with priority going to Mexico, which risks collapsing into a failed state.

As the American people wait to hear what actions the president intends to take, it is worth reviewing both the roots of this crisis and its proximate causes.

The Narco Wars

Although the situation in Mexico has deteriorated rapidly in recent weeks, the present crisis has been decades in the making. Since the 1980s Mexican drug trafficking organizations have been steadily growing in power. To protect their supply chains from police and competitors and to attack those of their rivals, the cartels

built up ever larger, and better armed, forces of *sicarios*. Government officials and police who stood in their way were offered a choice between being corrupted or killed. By the mid-2000s, the cartels had come to rival the Mexican government in their ability to exert control over large swathes of territory. Working with networks of regional partners and affiliates, the cartels were also able to expand their control up the narcotics supply chain into Central America and the cocaine-producing areas of South America. Through their drug distribution networks they expanded their reach into the United States, which remains the primary market for their products.

To combat the growth in the cartels' power and the increase in violence that accompanied it, the Mexican government deployed thousands of military personnel and federal police to cartel-dominated areas in 2006 and undertook targeted efforts to capture or kill senior cartel leaders. While the deployment of the military and federal police did yield some impressive successes, the "decapitation raids" that removed cartel leaders unintentionally prompted infighting within and among the cartels to fill the power vacuums created, thereby increasing the overall level of violence. Fighting among and between the cartels and with government law enforcement forces led to a ten-year period of intense violence (2006-2016) that has since become known as the "First Narco War." Where cartel forces came into competition with one another for control of major *plazas* like Ciudad Juarez along Mexico's border with Texas, protracted, three-way conflicts between warring cartels and government forces resulted in thousands of the deaths and the displacement of hundreds of thousands of civilians. In many areas, citizens formed vigilante "self-defense groups" and local militias, further undermining the government's control.

Ultimately, it was only the defeat and subordination of the other cartels by the powerful Sinaloa Federation in the early to mid-2010s that restored some degree of stability and enabled the Federation and the Mexican government to reach a *modus vivendi* in 2016 that was profitable for both the cartels and corrupt government officials. Although this outcome reduced the bloodshed to the relatively tolerable levels seen prior to 2006, it did nothing to reduce the aggregate power of the cartels or their influence and control in Mexico and Central America. Yet the relative peace that resulted from the Sinaloa Federation's rise to hegemony only lasted for a few years.

In August 2019, the death of the Federation's chief along with several of his top lieutenants in a helicopter crash prompted a succession crisis that broke the Sinaloa Federation into multiple warring cartels. Violence skyrocketed, quickly exceeding even the levels seen in Ciudad Juarez at the height of the First Narco War. Desperate to gain a tactical advantage over their rivals, the cartels raced with each other to acquire better weapons, better training, and more ruthless tactics for their armies of *sicarios* to employ. In addition to affiliated gangs within the United States, the embattled cartels frantically sought external sources of sup-

port, including from the Russian and Chinese mafias (with the tacit support of their governments), Hezbollah's networks in Latin America, extremist groups in West Africa, and Iranian Quds agents in Central America.¹⁴²

Initially, the Mexican government sought to stay out of the renewed conflict, hoping that one splinter cartel would quickly establish its dominance and restore stability. As a result of the government's passivity, much of Mexico, including a vast swathe along the border with the United States, once again fell under the domination of the cartels. In such areas, cartel activities expanded from a narrow focus on wholesale drug trafficking to encompass the smuggling of migrants, extortion, kidnapping, piracy, oil theft, and the retail sale of drugs to the local populace. North of the border, fighting among the cartels' retail arms and affiliated gangs resulted in a surge of violence along the border and in cities across the United States that has killed dozens of police officers.

By the end of 2020, it was clear to observers in both Washington and Mexico City that the Second Narco War, as the new surge of violence was now called, promised to be a protracted and extremely bloody affair. In Mexico, the government found itself between "a rock and a hard spot," as one long-time observer concluded. On the one hand its *modus vivendi* with the cartels had collapsed. At the same time the government confronted rapidly growing popular outrage over the widespread violence, along with the progressive loss of authority as the people turned increasingly to vigilante militias for protection. North of the border, a new American president was elected in November with a promise to "wage all-out war" on the cartels. Upon taking office in January 2021, he persuaded the increasingly concerned Mexican government that aggressive action was urgently needed, and that the United States was willing to commit the necessary resources to support it. In brief, if the government could not "join" the cartels in restoring their old live-and-let-live arrangement, it would have to try and "beat" them with U.S. support and, hopefully, the active support of the Mexican people as well.

Operation Rodeo and Its Blowback

Codenamed Operation Rodeo, the joint U.S.-Mexican counter-drug offensive was launched in March 2021. U.S. support was modeled on the interagency assistance provided during the highly successful Plan Colombia operation. In addition to providing intelligence, equipment, and several billion dollars in financial support to the Mexican agencies engaged in the operation, the United States deployed Coast Guard cutters, Navy littoral combat ships, and maritime patrol aircraft off Mexico's Pacific and Gulf coasts to help interdict the movement of drugs by sea. Seven National Guard brigade combat teams and their supporting elements—some 45,000 troops

¹⁴² An overview of these entities' connections to Latin America is provided in Chapter 3. All are present or involved in illicit activity in the region today.

in all—were deployed in support of U.S. and Mexican border control forces as well as state and local law enforcement forces to patrol and conduct surveillance along the U.S.-Mexican border. Working in conjunction with the Guard in a controversial program named Operation Neighborhood Watch, Air Force drones and electronic surveillance aircraft were deployed along the U.S.-Mexican border to monitor cartel activity and support law enforcement operations.

As in the early stages of the First Narco War, the Mexican military and Federal Police were deployed to secure areas where overwhelmed police forces had effectively ceded control of the streets to the better-armed *sicarios* and, in some areas, vigilante self-defense groups. The federal troops and police confronted stiff resistance from cartel forces employing guerrilla tactics, improvised explosive devices, and an arsenal of machine guns, anti-tank rockets, and mortars. After several months of intense fighting, however, government forces were successful in reestablishing a strong presence, if not total control, in most of the cartel-dominated areas. Meanwhile, targeted raids succeeded in capturing or killing a handful of cartel leaders and in seizing large quantities of drugs.

The backlash from the cartels came swiftly and violently. Feeling the pressure of the joint offensive by Mexican and U.S. forces, and apparently believing that deterring government interference would be easier than defending their operations from it, during the summer of 2021 several cartels resolved to conduct an all-out offensive against the Mexican government with the goal of compelling it to abandon its campaign. Toward this end the cartels resorted to many of the same spectacularly violent tactics they employ to intimidate one another. During the second half of 2021, attacks on soldiers and police increased dramatically in number and grew increasingly brutal in nature. Often, soldiers and police killed or captured by the cartels were found decapitated or horribly mutilated. Political and security officials and their families were targeted for assassination or murder, respectively, with several hundred killed in shootings and bombings. Along with hundreds of municipal officials, the slain include six congressmen, three generals, and an assistant attorney general killed when her helicopter was brought down by a shoulder-fired surface-to-air missile. Relatives of law enforcement and military officials were abducted and executed, as were members of vigilante groups loyal to Mexico City. Public declarations by the cartels and notes left at the scenes of such crimes warned that such violence was the consequence of government interference in their affairs.

Foreign Interposition

Although the power and violent behavior of the cartels poses the most immediate threat to U.S. security interests in Latin America, a number of other actors have contributed significantly to the region's growing instability over the past decade. Among them are China, Iran, and Russia. While these external powers all seek to avoid a di-

rect confrontation with the United States, all appear to have a common interest in seeing the United States' influence in the region decline and American military resources drawn away from their own regions by the worsening crisis in Mexico.

From within Latin America, members of the Bolivarian Alliance for the Americas (ALBA) including Venezuela, Ecuador, Bolivia, Nicaragua, and Cuba have persistently opposed U.S.-led efforts to improve regional security cooperation. Some of these states have developed highly profitable relationships with the cartels and tacitly provided sanctuaries for drug traffickers, arms dealers, and foreign agents within their borders. Chief among them is Venezuela, which, with the encouragement and tacit support of Iran and Russia, has been a constant obstacle to U.S. policy in the region since the Chavez era. More recently, Nicaragua has grown into a hub of illicit activity. Emboldened by an increasingly close security relationship with China and Russia, Caracas has worked to undermine U.S. efforts to help stabilize democratic governments in Central America. Russia maintains its intelligence listening station in Nicaragua. Beijing has deployed military training teams to that country along with security detachments (i.e., a PLA military police brigade) to protect the recently completed "grand canal" that is co-owned and operated with the Nicaraguan government. Beijing has warned that it would act strongly to meet any threat to the canal, a policy that some have dubbed the "Mini-Monroe Doctrine."

Perhaps the most active external power in Latin America has been Iran. In return for military and developmental assistance, members of the Bolivarian Alliance are believed to be providing access and bases of operations in the region to Iran's Quds Force. Since at least the early 2010s, when its agents plotted with a member of a Mexican cartel to assassinate the Saudi Arabian ambassador to the United States,¹⁴³ Iran has been using its presence in Latin America to develop cooperative relationships with criminal organizations in the region. Together, Iran's state and non-state partners have enabled it to launder money and move personnel and weapons covertly through the region.

Since the United States failed to take military action following Iran's nuclear weapons test in the 2018,¹⁴⁴ Tehran has become increasingly aggressive in its support of its Latin American partners and proxies. In what many analysts view as an effort to exacerbate the challenges that the United States faces at home and distract it from Iran's recent moves to undermine American influence in the Middle East, Iran has ramped up its use of surrogates and proxies to carry out attacks on American interests around the world. Perhaps most significantly, Iran's agents in Latin America appear to have been selling or providing relatively high-end weap-

¹⁴³ Ilan Berman, "Iran Courts Latin America," *Middle East Quarterly*, Summer 2012, p. 63.

¹⁴⁴ The international community is currently engaged in the sixth round of negotiations with Iran over its nuclear arsenal under the "5+1" initiative that includes the five permanent members of the United Nations security council plus Iran.

ons to the cartels, including rocket launchers, mortars, shoulder-fired surface-to-air missiles, guided anti-tank missiles, and even unmanned aerial vehicles. According to Mexican law enforcement officials, the majority of the heavy weapons seized from the cartels have been sold or provided to them by Iran, typically via middlemen based in Venezuela. Hezbollah, Tehran's principal proxy in the region, is also believed to have been assisting the cartels in constructing semi-submersible craft and midget submarines while providing them with autonomous underwater vehicles for use in drug running.

Finally, Russia has continued playing its familiar role as the contrarian "spoiler" of U.S. foreign policy, providing diplomatic and military assistance to the Bolivarian Alliance and obstructing U.S. efforts to work through the United Nations.

Mexico Unravels

By the end 2021, the conflict among the cartel factions and between the cartels and the Mexican government reached the levels of violence that characterized the height of the First Narco War. Although support for the war among the Mexican population hovered just above 50 percent, the joint U.S.-Mexican offensive appeared politically sustainable.

This all changed in February 2022 when, eight thousand miles away, actions by Iran to subvert and destabilize the Arab states of the Gulf Cooperation Council along the southern littoral of the Persian Gulf brought the Islamic Republic to the brink of conflict. In accordance with the United States' 2015 Cooperative Security Agreement with the GCC states, U.S. military forces began deploying to the region in mid-November to provide support for stability operations in these states and to deter Iran from engaging in more direct forms of aggression. Escalating the conflict horizontally, Iran activated its global network of agents and proxies. In the Levant, Hezbollah and Hamas unleashed a sustained barrage of attacks on Israeli territory beginning on February 7, 2021, while a suicide attack two days later by Shia militiamen on the U.S. embassy in Baghdad claimed the lives of 24 U.S. personnel.

Iran's main effort, however, came in Latin America. Exploiting their established relationships with the Mexican cartels, Iranian agents and their Hezbollah proxies began providing weapons to the cartels in exchange for their agreement to carry out attacks on U.S. citizens and interests in Mexico and to ramp up their attacks on the Mexican government.

Up to this point the larger cartels have been unwilling to risk provoking the United States directly, preferring to focus their efforts on undermining the Mexican government. However, the Iranian offer appears to have been taken up by some of the smaller cartels along with a number of rogue cartel factions. Seemingly random acts of violence against American citizens in Mexico and Central America have spiked since the start of this year as have the number and lethality

of “potshots” taken at U.S. border guards from across the border. Most provocatively, in February a car bomb exploded at a bus station in San Diego, killing 11 people and wounding several dozen more. Later that month, three DEA agents embedded with the Mexican Federal Police were betrayed and murdered by their ostensible colleagues. In March four Texas National Guardsmen were killed while patrolling the border when an anti-tank missile suspected to be of Iranian origin was fired at their vehicle from across the border. Less spectacular attacks have claimed the lives of more than sixty other Americans in the past month.

Although less lethal, another particularly dramatic series of attacks occurred over seventeen days beginning on February 14, when a series of undersea explosions crippled and sank the Mexican state oil company’s newest and largest deep-water oil platform, an asset worth hundreds of millions of dollars.¹⁴⁵ In the weeks since, undersea explosions have also destroyed three undersea wellheads several miles off Mexico’s Gulf coast, one of which is still leaking thousands of barrels of oil into the Gulf each day. Exactly how these unprecedented attacks were carried out is not known, but experts from the major oil firms say the explosives could have been emplaced by unmanned underwater vehicles commandeered from an oil company or built by the cartels for drug running.¹⁴⁶ To date no one has claimed responsibility for the attacks. Meanwhile, what appears to have been another unprecedented attack occurred on February 23 when a massive blackout struck northern Mexico and more than 30 million Americans serviced by the Texas Interconnection power grid.¹⁴⁷ Although the precise cause has not yet been determined, the blackouts were traced to computer systems regulating the flow of electricity believed to have been corrupted through cyber attacks.¹⁴⁸ Again, no group has stepped forward to take credit for the cyber strike.

By far the most significant attack, however, was carried out on March 15. On that day, unknown assailants assassinated the Mexican president during his televised speech in Mexico City. Using what Mexican authorities have identified as Russian-made GPS-guided mortar rounds, the assassins fired four shells in rapid succession from an unknown location in central Mexico City. All four shells burst

¹⁴⁵ Conversations with subject matter experts indicate that offshore oil and gas platforms are extremely vulnerable to even small explosions that could ignite the oil or gases stored in the facility or, in the case of deep-water floating platforms, breach buoyancy tanks and cause the platform to sink.

¹⁴⁶ China, Iran, and Russia all have unmanned underwater vehicles capable of reaching the Gulf of Mexico’s seabed. However, China, a major oil importer, has no interest in threatening the global oil supply. Both Iran and Russia are viewed as highly unlikely to risk a direct confrontation with the United States by attacking targets along the U.S.-Mexican continental shelf, even with proxies.

¹⁴⁷ The Texas Interconnection is a North American power grid covering most of Texas with ties to power systems in Mexico.

¹⁴⁸ As noted in Chapter 2, Iranian agents are reported to have already sought the help of Mexican hackers in disrupting the U.S. electric grid.

within ten meters of the podium at which the president was speaking.¹⁴⁹ Mortally wounded by shell fragments, the president died two days later.¹⁵⁰

In the three weeks since the assassination, the situation in Mexico has greatly deteriorated. Upon the president's death, power passed to Secretary of the Interior, a controversial figure who has been a key leader in the offensive against the cartels but has been accused of corruption by the media and opposition. Immediately upon assuming power the new president, responding to the public outcry following the assassination, ordered the military and police to surge operations against the cartels, driving the level of violence to new heights. At the same time the assassination has prompted a widespread loss of confidence in the government's power, both within the government itself and among the public.

Vigilantism and rioting are becoming more widespread. Military and police are struggling to control the chaos, but their forces are plagued by poor morale, insubordination, and increasing problems with corruption. The growing disorder threatens to produce a humanitarian crisis as essential services begin to break down in parts of the country. Several hundred thousand Mexicans have become refugees in the past month alone. Most are moving north in the hope of receiving humanitarian assistance and asylum in the United States. Some Mexicans are working through official channels; however, the U.S. Immigration and Naturalization Service is completely overwhelmed. Thousands of others are attempting to cross the border illegally each day. Law enforcement officials and National Guardsmen are struggling to control the flow, sometimes helped but more often hindered by armed, self-proclaimed U.S. "border rangers" operating in Arizona, New Mexico, and Texas.

Summary

Though clearly a "dark" scenario, the hypothetical events outlined above draw on current trends and events to demonstrate how—as has happened repeatedly throughout U.S. history—Latin America can be transformed from a strategic backwater into a significant threat when U.S. strategy for that region amounts to little more than benign neglect. In particular, the scenario illustrates how powers external to the region could plausibly exploit local instability to generate a major threat to U.S. interests in the Western Hemisphere. With this scenario serving as a cautionary tale, the following chapter outlines a U.S. strategy whose objective is to preserve regional security while enabling Washington to avoid becoming overly involved in the affairs of its neighbors or distracted from its pressing global responsibilities.

¹⁴⁹ This level of accuracy can be achieved by precision-guided mortar systems in service today.

¹⁵⁰ Thirty-two others were killed in the attack, including the president's wife, an army general, and the president's national security advisor. Over 130 other people suffered various non-lethal injuries.

CHAPTER 4: A HEMISPHERIC DEFENSE STRATEGY

The scenario presented in the previous chapter is *not* an attempt to predict the future. Rather it stands as a cautionary tale of the kinds of security challenges the United States may confront if the current situation or the negative trends outlined in previous chapters worsen. The job of U.S. policy-makers is to anticipate these prospective challenges and craft a strategy to detect and deflect them as best they can.

At present it appears U.S. policy-makers have an overly sanguine view of the situation in Latin America, quite different from the one that emerges from this assessment. Consider this statement by then Secretary of Defense Leon Panetta on the United States' official defense policy for the Western Hemisphere:

In the Western Hemisphere a remarkable transformation has taken place. Countries are doing more than ever before to advance peace and security both within and beyond their borders. Their efforts and vision provide the United States with a historic opportunity to renew and strengthen our defense partnerships in the region.¹⁵¹

Unfortunately, as noted earlier in this assessment, recent and ongoing events suggest that if, in fact, Washington's neighbors to the South are "doing more than ever before" it is because the internal threats to their security are growing, with worrisome implications for the broader region. A mixture of violent non-state actors, to include drug cartels and terrorist organizations like Hezbollah, are operating in under-governed spaces and in state-sponsored sanctuaries. In some instances they are actively aided and abetted by states like Nicaragua and Venezuela that sympathize with their ideologies or simply wish to cause trouble for the United States. At the same time, powers external

¹⁵¹ Department of Defense, *Western Hemisphere Defense Policy Statement*, October 2012, forward.

What Secretary Panetta characterized as an opportunity is more accurately an imperative. America cannot afford to take the security of the Western Hemisphere for granted.

to the region whose interests are at odds with Washington's are expanding their influence in Latin America.

What Secretary Panetta characterized as an opportunity is more accurately an imperative. America cannot afford to take the security of the Western Hemisphere for granted. As this assessment demonstrates, the probability that powers external to the region will seek to increase their influence in Latin America is increasing, especially where opportunities exist to work through local partners and proxies. Consequently, the United States and its partners in the region have a strong interest in promoting stability and, by so doing, minimizing the risks of increasing great power competition in the Western Hemisphere.

With this in mind, the remainder of the chapter outlines a hemispheric defense strategy whose principal objective is to maintain regional peace and security in Latin America.

The hemispheric defense strategy has three proximate objectives; first, to marginalize the drug cartels and other non-state actors; second, to isolate regional rivals such as Venezuela; and third, to minimize the influence of powers external to the region. These objectives are, of course, interrelated. Success (or failure) in achieving one objective will affect prospects for success in achieving the others. The ways in which these objectives might be achieved using the limited resources available are described below.

Marginalize Drug Cartels and Other Violent Non-State Actors

Despite some impressive tactical successes in the so-called War on Drugs in recent years, the cartels have proven remarkably resilient, shifting everything from their drug production sites and distribution infrastructure to their range of activities (e.g., counterfeit goods; human trafficking) when necessary to continue their operations. One thing that has not been diminished, however, and which is essential for their survival is their ability to transport illegal drugs into the United States.

While the Obama administration is undertaking efforts to reduce the demand for illegal drugs,¹⁵² pressure must be maintained on the cartels lest they simply

¹⁵² It stands to reason that the war on illegal drugs has both a supply aspect in the form of the cartels and a demand element in the form of those individuals who consume illegal drugs. The Obama administration is seeking to address the "demand problem" by placing greater priority on efforts to treat drug abusers and wean them from their addiction as well as to prevent Americans from engaging in illegal drug use in the first place. Funds for prevention and treatment now exceed those allocated for law enforcement and incarceration of drug offenders. With respect to law enforcement the administration is modifying its policies to reduce the sentences served by non-violent drug offenders, citing moral, financial, and social reasons for the decision. It is not clear, however, whether reduced sentences will serve to curb drug crime or incentivize it. Nevertheless, the administration asserts these initiatives will result in major progress in reducing drug use and its consequences by 2015. Executive Office of the President of the United States, *National Drug Control Strategy*, 2013, pp. 2-3. Available at: http://www.whitehouse.gov/sites/default/files/ondcp/policy-and-research/ndcs_2013.pdf. Currently U.S. prevention and treatment efforts are

move their illicit product to other markets, such as Europe, attempt to gain access by force by increasing the level of violence along the U.S. border, or both. The primary effort in this element of the strategy is securing the United States' "rear area" by sustaining current law enforcement funding to make it more difficult for the drug dealers to do business in the United States and more risky for those individuals seeking to buy illegal drugs. The majority of these efforts occur at the state and local level, however, and the federal government can support them by addressing that for which it alone has responsibility: securing the country's borders and working with friendly Latin American governments to suppress the cartels and other violent non-state actors engaged in the region.

Neither task will be easy, but securing the borders appears especially daunting. The United States and Mexico share a 2,000-mile border with 43 official crossing points. An estimated 250 million legal border crossings from Mexico into the United States occur each year as well as 3.5 million truck and 75 million car crossings.¹⁵³ Although the number of people crossing the border illegally has dropped in recent years—primarily due to economic factors—half a million illegal crossings were still detected in FY2011.¹⁵⁴ In that year the "effectiveness rate" (i.e., the percentage of illegal border crossers that are apprehended or turned back) was assessed to be 84 percent for the entire border, with 61 percent apprehended. The effectiveness rate of individual sectors varied between 68 and 96 percent.¹⁵⁵ Meanwhile, the chief of U.S. Southern Command reported in 2012 that the air and maritime interdiction forces under his command were intercepting only one third of all the illegal traffic they detect.¹⁵⁶

The past decade has seen modest efforts by Washington to increase security along the U.S.-Mexican border. The Secure Border Initiative (SBI), initiated in November 2005, was a Department of Homeland Security program centered on two main components. The first was "SBI-net," a network of radars, sensors, and cameras intended to detect, identify, and classify individuals and vehicles attempting to enter into the United States illegally. The second comprised infrastructure enhance-

funded at \$10.6 billion annually, while domestic law enforcement efforts are provided \$9.6 billion. Crime has declined in the United States since laws requiring minimum mandatory sentences for drug offenders were passed in the 1980s and 1990s. Federal prisons are now at 40 percent overcapacity with roughly half the inmates serving time for drug-related crimes. Dan Levine and David Ingram, "U.S. Moves to Curb Long, Mandatory Drug Sentences," *Reuters*, August 12, 2013, available at: <http://www.reuters.com/article/2013/08/12/us-usa-crime-sentencing-idUSBRE97B03320130812>.

¹⁵³ "Border Issues," *United States-Mexico Chamber of Commerce*. Available at: <http://www.usm-coc.org/b-nafta13.php>.

¹⁵⁴ Brad Plumer, "Study: The U.S. Stops About Half of Illegal Border Crossings from Mexico," *Washington Post*, May 13, 2013.

¹⁵⁵ Matt Graham, "Border Security by the Numbers," *Bipartisan Policy Center*, May 2013, pp. 3-4.

¹⁵⁶ Sydney Freedberg Jr., "US Intercepts Only 1 of 3 Drug Smugglers It Tracks, Says General," *Breaking Defense*, March 7, 2013.

ments, including fencing, roads, and lighting intended to enhance U.S. Border Patrol agents' ability to intercept those attempting illegal entry into the United States. Over the course of the program approximately 650 miles of fencing was installed along the U.S.-Mexican border at a cost of approximately \$3.7 million per mile.¹⁵⁷

Both the George W. Bush administration and the Obama administration focused SBI too heavily on “inputs”—e.g., the size of the budget for border security; the number of border security agents on duty; the number of miles of fencing built along the border—as measures of success without determining whether these efforts were actually reducing illegal access—by people or drugs—to the United States.¹⁵⁸ In 2011, six years after it was announced the SBI was terminated in large part because despite the resources lavished on the initiative, there was no compelling evidence that it had reduced the flow of illegal drugs into the United States. Whether the SBI's failure to stem the drug trade is the result of a failed approach to border security or the fact that the SBI was only able to cover a fraction of the border with security fences and surveillance systems appears a moot point. Given the program's expense and U.S. fiscal limitations, its continuation is no longer feasible.

Moreover, the focus of border security improvements to date has been on preventing illegal immigration. Yet since 2006, the number of border incidents recorded by U.S. Customs and Border Patrol has fallen by 75 percent,¹⁵⁹ primarily due to the economic slowdown in the United States, which has reduced the demand for labor, and Mexico's demographics, which have long been trending toward reduced population growth and thus reduced the need to “export” the country's “surplus” population.

Looking forward, these trends appear likely to continue reducing the flow northward of legal and illegal immigrants from Latin America. In light of these trends the priority for border control efforts should be accorded to stemming the flow of illicit drugs as well as anticipating the concerns of defense planners over the prospective infiltration of G-RAMM weaponry and weapons of mass destruction. Accordingly, the border security element of this strategy entails a shift of emphasis and effort from countering illegal immigration to counter-narcotics, counter-proliferation, counter-terrorism, and, in more concrete terms, the interdiction of those illicit transport corridors capable of moving heavy cargo. This would entail greater efforts to intercept vehicular movement by land, sea, and air and disrupt cross-border tunnel activity. It would also require investment in the surveillance capabilities (including maritime patrol aircraft, ground radars, and acoustic sensors) needed to detect them.

¹⁵⁷ “U.S.-Mexico Border Fence/Great Wall of Mexico Secure Fence,” *GlobalSecurity.org*, July 7, 2011, available at: <http://www.globalsecurity.org/security/systems/mexico-wall.htm>.

¹⁵⁸ Edward Alden and Bryan Roberts, “Are U.S. Borders Secure?” *Foreign Affairs*, July-August 2011, pp. 19-20.

¹⁵⁹ Graham, pp. 1-2.

The United States should not limit its defense of the homeland to the “one yard line,” however. It should also seek to disrupt, dismantle, and defeat the drug cartels and other worrisome non-state entities operating in the hemisphere. In countries where these actors thrive in under-governed spaces, the United States should support comprehensive combined campaigns along the lines of Plan Colombia, where U.S. and Latin American partner states fuse their efforts to enable governments to provide internal security and re-establish the rule of law for their citizens and, in so doing, make it progressively more difficult for the cartels to operate. The Mérida Initiative¹⁶⁰ launched by the United States, Mexico, and some Central American states in 2007 constitutes a step in the right direction. Referred to by some as “Plan Mexico,” this initiative has provided Mexico with some \$1.6 billion in U.S. assistance through FY2012, including \$873 million in equipment (mostly spent on 21 aircraft), more than \$100 million in inspection equipment, and \$146 million worth of training.¹⁶¹ Although a step in the right direction, this assistance appears small in comparison to that provided to Colombia and insufficient when contrasted with the scale of the challenge faced by the government of Mexico.

There are reports of a new U.S.-Mexico initiative to stem the flow of illegal drugs along Mexico’s southern border with Guatemala and Belize, which is roughly 675 miles in length. The effort would center on a security system comprising three cordons using electronic sensors and other security measures at the border with a second security line some 20 miles from the southern border and a third line some 140 miles into Mexico.¹⁶² Although this border is a lawless, highly permeable area that is indeed worthy of attention, the technology-centric approach being discussed seems similar to the U.S. Secure Border Initiative, which yielded uncertain results at high cost.

The United States should not limit its defense of the homeland to the “one yard line.”

¹⁶⁰ Originally created in FY2008 as part of the Mexico-focused counterdrug and anticrime assistance package known as the Mérida Initiative, the Caribbean Basin Security Initiative (CARSI) provides the seven nations of Central America with equipment, training, and technical assistance to support law enforcement and interdiction operations. CARSI seeks to strengthen the capacities of governmental institutions to address security challenges as well as the underlying economic and social conditions that contribute to them. Between FY2008 and FY2010, the United States provided Central America with \$260 million under this initiative. Meyer and Seelke 2011, pp. 18,20. The five primary goals of the initiative are to: create safe streets for the citizens of the region; disrupt the movement of criminals and contraband within and among the nations of Central America; support the development of strong, capable, and accountable Central American governments; establish effective state presence and security in communities at risk; and foster enhanced levels of security and rule of law coordination and cooperation among the nations of the region. In brief they are very similar to those of the Mérida Initiative.

¹⁶¹ Clare Ribando Seelke and Kristin M. Finklea, *U.S.-Mexican Security Cooperation: The Merida Initiative and Beyond* (Washington, DC: Congressional Research Service, 2013), pp. 8-9.

¹⁶² Bill Gertz, “Obama Administration Considers Plan to Bolster Mexico’s Southern Border,” *Washington Free Beacon*, August 22, 2013.

A more effective approach to suppressing the drug cartels and other threatening non-state actors in Latin America centers on adapting the successful operational concepts and capabilities developed and employed by the U.S. military and intelligence arms over the past dozen years to identify and locate the leaders of radical Islamist groups. The challenges of terrorist “man-hunting” operations and counter-drug smuggling operations are similar in some important ways. For example, drug trafficking organizations resemble the extremist organizations that U.S. forces have been targeting in that they are clandestine networks that employ similar methods to survive and operate. However, unlike counter-terrorism “man-hunting” operations, where U.S. forces have taken a clear lead in “finding, fixing, and finishing” targets including group leaders, these forces should generally assume a supporting and enabling role to local forces, similar to that which they played in Plan Colombia.

Most importantly, success centers on acquiring good intelligence. Simply put, if U.S. and Mexican authorities know where illegal cargo is being moved and the names and locations of the drug cartel’s leadership, they can be quickly and effectively intercepted. Leveraging U.S. capabilities, particularly in human intelligence (HUMINT) and signals intelligence (SIGINT), will likely prove indispensable to meeting this challenge along with teams of Mexican and U.S. Special Operations Forces (SOF)¹⁶³ that can act quickly to exploit this intelligence, which is often time-sensitive when it comes to intercepting high-value mobile targets.

These kinds of operations offer several advantages. First, they can be executed while maintaining a small U.S. footprint, an important factor where concerns over “Yankee imperialism” remain strong. Second, they can be undertaken and sustained at far lower cost than traditional military operations. Finally, they enable the United States to leverage the service of its citizens with a Latin American heritage. Many of these individuals possess exceptional language skills and cultural awareness of their family’s country of origin—characteristics that are particularly valued for intelligence operations and building up partner state security forces.

This approach, based on the successful U.S. experience in Plan Colombia and in targeting terrorist leaders in the Middle East and Central Asia, should be extended to assist other friendly states in Latin America threatened with internal disorder brought about by narco criminals, insurgent groups, or terrorist organizations. The use of SOF and U.S. law enforcement specialists to train indigenous forces can build partner capacity in friendly states, better enabling them to suppress hostile elements before they gather momentum. Similarly, a broad-based U.S. Hemispheric intelligence effort in coordination with regional partner states can act as an early warning system of sorts to identify threats while in their nascent stage while relatively easy to counter.

¹⁶³ Special Operations Forces deployed on extended patrols can also be an excellent source of intelligence.

Contain Regional Rivals

Beyond shoring up partner Latin American states, the hemispheric defense strategy proposed here calls for containing those states who pose threats to regional harmony and stability, in part by aligning themselves with non-state criminal, insurgent, and terrorist organizations. Such states could also become partners or proxies for powers external to the region, such as China, Iran, and Russia. Venezuela, Cuba, and Nicaragua have already entered into such partnerships with Iran, Russia, or both.

As noted in Chapter 2, the most enthusiastic partners of both violent non-state groups and external powers are the members of the Bolivarian Alliance (ALBA). Although the focus of this report is on military strategy and defense policy, countering the ALBA's spread and influence will require Washington to employ the full range of its instruments of power, including economic "carrots" as well as military assistance "sticks."

While the United States has been the dominant military power in the region for over a century, it has typically been more attractive to Latin American states as a trading partner and source of investment than as a military ally. Today, despite growing competition from China, the United States remains the dominant economic and trading partner in the region, with some \$843 billion in trade occurring last year.¹⁶⁴ In recent years, efforts by the United States to expand this trade (by proposing a Free Trade Area of the Americas, for example) have been strongly opposed by Venezuela and the other ALBA states. Meanwhile, the United States has concluded bilateral trade agreements with Chile, Peru, Colombia, and Panama that have been highly beneficial to these states' economies. Today, the value of close economic ties with the United States is clear when one contrasts the growth it has enabled in its close trading partners with the poor economic performance of Venezuela and the other ALBA states. This suggests the United States should give priority to negotiating similar bi-lateral agreements with other willing states if ALBA's leaders continue to oppose a comprehensive regional agreement. These efforts would go a long way toward limiting the appeal and further growth of ALBA membership, and it could lead, in time, to its isolation and demise.

Still, the behavior of those states already aligned against the United States and its partners in the region remains highly problematic. While the ALBA states pose little conventional military threat to the United States or its partners, their willingness to cooperate with both violent non-state actors like the FARC and Hezbollah and external powers like Iran and Russia has a destabilizing influence on the region and thus threatens U.S. security. If the United

¹⁶⁴ Tim Padgett, "The Obama Administration Looks to Latin America After Years of Neglect," *Time World*, May 13, 2013.

States and its partners are successful in marginalizing the cartels and disrupting, defeating, and dismantling other non-state threats in the region, they may be able to discourage such behavior. But the United States should retain the capability to take more direct action if necessary. Due to its costs, demands on U.S. forces, and deleterious effect on America's standing in the region, direct military intervention in Latin America should be an option of last resort, and even then it would be best undertaken in conjunction with other states in the region. But there are other military actions that the United States could threaten in order to deter ambiguous aggression by states in the region such as supporting indigenous resistance groups against regimes that continue to threaten the security and interests of the United States and its partners in the region. Again, these operations are best conducted with the support of other allies in the region.

Minimize External Power Influence

The United States must be more proactive if it is to maintain its influence in the region in the face of growing competition from China, Russia, and Iran.

As the challenges posed to U.S. security by non-state threats, hostile Latin American regimes, and powers external to the region are interrelated, success against one group can support efforts to address challenges posed by the other two. Success by the United States and its partners in marginalizing the drug cartels and other non-state actors and containing antagonistic states in the region could foreclose opportunities for Beijing, Moscow, and Tehran to expand their influence in the region and employ these local actors as their proxies. That said, the United States must be more proactive if it is to maintain its influence in the region in the face of growing competition from China, Russia, and Iran. At present, America's influence in Latin America appears to be waning as other powers expand their engagement with the region. Yet there are actions that the United States can and should take to preserve its influence in the region and prevent its accrual by others.

Again, one of the United States' most effective instruments is its considerable economic power. As noted above, the United States is still the dominant economic power and trading partner in the region, with some \$843 billion in trade occurring last year. This far exceeded the region's trade with any other outside power, but the competition is growing. China's trade with the region has grown from \$10 billion in 2000 to more than \$261 billion in 2012 and is projected to reach \$400 billion by 2017.¹⁶⁵ Also worrisome is the decline in U.S. direct investment in the region, which can be expected to continue if the United States fails to get its eco-

¹⁶⁵ Li Mi, "Xi's Trip Ushers in New Chapter for China-Latin American Relations," *Xinhua*, June 5, 2013, available at: http://news.xinhuanet.com/english/china/2013-06/05/c_132432058.htm.

conomic house in order.¹⁶⁶ These trends offer yet another reason for according priority in the U.S. hemispheric security strategy to expanding free trade and bilateral economic activity between the United States and willing partners in the region to counter growing external influence and to undermining the appeal of aligning with hostile states within the region.

In tandem with its economic engagement, the United States should make every effort to remain the security partner of choice in the face of growing competition from China, Russia, and—to a lesser extent—Iran. States in the region will want assistance from those outside powers that can help them address their greatest security concerns. Assistance in marginalizing violent non-state actors will be appreciated, but the U.S. military and defense industry also need to anticipate how the threats these states face might change as the geopolitical situation evolves and new military technologies emerge and proliferate. As noted earlier in this assessment, the diffusion of advanced capabilities including precision-guided weapons, unmanned systems, and cyber capabilities to irregular forces in the region would create major challenges for current and prospective U.S. security partners. The potential that non-state actors will use these capabilities to threaten key elements of a country's infrastructure—for example, by employing cyber weapons to attack the power grid or using unmanned underwater vehicles to inflict damage on undersea economic assets—cannot be discounted. It is therefore imperative that the U.S. military anticipate such developments and promptly identify how best to deter and defend against such attacks and, should deterrence fail, how best to limit the damage they cause.¹⁶⁷

¹⁶⁶ For example, U.S. investment in Brazil dropped from 37 percent of that country's foreign investment in 1995 to 10 percent in 2011, while China emerged as Brazil's leading trading partner. Gary Regenstein, "The Looming U.S.-China Rivalry Over Latin America," *Reuters*, June 12, 2013, available at: <http://blogs.reuters.com/great-debate/2013/06/12/the-looming-u-s-china-rivalry-over-latin-america/>.

¹⁶⁷ If history is any guide, this effort will initially be centered on a thorough assessment of how these capabilities might be used to maximum advantage by state and non-state rivals. The next step involves developing operational concepts that describe how the various of U.S. and allied military forces and capabilities can best be combined, positioned, and employed to address the challenges posed by the enemy. Once a viable operational concept is identified, the next step traditionally involves war gaming to explore the interaction dynamic between enemy and friendly forces, enabling the operational concept to be refined as necessary. At this point, promising operational concepts that are under serious consideration for being adopted as doctrine by the U.S. military should be subjected to rigorous testing through high-fidelity simulations and field exercises. The results of these activities can inform the size and mix of U.S. military capabilities and how they might best conduct operations, either alone or in conjunction with allies and partners. Finally, as the competitive environment is constantly changing, this effort must be persistent so as to incorporate these changes. For an elaboration of this process, see Andrew F. Krepinevich, "Military Experimentation: Time to Get Serious," *Naval War College Review*, Winter 2001, pp. 76-89; and Andrew F. Krepinevich, *Lighting the Path Ahead: Field Exercises and Transformation* (Washington, DC: Center for Strategic and Budgetary Assessments, 2002).

In addition to foreclosing opportunities to inflict significant harm on the United States and its allies, the development of effective U.S. counters to these emerging threats would almost certainly enhance the United States' appeal as an ally and partner. In particular, Washington's stock could rise dramatically with the two most capable countries in Latin America: Brazil and Mexico. Offshore energy production is a major component of both countries' economies, and if the U.S. military were to develop effective defenses against the emerging threat to the undersea infrastructure, it could significantly enhance America's attractiveness as an ally to these key states. The same might be said regarding U.S. cyber defense capabilities, which could provide a counter to state and non-state cyber threats that are likely to be of growing concern to countries across the region. As China becomes an increasingly attractive source of more basic military assistance, the ability and willingness to provide assistance in these two areas of growing importance could also help the United States remain the security partner of choice going forward.

The measures proposed above all concern Latin America, but the competition for influence in this region should not be viewed in isolation. In reality the Western Hemisphere and Latin America in particular constitute only one theater in a much broader contest between the United States and its geostrategic rivals. As China, Russia, and Iran are all engaged in a global strategic competition with the United States, Washington should not artificially constrain its strategy for hemispheric defense solely to actions in the Americas. Indeed, one way to reduce the temptation for powers external to the region to develop and employ local proxies against the United States is for Washington to be prepared to respond in kind in other theaters where competitors have more at stake. Although this may sound like a provocative course of action, the need to cultivate and maintain the capacity to wage proxy wars by enhancing the U.S. military's capability and capacity to wage unconventional warfare should come as no surprise to those with memories of the Cold War, which saw the two super powers as well as other states vigorously engaged in this form of conflict. Indeed, Iran has been waging this form of warfare against the United States and its allies practically since the inception of its Islamist republic. While the measures advocated elsewhere in this chapter should minimize the opportunity for external powers to meddle in Latin America, the threat that the United States might retaliate in *their* "backyards" could greatly reduce their incentives to do so.

Final Thoughts

As the history of past U.S. strategy for hemispheric defense illustrates, strategy must evolve in response to changing circumstances. Since the competition for influence in Latin America is likely to be protracted, it will be necessary to review and revise the strategy on a persistent basis, incorporating new factors bearing on the situation and adapting elements of the strategy as necessary.

This strategy, like all others, is not without risk. There are many factors involved in its successful execution, and many lie beyond the United States' ability to control. This risk could be "bought down," in Pentagon parlance, by allocating to the region more funds and resources than advocated here. However, as with any strategy, there are competing priorities to consider. Reflecting the relatively high scale of the challenge to U.S. interests in the Western Pacific and Middle East, the Defense Strategic Guidance released in 2012 accords top priority to these two regions. While the demands of maintaining peace and stability in Europe are rapidly dwindling, the level of effort required to meet the United States' commitments to its allies and partners in Asia and the Middle East will likely remain high. In light of this geopolitical reality and the growing constraints on U.S. defense expenditures, it appears Latin America must remain an economy-of-force theater.

An economy of force hemispheric strategy approach is also appropriate for cultural reasons. In much of Latin America the United States is viewed through the prism of its historical legacy of frequent military and political intervention as a hegemonic, if not outright imperialist power. While reflexive antipathy toward the *Yanqui* appears to have declined in most quarters in recent decades, there remains a degree of wariness and skepticism regarding U.S. motives as reflected, for example, in the rise of the Bolivarian Alliance. Thus while U.S. partners in other regions such as Europe and the Western Pacific may desire a large U.S. military presence as a demonstration of Washington's commitment and resolve, even close U.S. partners in Latin America prefer as small a U.S. footprint as possible, especially with respect to military presence. A larger, more visible U.S. military presence in the region could bolster anti-American sentiments and provide both an impetus and an excuse for unfriendly states in the region to invite in the forces of other external powers.

Finally, the slowly increasing presence of powers external to the region could encourage the United States to adopt its own indirect approach to Latin America. The rationale here is a familiar one, although from a different perspective. Simply stated, just as countries in Eastern Europe, the Persian Gulf region, and the Western Pacific have welcomed U.S. presence when they feel threatened by local powers intent on establishing dominance over them, so too might Latin American states who are hostile to the United States welcome a modest Chinese, Iranian, or Russian military presence to deter direct U.S. action against them. The logic is the same in both cases: the presence of a nuclear power's military forces in a client state serves to increase dramatically the prospective costs of action by another state against the client. In this regard, a U.S. economy-of-force strategy makes a virtue of necessity.

These considerations greatly constrain the military means with which the United States can execute its hemispheric defense strategy. Fortunately, the United States has forces at its disposal that are adept at maintaining a small footprint. Chief among them are intelligence assets and special operations forces. Although both have been

A U.S. economy-of-force strategy makes a virtue of necessity.

in extremely high demand since 9/11, the withdrawal of U.S. forces from Iraq and Afghanistan should free up resources for allocation to other theaters, including Latin America. Moreover, the U.S. military has formidable wide-area intelligence, surveillance, and reconnaissance capabilities that can be brought to bear if needed.

The strategy for hemispheric defense proposed here leverages these existing capabilities as well as several other American advantages. First, it looks to exploit the United States' strong economic relationship with most Latin American states, whose principal focus is on economic development. By sustaining these ties and building upon them through free-trade initiatives, Washington can more easily extend these relationships to address mutual security concerns.

The U.S. geographic advantage is also incorporated into the strategy. The United States is part of the Western Hemispheric community while China, Iran, and Russia are not. As in the past, these states will find it difficult to project traditional forms of military power into the region, whereas the U.S. military is based on its sovereign territory in the region. This is one reason why powers external to the region are likely to be compelled to work through proxies.

The Southern Strategy looks to exploit the strong cultural affinity between the United States and its neighbors to the south. The United States boasts a significant and growing Latino population that draws a significant part of its cultural heritage from the states of Central and South America. U.S. citizens, be they businessmen, law enforcement agents, members of the armed forces or of the legal community generally have a substantially higher cultural affinity with the peoples of Latin America than do the Chinese, Iranians, or Russians. In particular, this enables the United States to field special operations forces and intelligence units with a relatively high mix of personnel with the strong cultural awareness necessary to support key elements of the strategy, including stability operations, unconventional warfare operations, and intelligence operations.

In combination these advantages enable the United States to pursue an economy-of-force strategy that balances the demand for forces and attention in Latin America with the competing demands of maintaining stability in the Asia Pacific and Middle East. They also allow the United States to sustain its strategy by maintaining the small "footprint" that is essential in a region where concerns over U.S. "imperialism" still run strong in some quarters. Importantly, this strategy's focus on economy-of-force operations minimizes U.S. exposure to rival efforts to pursue cost-imposing strategies.

GLOSSARY

A2/AD	Anti-Access/Area Denial
ALBA	Bolivarian Alliance for the Americas
AMIA	Argentine Israelite Mutual Association
CARSI	Caribbean Basin Security Initiative
CIA	Central Intelligence Agency
DEA	Drug Enforcement Administration
DoD	Department of Defense
FARC	Revolutionary Armed Forces of Colombia
FBI	Federal Bureau of Investigation
FY	Fiscal Year
GAFF	Special Forces Airmobile Group
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
GPS	Global Positioning System
G-RAMM	Guided Rockets, Artillery, Missiles, and Mortars
HUMINT	Human Intelligence
IAPF	Inter-American Peace Force
IDAD	Internal Defense and Development
IDF	Israeli Defense Force
IRGC	Islamic Revolutionary Guard Corps
IRGC-QF	Islamic Revolutionary Guard Corps—Quds Force
LATAM	Latin America
MAP	Military Assistance Program
NDIC	National Drug Intelligence Center

NORTHCOM	U.S. Northern Command
PGM	Precision-Guided Munition
PLA	People's Liberation Army
PLAN	People's Liberation Army Navy
PRC	People's Republic of China
RPG	Rocket-Propelled Grenades
SBI	Secure Border Initiative
SIGINT	Signals Intelligence
SOF	Special Operations Forces
SOUTHCOM	U.S. Southern Command
SPSS	Self-Propelled Semi-Submersible
TBA	Tri-Border Area
UAV	Unmanned Aerial Vehicle



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