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LATIN AMERICAN OUTLOOK 2017

By R. Evan Ellis

CHDS Associate Professor of National Security Affairs

Abstract: *This article addresses the major themes and pivot points of the defense and security environment of Latin America through the next five years. This analysis begins with the projection of nine major ongoing themes in the region: the rise of an Asia-oriented political economy; the expansion of Chinese defense engagement; a transformation from Bolivarianism to Chinese Clientelism; indigenous resistance to development and integration; the deepening of the Central American crisis; new technologies and patterns in drug trafficking; emerging Asia–Latin America criminal flows; and the competing concepts of regional integration, all themes that will play out throughout Latin America. The article then lists several issues that could change the direction in which the region is heading, including a catastrophic natural disaster, a significant external economic shock, and a terrorist attack or sustained U.S. military action in the region. Regarding emerging important actors, over the next five years several states will increase their economic and political ties to Latin America, including China, India, Russia, and Iran, while within the region Brazil will assume a central role. Latin American militaries will also continue to play an important role in combating transnational organized crime and internal security issues, and responding to natural disasters.*

The defense and security environment in Latin America is undergoing a significant transition. This article analyzes some of the current trends and how they might affect the region over the next five years, with a focus on four questions:

- What will be the major themes/trends in the region in 2012 and through 2017?
- What major issues/events could change the direction in which the region is heading?
- Who will be the major actors in the region over the next five years?
- What role will the military play in the region over the next five years?

Because the forecast period is fairly close in, most of the trends that will impact the region during this time have their roots in dynamics that are playing out at the present time.

Major Themes and Trends through 2017

At the macro level, the next five years in Latin America are likely to be dominated by four interrelated influences: China, organized crime, indigenous peoples, and the physical and political integration of the region. The interaction of these with other dynamics of the region is likely to give rise to at least the following nine themes:

Rise of an Asia-oriented Political Economy in South America. Even more than before, South America's trade relationship with Asia will expand and deepen, along with Chinese investments in the petroleum, mining, and agricultural sectors, and select investments in manufacturing, retail, and services.

The PRC will increasingly become a dominant external actor, at times receiving more attention from the region than Europe and the United States, in defiance of the actual trade numbers. Pacific-facing countries such as Chile, Peru, Ecuador, and even Colombia will each continue to position themselves as gateways between Asia and Latin America, and will dedicate significant time to their individual China strategies, their collective position through emerging blocs such as the Pacific Alliance, and their membership in the Asia-Pacific Economic Cooperation (APEC).

In the Caribbean, China will have a particularly strong and unique footprint, with thousands of Chinese construction workers laboring on the region's infrastructure and resort projects, including the Baha Mar gambling resort in the Bahamas, Cable Bay in the Dominican Republic, and the Jamaica Development Infrastructure Program. These workers are likely to be complemented by visits from thousands of Chinese tourists. Moreover, if the informal truce between China and Taiwan breaks down after the recent Taiwanese elections, the Caribbean will receive even more investment and diplomatic attention from the PRC as it tries to change the diplomatic position of the six Caribbean states that continue to recognize Taiwan diplomatically.

Expanding Chinese Defense Engagement with Latin America. The PRC will also expand its defense relationships with the region, with increasing officer exchanges, more visits by Chinese hospital ships such as the 2011 visit by the Peace Ark to the Caribbean, more bilateral humanitarian exercises such as Angel de Paz with Peru in November 2010, and perhaps bilateral military humanitarian assistance following the next major disaster in the region. Expanding PRC military engagement with the region will also likely include larger donations of non-lethal

goods and military vehicles, and more sales of end items including radars, armored vehicles, trainer and transport aircraft, helicopters, and logistics vehicles, leveraging the track record of its goods in the ALBA (Bolivarian Alliance for the Americas) countries.

Reaction to the Growing Chinese Physical Presence.

The growing Chinese footprint in Latin America, including the increasing physical presence of Chinese companies and workers, will increasingly impact the political dynamics of the region. Powerful and well-positioned interests in countries such as Brazil and Argentina will lobby for more tariffs and barriers to the entry of Chinese goods, as well as restrictions on the ability of Chinese investors to purchase land and other assets.

Chinese projects are likely to face particular resistance from a combination of environmentalist and indigenous groups, such as the current protests against the Sinohydro dam project in Chone, Ecuador, complaints against Shougang and Shin Pe resources mining operations in Peru, or the Rio Negro soy project in Argentina.

The expanding volume of Chinese projects and workers is likely to give rise to an growing number of violent incidents, such as the overrunning of the Andes-operated oilfield in Tarapoa, Ecuador, in November 2006, violent blockades against Petroriental in Orellana, Ecuador, in 2007, and the kidnapping of a petroleum crew from Great Wall Drilling Company in Caquetá, Colombia, in June 2011. Such occurrences will require increasing coordination efforts between the Chinese government, its companies, and Latin American governments and public security forces.

Transformation of Bolivarianism to Chinese Clientelism.

In the ALBA countries, deepening dependence on loans and investments from the PRC will have a particularly striking impact in the coming years, transforming the Bolivarian movement into a species of clientelism to the Chinese. In Venezuela, Hugo Chávez will either maintain sufficient health to win the 2012 elections, or pass the mantle to Diosdado Cabello, maintaining the beneficiaries of Chavismo in power. In either event, the PRC is likely to take on an increasing role in evaluating and supervising projects paid for by Chinese loans, extracting, in turn, special consideration for Chinese companies, and, behind the scenes, a level of moderation toward Venezuelan neighbors where the more virulent strains of Venezuelan radicalism could threaten Chinese interests.

In Ecuador, although President Correa has publicly complained about the conditions under which Chinese

credit is offered, his government will probably step up its borrowing from Chinese banks beyond the \$7.3 billion that it has already received in the past two years.

As they descend into dependence on the PRC, the ALBA states nonetheless remain wildcards in their potential to generate crises in the region. The potential death of Chávez in Venezuela could unleash a fluid situation, with Diosdado Cabello and other Chavistas vying to capture the state and maintain Chavismo, while the opposition's search for issues leads them to publicly question the legitimacy of loan obligations to the Chinese incurred by the Chávez regime. In such circumstances, the PRC could effectively become the kingmaker if it negotiates with the opposition to safeguard its investments in the country. Bolivia, with the ouster of the last of the Media Luna opposition governors (Reuben Costas of Santa Cruz), appears to be consolidating itself as a leftist authoritarian regime, yet the defection of indigenous groups from the Morales coalition still retains the possibility to generate surprise. Cuba is also ripe for the death of either Fidel or Raul Castro, or both, in the coming five years.

Ironically, as the ALBA states also become centers of criminality in the region—Bolivia as a drug source, and Venezuela principally as a transit state, money laundering hub, and refuge, the PRC may find itself playing a role with them. That role would be similar to that which it currently plays with North Korea—as an interlocutor between these regimes and the West, maintaining a discrete distance to avoid becoming tarnished itself, but at the same time also maintaining leverage that will make it a useful player for the United States to involve as it pursues objectives with these countries in the future.

Indigenous Resistance to Regional Development and Integration. Another emergent theme will be the increasing backlash by indigenous peoples and other marginalized groups to the effects of globalization, sometimes allying with, sometimes against, other disenfranchised groups, turning on left-of-center leaders who they perceive to have betrayed them, just as they have turned on the right. In Ecuador, the indigenous organization Conaie has turned against its once ally Rafael Correa over the new mining law, among other issues, just as groups of Aymara and lowland indigenous people have turned on Morales.

The potential for an indigenous backlash is related to the growing presence of China in the region, although not limited to it, through the conduit of new mining and petroleum sector investments, and new infrastructure

making previously isolated parts of the continent much more accessible to a range of outsiders. Moreover, as the January 2012 wildfires linked to protests by Mapuche Indians in Chile and unrest in the Caribbean coast of Nicaragua further show, such dynamics will not necessarily be limited to the Andean region.

In Ecuador, the opening of the Yasuni national park for drilling in 2013 and new open pit mining operations in Zamora Chinchipe by the Chinese firm Tongling has the potential to produce problems with indigenous peoples. In Peru, problems are likely to escalate in at least one of the five major Chinese mining projects, although difficulties to date in Toromochó and Rio Blanco have not yet caused problems on the scale seen in Bagua in 2009 or Cajamarca currently. In Bolivia, the showdown between indigenous groups and the Morales government over a highway through the Tipnis national park is a theme that is likely to play out again with other projects in the future. New projects such as the recently completed Bioceánico Sur connecting Brazil to the Pacific at Ilo Peru; the nearly complete Bioceánico Norte connecting Brazil to Paita, the Manta-Manaus corridor; and the just-noted interoceanic corridor connecting from the north of Chile across Bolivia, will open up previously isolated indigenous lands in the Amazon to new settlers, illegal loggers, drug traffickers, and other groups, escalating the conflict.

Deepening of the Central America Crisis. Central America is likely to continue to suffer from its position as a land bridge connecting South American source zone countries to U.S. and Canadian drug markets. Correspondingly, the northern triangle region in particular is likely to see a deepening cycle of criminality, violence, and weakening government fueled by the transnational criminal organizations (TCOs). Narco transit money will continue to feed violent local gangs such as Mara Salvatrucha and Barrio-18, which will serve as the mules, hired guns, and local distributors for the TCOs. With these funds and the alternative family structure that they provide, these gangs will continue to attract the region's lost youth, where violence has pushed out legitimate businesses and economic opportunities, in the process producing more immigration, breaking up families, and leaving the youth left behind even more vulnerable to joining such groups. From the north, the displacement of some cartel members because of activities by the Mexican state and the creation of local franchises by others will augment the violence as the well-trained and well-funded groups engage in turf battles with nihilistic but relatively undisciplined youth gangs. In response, there will be increased pressures for

private security forces or rogue members of the military to adopt death squad tactics to control the criminality at whatever cost.

New Technologies and Patterns in Drug Trafficking.

The enormous profits to be gained from the production, delivery, and sale of illegal drugs will continue to fuel innovations by the TCOs, making full use of the technology, human capital, and other assets at their disposal. In the Andes and Central America, increased efforts to block air, overland, and traditional maritime drug transits may drive greater use of both human-intensive and technology-intensive solutions.

On the human-intensive side, TCOs will continue to find innovative ways to employ human couriers, in terms of both the range of people recruited and the manner in which they are employed.

On the technology front, increasing use of and advances in truly submersible narcosubmarines are likely. When a single transit of such a vehicle can deliver \$6–8 billion in cocaine, there will be strong incentives to continue to invest in such vehicles, exploiting both a stealthy and capable approach, as well as using a larger number of cheaper vehicles, playing the odds that at least some will get through. Such vehicle technology may fuel a cat-and-mouse game over ungoverned, difficult-to-monitor spaces, where such vehicles can be built without detection.

During this period, the TCOs are also likely to begin to use unmanned vehicles of all types, including aircraft, boats, and submarines, eliminating the risk of a crew's capture, recognizing that the cost to build them could be paid off in one successful voyage, even if some are lost in transit because of shortcomings in the technology.

The use of the Andes-Atlantic-Africa-Europe route by the TCOs will also grow, with northern Argentina, Uruguay, and southern Brazil experiencing not only an increase in transit, but also in processing of both cocaine and synthetic drugs. Violence will also escalate in this area as TCOs dispute ever more profitable routes.

Emerging Asia–Latin America Criminal Flows.

Attention to criminal activity between Asia and Latin America is likely to intensify. The flow of drugs themselves will not be as important in this emerging activity as the supply of precursor chemicals and contraband goods

from the PRC to Latin America and the production of methamphetamines and other synthetic drugs in Mexico and Canada by Chinese TCOs for export into the United States. Human trafficking from China through Latin America will also become a growing problem, with a variety of routes, including the Pacific coast of Ecuador, Colombia, and Peru, the Caribbean, and Central America, intersecting with other types of criminal activity in the region. The use of mainland Chinese banks for money laundering by Latin American TCOs will also expand as a problem with the proliferation of banking ties between Latin America and the PRC, taking advantage of the imperfect visibility by Western governments into those institutions. The increasing involvement of Asia-based TCOs could also turn violent if these groups begin to compete with the Mexican cartels or Colombian BACRIM for territory, including the trans-Pacific precursor and methamphetamine traffic, or human smuggling through Central America.

Competing Concepts of Regional Integration. During this period, significant advances in the physical integration of the Americas, propelled by interest in doing business with Asia, will contrast remarkably with persistent conflict over concepts of political integration. It is likely that the dynamics of the next five years will resemble those of the past, with new institutions coming into existence alongside the old ones, with little attempt made to reconcile their overlapping, and at times contradictory, roles and authorities. Because of the decline in U.S. influence in the region, the Organization of American States is likely to play a decreasing role vis-à-vis the Union of South American Countries (UNASUR), which appears to be making some limited progress in defining pragmatic institutions such as the South American Defense Council. Although the newly created Community of Latin American and Caribbean States (CELAC) will continue to be supported, Brazil and other nations of the southern cone will probably prevent it from developing into a truly functional organization, since its inclusion of Caribbean nations economically beholden to Venezuela through Petrocaribbe increases the leverage of Chávez in the new organization, when compared with alternatives such as UNASUR.

The Andean Community (CAN) is likely to remain hobbled since the departure of Venezuela in 2006, but will probably not disappear. Mercosur will continue to become an ineffectual block representing the Atlantic states of South America, separate from the increasingly vibrant and

Asia-oriented Pacific states represented through the new Pacific Alliance, particularly if Venezuela is admitted.¹

Major Issues or Events That Could Change the Region's Direction

While the likelihood of any particular event occurring that could fundamentally change the direction of the region is minimal, it is likely that something significant will happen in the next five years that would fundamentally alter the dynamics of the region.

One possibility that has received increasing attention with the continuing flow of bad economic news from the United States, Europe, and now China is an external economic shock that would give rise to waves of social unrest and political violence in the region and fundamentally change the prevailing wisdom on economic issues, including the key role trade with and investment from China in the region's future.

Such a shock would most likely arise from one of two sources: a deepening crisis in the Eurozone spreading to the United States, or an election-year budget deadlock in the United States generating another fiscal crisis that creates panic on both sides of the Atlantic. The associated falloff in consumer demand and investment from the United States and Europe would directly impact Latin American exporters and capital markets. At the same time, it would simultaneously impact Chinese exporters and capital markets, which hold a great deal of dollar- and Euro-dominated debt. Such demand and capital market shocks could trigger the bursting of the bubble in the Chinese housing market, the closing of Chinese factories, and the return of millions of floating undocumented workers to the countryside, creating an economic collapse and unrest that would feed off each other and a political and economic crisis not seen in the country since before 1978.

The implications for Latin America of such a crisis would be devastating. The simultaneous fall in commodity demand from the United States, Europe, and China, and the associated fall in commodity prices would hurt most those countries that have most benefitted from the

commodity export boom: Chile, Argentina, Peru, Bolivia, Brazil, and Paraguay. Expected new mining and petroleum investments from external actors would likely be put on hold, particularly damaging Peru and Brazil, but also Venezuela and Ecuador. While the strong government and commercial institutions and financial reserves in Chile would make it possible to weather such a storm, political crises could occur in some of the hardest hit of these regimes: Peru, Argentina, and Bolivia. In addition, it is likely that the political climate could turn particularly hostile toward the PRC, with Latin Americans disillusioned by the falloff in commodity demand and investment from China, while the continuing invasion by Chinese goods would become a highly visible irritant in the wake of rising unemployment and the decimation of the manufacturing sector.

Another type of surprise would be a serious terrorist incident in the region. One scenario through which this could occur would involve Iran's activating pre-positioned cells of agents in the region, possibly in response to U.S. action against the nation's nuclear program, or a similar provocation.

If the terrorist event involved mass casualties or the detonation of a weapon of mass destruction, it would likely be a significant watershed in the politics of the region. If the attack occurred on U.S. soil and was executed largely from Latin America, it is possible that the United States could, for a time at least, begin to dedicate significant attention and resources Latin America.

Yet another game-changing event for the region might be a sustained U.S. military action involving ground forces on Latin American soil. Such an intervention might result from a terrorist event, such as that noted above, depending on the circumstances of the event. Another potential path might involve an imminent danger to the continental United States, such as the deployment of Iranian missiles to Venezuela, or Iranian collaboration in building a nuclear power facility there.

Finally, a catastrophic natural disaster, such as a chain of devastating earthquakes along the Pacific, could also change the tide of the region if handled particularly badly by the affected governments. Historically, these incidents, such as the Managua earthquake in 1972 or the Mexico earthquake in 1985, have led people to break faith with the existing government if it unequivocally convinces a critical mass of the population that the government is not capable of providing for the common good.

¹This is, however, unlikely—particularly with the expected return to power of the Colorado party in the April 2013 Paraguayan elections, which will further strengthen the resistance to Venezuelan membership from the Paraguayan congress.

Major Actors over the Next Five Years

While the United States will continue to be a major investor, trading partner, and political force in the region, its political and economic weight will increasingly retreat northward, strongest in Mexico and Central America. The United States will also continue to be a major player in the Caribbean, but will receive a surprisingly strong challenge there from the PRC.

The PRC will continue to become the most powerful and visible new player in the hemisphere, with its influence concentrated on South America, where it will consolidate its position as the principal economic partner, using its leverage as an investor, a customer, and, increasingly, as an employer. In the ALBA states, China will likely play an ever more intrusive advisory role, overseeing the administration of projects paid for with Chinese loans and coordinating with ALBA governments to define new ones. In the entire region, the PRC will become progressively more active in both goodwill-building humanitarian missions and in greater cooperation with the region's security forces to protect the interests of PRC companies and nationals. It will also use its growing leverage in more intrusive ways to head off tariffs and protectionist measures, prevent new laws and actions harming its companies in the region, and ensure that Latin American governments honor loan obligations to Chinese banks.

During this period, India will also play a bigger role in Latin America. Its activity will be concentrated in a limited number of sectors, such as agriculture, minerals, petroleum, and high-end manufactured goods. It will be a competitor with the PRC, as it has been in the development of the Mutún iron deposits in Santa Cruz, Bolivia, but also occasionally a partner, as it has been in developing the oil deposits of the Magdalena Medio region of Colombia via the joint company Mansrovar. India will generally have less capital and influence in Latin America than China, but its companies entering Latin America will have inherent advantages over their Chinese competitors, including English as a common second language and a familiarity with operating in pluralistic political systems with corrupt, poorly functioning bureaucracies, and problematic labor movements and local communities.

India's interests in Latin America will be principally commercial, with the exception of Brazil, with the India–Brazil–South Africa strategic alliance likely to take on increasing weight under Brazil's President Dilma Rouseff. India's influence will at times rival that of the PRC in Brazil,

Argentina, Mexico, and parts of the English-speaking Caribbean, such as Trinidad, but it will not economically dominate any particular country.

Russia will continue to play a minor role in Latin America as an arms supplier, oil industry player, and political partner to a select grouping of states: Venezuela, Ecuador, Nicaragua, Peru, and Cuba. With his victory in the March 2012 presidential election, Vladimir Putin is likely to feel free to take bold initiatives in the region to send the United States a “message,” as Russia did in 2008 when the United States deployed warships into the Black Sea during the civil war involving Abkhazia and South Ossetia. Nonetheless, Russia is unlikely to significantly expand its influence, and that influence could diminish if oil prices sustaining Russian export income fall, or if one of Russia's allies, such as Venezuela, enters into a crisis.

Iran, like Russia, is likely to play a role as a nuisance actor in the region, working principally through Venezuela and Bolivia, and, to a lesser extent, Ecuador, and Nicaragua. Iranian President Ahmadinejad's January 2012 visit to Venezuela, Bolivia, Ecuador, and Nicaragua, building on fortuitous prior scheduling, resembles Russian diplomacy to the region in the fall of 2008, highlighting Iran's ability to project presence in the U.S. backyard amidst escalating tensions in which U.S. forces are positioned close to Iran.

Although Iran was temporarily the beneficiary of an attempt by the Lula administration in Brazil to project itself onto the world stage as a nuclear powerbroker, the strategy visibly failed in July 2010 when the compromise advanced by Brazil and Turkey was ignored by the UN Security Council, and Rouseff has distanced herself from such initiatives since taking over the Brazilian presidency. Iran has not, to date, had the financial resources to provide significant aid to the region beyond the clinics and other symbolic facilities that it has built in Venezuela and Bolivia, and will continue to lack the resources to do so. Nor is there a market logic or sufficient Iranian private capital to sustain a significant expansion of commercial relationships between Iran and the region.

Iran is likely to continue building financial and other contacts with Latin American Islamic communities, although it operates at a disadvantage in this respect because the majority of such communities in Latin America are Sunni, while the prevailing variant of Islam in Iran is Shia. Nonetheless, absent significant pushback, Iran's deployment of its Qods teams and other personnel to the region and its nurturing of contacts with Islamic

communities in places like the Guajira region of Colombia or with indigenous in the Chapare region of Bolivia is likely to continue.

Although Iranian President Ahmadinejad has consolidated his power since his controversial victory in the June 2009 Iranian presidential elections, a poor showing by his Osool garayan coalition of conservatives in elections to the Iranian Parliament (Majlis) in March 2012 could fuel an imperative to reach out to the regime's external allies in support of political battles at home. Also, as noted previously, if hostilities with Iran in the Gulf escalate to military action, either currently, or over an almost inevitable repeat incident in the future, Iran could activate the modest network for terror that it is believed to be developing in the region.

Within Latin America itself, Brazil will increasingly be a dominant actor. Ironically, because of the language difference between Brazil and the rest of the region, as well as the distance that Brazil has historically maintained, Brazil will continue to resemble an external actor even while being part of Latin America and aggressively moving forward toward closer physical, economic, and military integration with it.

Brazil's relationship with the rest of the Americas will be filtered through the lens of its international projection and its domestic interests. On one hand, its expanding ties with Asia and its interests in developing its interior will give importance to those South American neighbors occupying the Andean mountain range that separate Brazil from the Pacific. While Peru is currently the principle target of Brazil's look toward the Pacific, the same logic potentially applies to its relationship with Chile, Bolivia, Colombia, and Ecuador. Brazil will give increasing attention to the bi-oceanic commercial corridors for carrying soy, consumer products, and other items of value between its interior and the Pacific. It will not return to its prior posture of attempting to industrialize and populate the Amazon, but will dedicate ever greater attention to controlling it and managing its increasingly vital, yet increasingly problematic, area. To a lesser extent, Brazil will focus on its relationship with Argentina and Uruguay because of the proximity of these nations to the progressively more important southern industrial and scientific hub around Campinas, and because Argentina and Brazil occupy the Paraguay and Paraná River corridor, an important export route.

During this period, Brazil will significantly expand its military capabilities, including the acquisition of nuclear and conventional submarines, the eventual conclusion of

its long-delayed fighter acquisition, and the completion or modernization of four major surveillance and control systems (SIVAM [interior], SISFRON [land borders], SISGAAz [maritime border], and CINDACTA [airspace]). Such increasing capability is likely to nurture greater diplomatic assertiveness by Brazil, while also making it more accepting of regional alliances, which will no longer seem as threatening from Brazil's increasing position of strength.

Beyond these players, the leadership of Latin America will continue to be fractionalized into political islands with transitory interests and alliances. Mexico, despite its economic weight and traditional leadership role, will continue to be distracted from a more active role in the region by its ongoing struggle against the TCOs. Colombia and Chile will continue to be important economic actors in the region, yet excluded from the core group of Latin American countries by their relatively conservative international and economic policies. Venezuela, despite its best efforts to advance regional integration according to its own rules and initiatives, will increasingly be discredited by its neighbors as a failed experiment in socialism and a dysfunctional kleptocracy.

Role of the Military over the Next Five Years

For Latin American militaries, despite their best efforts to focus on traditional missions, the needs of the nation and the struggle for institutional resources will pull them ever deeper into internal security missions. Ironically, not unlike the previous generation, the region's militaries are returning to concentrate on an internal order mission, but this time with less of a political flavor, against principally crime-funded and wealth-motivated opponents, and under civilian control with the support of the majority of the society.

There are unresolved territorial disputes in the region that may generate diplomatic incidents, or bring about accidental violence, including the dispute between Costa Rica over the San Juan River; the Falklands/Malvinas issue; the claims to the Pacific in dispute among Chile, Bolivia, and Peru; or the apparently resolved disputes between Colombia, Venezuela, and Ecuador. Nonetheless, the prospect of a war between states in the region remains relatively low. In Central America and the Caribbean, the counter TCO mission has already gone far beyond support to law enforcement, as seen in the use of the Jamaica Defense Force to retake Tivoli gardens in May 2010, the declaring of martial law in the Petén (Guatemala) in May

2011, the deployment of Honduran military forces into San Pedro Sula and Tegucigalpa in November 2011, and the deployment of the Nicaraguan military to rural areas. Although the situation will vary by country, the military is becoming the principal force for asserting state control over territory dominated by narcotraffickers, violent gangs, and paramilitary groups, as well as serving as a strike force in an attempt by the region's states to take down these groups, in the face of their inability to process their members judicially. In the Andes, as in Central America, the primary missions of the military will also continue to focus on the TCOs, although the focus will be different. In Colombia and Peru, several of the TOCs have declared political objectives (the FARC and the ELN in Colombia, the EPP in Paraguay, and factions of the Shining Path in Peru), but absent any real possibility of overthrowing the state, the role of the military in fighting them will be primarily shaped by the criminal activities that sustain these groups.² Here, the needs and vulnerabilities of the TCOs operating in the Andes as source zone countries for narcotics will continue to differ somewhat from those operating in Central America.

In source countries the TOCs need to keep the state out of broader areas of the country for greater periods of time in order to cultivate coca leaves and heroin poppies and transform them into the end product, whereas in transit zone countries, TOCs need only maintain enough capability and capacity to intimidate and corrupt authorities to ensure that shipments get through. Nonetheless, even in source zone countries such as Colombia and Peru, narcotrafficking and insurgent groups will evolve into diversified and politically influential criminal syndicates, whose mix of activities will adapt to seek lowest enforcement and maximum profit.

In the northern triangle, the Caribbean, and some Andean countries, the armed forces will also continue to be called upon to maintain public order, as they were in Bagua, Peru, in 2009, and most recently in Cajamarca. As in the past, the military will continue to be an implicitly political instrument where other government institutions either lack the appropriate capabilities or lack acceptance by all key parts of the society to resolve fundamental disputes. This occurred not only in Honduras in 2009, but also in deterring the succession of the lowland states from Bolivia in 2008. This implicitly political role is also seen in

Venezuela, where the militia, recently integrated with the regular armed forces, is being prepared to fight a guerilla war following the defeat of conventional forces in response to an anticipated invasion from the United States.

In the southern cone, the armed forces are likely to be progressively more involved in niche roles to support police and frontier forces in counternarcotics missions, particularly in Uruguay, where military resources are particularly limited. In Argentina, TCO drug activities will become an increasing priority for public security forces such as the coast guard, the federal police, and the gendarmerie, although traditional armed forces will continue to be kept out of the mission by law.

In Brazil, the armed forces will also increasingly be used in defense of natural resources, including the nation's newly discovered offshore oil deposits, as well as timber in the Amazon. In addition, as the nation opens up the interior through new highway corridors and the development of cities such as Manaus, the armed forces will increasingly act as a frontier force providing state presence and control as immigrants, narcotraffickers, illegal loggers, and others enter this relatively virgin territory.

Finally, in virtually the entire region, the military will continue to perform an important role in responding to the region's earthquakes, hurricanes, floods, and similar events, given its unique ability to rapidly provide needed services on a large scale in areas such as evacuation, delivery of supplies and medical services, search and rescue, and the maintenance of public order. The region's militaries will continue to gravitate toward this mission because it allows them to connect with their countries in very positive ways, yet it is doubtful that the highlighting of the disaster response role by the region's militaries will correspond to how those militaries structure themselves and what they purchase. ■

The Center for Hemispheric Defense Studies (CHDS), established by the United States Congress in 1997, is a Department of Defense regional studies institute that uses applied policy educational and research for the strategic-level promotion of effective security policies within the democracies of the Western Hemisphere. Its civilian, military and security force graduates and partner institutions comprise communities of mutual interest and support that work toward a more cooperative and stable international security environment. In carrying out its work, CHDS supports SOUTHCOM and NORTHCOM, the National Defense University and the Office of the Secretary of Defense. The CHDS vision is to remain the pre-eminent institution for teaching, research and outreach on defense and security issues affecting the Americas.

CHDS Director: Dr. Richard D. Downie
Managing Editor: Yamile Kahn
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² In Paraguay as well, although the anti-government Paraguay People's Army (EPP) espouses political objectives, its membership is estimated at not more than 10 people.