

## Latin America

Craig A. Deare

*U.S. national security interests in Latin America are undermined by two key threats: transnational criminal organizations, which exploit weak levels of governance across the majority of countries in the region, and extra-regional actors, which fill the vacuum of U.S. distraction and inattention to its neighborhood. The United States must acknowledge the deeply rooted causes of the weak levels of governance and engage with greater attention and presence while recognizing its limitations for helping to resolve those weaknesses in the short term. Limited resources will constrain U.S. efforts, so the United States must prioritize support to select strategic partners.*

As a new administration takes office, the time is ripe for new approaches to improve the quality of the security relationship that the United States has with its counterparts throughout Latin America. U.S. foreign policy in general, and U.S. national security strategy in particular, does not routinely focus on the nations of Latin America, where threats are assumed to be less pressing than in other parts of the world. Despite a traditional attitude of benign neglect, U.S. security interests there are indeed consequential. Given a globalized world, and the fact that the United States is no longer the only viable option available to the region's nation-states seeking external engagement, American policymakers will need to work harder—and more importantly, smarter—to remain relevant and engaged with our Latin American partners. Geopolitical realities at play in this part of the world are serious and troublesome; they will not disappear in the short term and will require dedicated time and attention by senior national security decisionmakers sooner rather than later.

The national security interests of the United States were captured succinctly by the Project on National Security Reform: “*To maintain security from aggression against the nation by means of a national capacity to shape*

the strategic environment; *to anticipate and prevent threats; to respond to attacks by defeating enemies; to recover from the effects of attack; and to sustain the costs of defense.*<sup>1</sup> If these interests are at varying degrees of risk in other parts of the world, they are also under assault in Latin America. Obviously this part of the world is an environment we should wish to shape; after all, we share the same neighborhood. It seems clear that anticipating and preventing threats in Latin America are both prudent and cost-effective. Consequence management after the fact will be far more expensive, and these problems are on our doorstep.

There are two primary threats in this part of the world that should concern U.S. policymakers. The first is a growing and dangerous amalgam of criminal entities that destabilize our neighbors and operate on a large scale within our own borders. The second is the presence of extra-regional actors with anti-U.S. intentions. Both are exacerbated by poor governance, endemic poverty, and an inconsistent level of U.S. interest in and commitment to our neighbors. As former Assistant Secretary of State Bernie Aronson has stated, “The historic U.S. failure in Latin America has not been interventionism but, rather, neglect.”<sup>2</sup> These threats are thriving in an environment where many national governments are ill-equipped to confront them.

Though lack of capacity is not unique to Latin America, there is an important distinction: Latin America is the only region in the world where those adversely affected by violence and extreme poverty can walk to (and across) the U.S. border. It is also true that not all regional governments are incapable of handling these two major challenges—there are a handful of countries whose political systems have matured sufficiently to handle alternating political parties in power and maintain workable levels of governance.

At this juncture, the response required from the United States is not one requiring a dominant military component because the threats are not fundamentally military in nature—although there are elements and derivatives of a military tone. Rather, the combination of serious structural shortcomings and malign actors results in a toxic mixture that erodes effective governance throughout the region. The nature of the environment and the challenges confronting the countries of the region, as well as U.S. national security interests, require new thinking and new approaches that transcend traditional U.S. approaches.

## **Overview of the Threats**

As with any other region, there are those who view the level and quality of U.S. involvement as adequate, while others believe it is insufficient to

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the task. Few experts, however, see generally positive trends in recent years, as Michael Reid (who views the glass as half full), writing in a recent *Foreign Affairs* article, acknowledges:

*True, for years, the [Barack] Obama administration took a largely reactive approach to Latin America that resulted in multiple fumbles. And the recent attention it has paid to the region, although welcome, came late in the day and is still incomplete. But Obama's record must be viewed in the context of dramatic changes in Latin America, which have inevitably reduced the United States' influence. The region still suffers from unresolved challenges—notably, a persistent drug trade, widespread violent crime, and the erosion of democracy in Venezuela.*<sup>3</sup>

Reid concedes that the current administration took a “largely reactive approach” and that recent attention came late. His characterization of what is happening in Venezuela as “the erosion of democracy” is akin to those in 1930s Europe reflecting that Germany too was experiencing an “erosion of democracy.” The United States has lost influence not solely because other actors have stepped up their efforts, but also because we have chosen to place our priorities elsewhere. This is an error with geopolitically adverse consequences for U.S. interests. Although regional specialists concerned with security matters may have a tendency to enumerate a long list of “threats” existent in the region, upon reflection they are mostly variations of the same thing. While there certainly are elements of radical and popular movements (and the terrorist tactics associated with some of these groups) in some countries, these phenomena are manifestations of deeper issues. The first—and arguably most troubling—is pervasive and corrosive criminality, formally and informally organized, transnational as well as local, economically motivated at times but politically at others. Organized transnational crime represents a clear and direct threat to U.S. interests. As Director of National Intelligence James Clapper captures succinctly:

*Transnational Organized Crime . . . is a global, persistent threat to our communities at home and our interests abroad. Savvy, profit-driven criminal networks traffic in drugs, persons, wildlife, and weapons; corrode security and governance; undermine legitimate economic activity and the rule of law; cost economies important revenue; and undercut U.S. development efforts.*<sup>4</sup>

The impact of the drug trade, much of which comes from or through Latin America, is profound. In 2014, more than 16,000 Americans died from heroin and cocaine overdoses—far more than were killed in Iraq and Afghanistan over more than a decade at war.<sup>5</sup> The monetary costs to American society associated with the drug trade exceed \$200 billion every year, far surpassing those associated with terrorism, which receives greater attention.<sup>6</sup>

Many of these criminal networks are internationally integrated activities. Like today's global corporations, which work above, around, and across national borders, these criminal groups will operate wherever a profit can be made. Another factor, of course, is that typically these developing countries also have weak economic systems incapable of generating sufficient meaningful employment opportunities, for the young in particular. An opportunity to join a *mara* (youth gangs prevalent in Central America) or a more structured drug-trafficking organization (DTO) becomes an attractive option, particularly given the lack of alternatives.

In addition to their ability to operate across borders, some of these criminal enterprises have been relatively effective at displacing the state in providing services demanded by the local population, in particular within urban settings. The degree of effectiveness varies country by country, and even by certain geographic locations within a given country. Beyond establishing a secure environment in which they can operate—and this security also holds for those living in the area—transnational criminal organizations (TCOs) routinely deliver other services, ranging from resolution of conflict to trash collection to providing greater security. As the TCOs consolidate their hold over the region, the formal governments' power and authority erode, undermining state legitimacy.

TCOs routinely violate governmental sovereignty and undermine judicial systems at all levels because they are unencumbered by legal norms. With huge profit margins at their disposal, they can purchase the best weaponry, communications capability, and security money can buy—giving them tactical advantages over most government agencies. Unrestrained by the bureaucratic sclerosis that limits governments both domestically and internationally, TCOs employ state-of-the-art information technology and communications technology to operate effectively across the business cycle.

Unlike terrorist organizations, organized crime is dependent on a baseline of infrastructure and services, and therefore most TCOs do not seek to destroy the state. They are content with undermining and co-opting the government at the municipal, provincial, and at times national level, depending on their requirements and capacity. Importantly, weak and still developing states are the most vulnerable to the increasing strength of

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TCOs, and a significant number of Latin American countries fit this characterization. These relatively weak governments lack effective and capable institutions and frequently have small and corrupt police organizations. The catch-22 of the situation is that because of their very weakness, these developing states are hard pressed to generate strong popular participation. A growing concern is the degree to which the TCO assumes greater levels of penetration of governmental power, both locally and nationally.

In certain cases, given that the government cannot provide for public safety and security, it is the TCO—whether a gang, mara, DTO, or even an ideologically motivated armed group—that fills that void, thus supplanting the legitimacy forfeited by the state, generating a profound impact on the sociopolitical construct. Of even greater concern are those instances where states are not simply the victims of such a downturn, but where governments are active participants in this devolution.<sup>7</sup> Beyond being penetrated or infiltrated by TCOs and becoming overwhelmed, in some cases officials actually lead the process of criminalizing the state. The result, as former Commander of U.S. Southern Command Admiral James Stavridis, USN (Ret.), points out, is:

*These illicit criminal networks threaten the United States both directly and indirectly. Directly, these criminals have attacked U.S. facilities and citizens throughout the globe. They also weaken the fabric of American society, which they touch through violence and corruption. Indirectly, these organizations threaten the United States by attacking our allies and partners throughout the world.<sup>8</sup>*

In short, the rise of TCOs in Latin America poses a serious and growing national security danger that deserves greater attention. Sharing a region with unsteady neighbors represents a risk to U.S. interests, and steps must be taken to reverse those conditions. Most theorists point to the rise in influence of nonstate actors, which is undeniable. At the systems level of analysis, great powers will continue to dominate the international system. As Moisés Naím warns, however:

*the recent proliferating interaction among criminal, terrorist, and insurgent networks and the exponentially greater magnitude of their commerce made possible by the processes of globalization have moved the overall threat posed by state collusion with transnational illicit networks from the status of international nuisance to a substantial threat to the contemporary international order.<sup>9</sup>*

The jury is still out on whether illicit nonstate actors and their networks threaten the international system writ large, but their activities demand much greater attention.

The second major threat to U.S. interests in this region is the growing presence and activity of external actors with anti-U.S. intentions. It is one thing for extra-regional actors to promote their economic and political interests in the hemisphere. In today's globalized world, every market in every country is fair game for trade; Airbus has the same right as Boeing to market its airliners worldwide. But certain countries—Russia, Iran, and China are the most prominent examples—are seeking access to the region for reasons that go beyond commerce and diplomacy. The actions in this region by these three countries in particular should give pause to U.S. policymakers. Russia views the current geopolitical environment as a new Cold War; China's continued expansion into the South China Sea clearly demonstrates its intentions; and Iran's aggression in the Persian Gulf and beyond reveals its global ambitions. Accepting their growing presence in this part of the world will only embolden these countries. Unfortunately, Secretary of State John Kerry's unilateral declaration in November 2013 that the Monroe Doctrine was dead did little to reassure the governments in the region, instead serving as a clear invitation to those extra-regional actors looking for opportunities to increase their influence. This invitation was welcomed by the anti-U.S. alliance known as ALBA (Alternativa Bolivariana para los Pueblos de América, or the Bolivarian Alternative for the Americas), which is eager to reduce U.S. influence despite the long-term costs to their peoples.<sup>10</sup>

At first blush, China's expansion into the region might be perceived as benign. Given its explosive economic growth over the past 30 years, it comes as no surprise that its exports and imports from around the world would expand accordingly. After all, U.S.-China trade grew from \$2 billion in 1979 to \$591 billion in 2014, with an accompanying trade deficit of \$344 billion.<sup>11</sup> Chilean copper, Argentine soy and wheat, Brazilian iron, Venezuelan oil, and Peruvian minerals are attractive commodities, and those countries profit from increased sales to satisfy Chinese demand. Upon closer examination, however, China's economic activities generate additional concern. Chinese economic expansion globally has come at the direct cost of U.S. commercial contraction; China's "policy banks" have become the largest annual public creditors to governments in the region.<sup>12</sup> In 2006 the United States was the largest trading partner for 127 countries around the world, versus just 70 for China. However, by 2011, the situation had almost inverted itself, with 124 countries for China and 76 for the United States.<sup>13</sup> Leaving Mexico aside—a unique case given the North American Free Trade Agreement (NAFTA) of

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1994—the rest of Latin America is turning away from the United States and toward China, although at different rates and degrees of engagement.

Even the case of NAFTA serves to demonstrate the strength of China's impact on the region. Prior to China's entrance into the World Trade Organization in 2001, Mexico benefited greatly from the new trade agreement with its northern neighbors. However, once China gained preferred access to the U.S. market, the picture changed, with Chinese products gaining market shares in the United States at Mexico's expense, as well as increasing market shares in Mexico from U.S. products.<sup>14</sup> Mexico's geographical advantage remains important, as demonstrated by \$81.5 billion in bilateral trade in goods and services prior to NAFTA in 1993, which increased to \$247.3 billion in 2000 and reached \$532.3 billion in 2015.<sup>15</sup>

A related but largely unrecognized factor here is that China is filling a trade space that could—and should, from a U.S. interests perspective—be filled by Latin American manufacturers. While China has surpassed the United States as the most important destination for South American exports, shipments to China continue to be heavily concentrated in primary goods, with only a small portion of manufactured products. When commodity prices inevitably fall and the terms of trade worsen, Latin American manufacturers' inability to compete effectively with the Chinese will undermine the potential for sustained growth throughout the region. The net effect for Latin American countries will only worsen in the future.<sup>16</sup>

Beyond China's deep economic engagement with Latin America, China's explicit support for the anti-U.S. alliance ALBA is even more problematic and troubling. Given ALBA's declared intent to establish an alternative to U.S. leadership in the region and to distance itself from Western companies and conventional multilateral institutions, China has stepped in as its partner of choice, with both markets and financing. This has meant the prolonged endurance of certain regimes—Venezuela is the most obvious example—that would have failed years ago due to flagrant incompetence, mismanagement, and corruption. China continues to fund this failed model despite the economic losses it generates; Chinese intentions are geopolitical, not financial. Having transcended the role of strategic partners in 2001, the China-Venezuela relationship is now characterized as a comprehensive strategic partnership, moving beyond trade to military weapons sales and training. With the death of Hugo Chavez in March 2013, his designated successor, Nicolás Maduro, has accelerated Venezuela's economic collapse with ideological decisions uninformed by financial realities and exacerbated by oil prices declining to \$30 per barrel. Despite the opposition parties' takeover of the legisla-

ture in December 2015, Maduro's strong executive powers ensure that he will continue to prioritize politics over economics, and Venezuela's pain will continue beyond his tenure.

These brief examples highlight the fact that China is taking advantage of U.S. inattention to the evolving geopolitical and economic realities in its own hemisphere. Careful not to directly antagonize the United States, China is playing the strategic long game and will gradually and slowly expand into whatever spaces it can in the region. U.S. policymakers must be aware that in so doing, the Chinese government will pursue its own interests in the Western Hemisphere, which are often not congruent with our own. Chinese analyst Lei Yu hypothesizes:

*China's economic and geopolitical orientation toward Latin America reflects Beijing's desire not only to intensify its economic cooperation and trade with Latin America, but also to create a "sphere of influence" in the traditional "backyard" of the United States, the only superpower in the current global hierarchy, in retaliation for the U.S. containment and encirclement of China, and as a fulcrum in its rise as a global power capable of challenging U.S. dominance and reshaping the current world system in a fashion more to its liking.<sup>17</sup>*

In a world that remains ordered anarchically, China's great power aspirations are being played out in Latin America. Similarly, the United States has the right to protect its geopolitical interests in the region. If it does not do so, the United States cedes to China its strategic goal of "reshaping the current world system in a fashion more to its liking."

Iran's growing presence in Latin America is a different story than China's. It is no coincidence that Iran's expansion has also been with ALBA countries, such as Venezuela, Ecuador, Bolivia, Nicaragua, and even Argentina (although this expansion ended with Cristina Kirchner's departure). Iran is infiltrating Latin America primarily through Hizballah, a Shiite terrorist group loyal to Ayatollah Ali Khamenei, as well as with the Islamic Revolutionary Guard Corps and Quds Force members.<sup>18</sup> There are reports of more than 80 Iran-supported Shiite cultural centers, operated by Hizballah and Quds Force, spread across the region. The clear intent of Iran is not only to convert individuals to Shia Islam but also to advance Iranian objectives at the expense of U.S. interests. As then-Commander of U.S. Southern Command General John Kelly, USMC (Ret.), testified before the Senate Armed Services Committee, "As the foremost state sponsor of terrorism, Iran's involvement in the region and



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these cultural centers is a matter for concern, and its diplomatic, economic, and political engagement is closely monitored.<sup>19</sup> Despite the nuclear agreement between the Obama administration and Iranian leaders, Iran continues to employ terrorism as a deliberate tool of national power.

Iran's honorary membership in Latin America's anti-U.S. club—ALBA—demonstrates Iran's success in advancing its objectives of penetrating the U.S. area of influence. Participation in ALBA provides Iran with access to greater intelligence, regional military organizations, and other security-related activities, and it promotes Iran's agenda in this part of the world. Given its previous situation of being under a strong United Nations sanctions regime, Iran was interested in gaining access to proscribed military technologies, promoting its nuclear program, and finding a way into the international banking system. The confluence of Hizballah's terrorist activities with transnational criminal networks is even more alarming. Hizballah has evolved into one of the region's most significant DTOs, leveraging its networks in Africa, Asia, and Europe. Unlike China, Iran seeks a presence in the region not for commercial trade purposes—although this is used as a façade—but as a way to promote its geopolitical and ideological goals. Given Iran's proclivity to support terrorism to achieve its objectives, U.S. policymakers should harbor no illusions that its presence in Latin America is benign.<sup>20</sup>

But of greatest immediate concern to U.S. national security interests is Russia's renewed efforts to gain access in the region and undermine U.S. goals and objectives. Taking advantage of the anti-U.S. populist stance of the late Hugo Chavez, Russia has also established itself as an honorary member in good standing of ALBA. Vladimir Putin's government is providing ALBA nations with weapons, police and military training and equipment, intelligence technology and training, nuclear technology, oil exploration equipment, financial assistance, and support as an influential friend on the United Nations Security Council and other international forums. With Russia's help and advice, the once-shared hemispheric values of a functioning democratic system are being replaced by a toxic mix of antidemocratic values, additional inputs of massive corruption, and a doctrine that draws on totalitarian models. The ALBA bloc embraces terrorism and terrorist groups such as the Fuerzas Armadas Revolucionarias de Colombia (Revolutionary Armed Forces of Colombia), Hizballah, and the Basque revolutionary organization Euskadi Ta Askatasuna. Also, ALBA's military doctrine includes the justification for the use of weapons of mass destruction against the United States.

Russia's intentions in this part of the world are antagonistic in nature. Russia's ongoing efforts to deepen ties with the nine ALBA bloc members raise real strategic concerns. Although some attempt to excuse Rus-

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sian actions as a tit-for-tat response to U.S. engagement in Russia's near abroad, it is one thing for the United States to support democratic governance, rule of law, and free market economies; after all, these actions are nonthreatening. But actively supporting anti-U.S. populist leaders for the sole purpose of undermining the United States in a zero-sum game is another matter; U.S. leaders must recognize this for what it is and take appropriate measures to safeguard our national interests. As General Kelly noted in congressional testimony:

*Russian activities in the region are more concerning. . . . Periodically since 2008, Russia has pursued an increased presence in Latin America through propaganda, military arms and equipment sales, counterdrug agreements, and trade. Under President Putin, however, we have seen a clear return to Cold War tactics. As part of its global strategy, Russia is using power projection in an attempt to erode U.S. leadership and challenge U.S. influence in the Western Hemisphere. . . . Russia's activities in the hemisphere are concerning and underscore the importance of remaining engaged with our partners.<sup>21</sup>*

## Cultural Underpinnings

Five hundred years of externally imposed influence across the region—political, economic, religious, and social, dating from the late 15<sup>th</sup> century—have had the net result of generating a new culture. Infused into the native inhabitants of the Americas over the years by invading colonists, this new culture—explicitly Latin American—is a factor that requires an appreciation of how different it is to what we would broadly characterize as American. Political scientist Howard Wiarda captured the many differences—and the reasons behind those differences—of cultural development between the British colonies and Spanish and Portuguese empires:

*Latin America, colonized and settled in the sixteenth century, was premodern and felt the full weight of medievalism in the form of an authoritarian political regime from top to bottom, a feudal landholding system and mercantilism in the economic sphere, a rigid two-class society without a large or solid middle class, an educational system based on rote memorization and deductive, unscientific reasoning,*

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*and a religious pattern of absolutism and orthodoxy that buttressed and reinforce the state concept.*

*The United States, settled and colonized in the seventeenth and eighteenth centuries, belonged, right from the beginning, to the modern world. It was nascently capitalistic, middle class, nonconformist, supportive of representative government, religiously pluralistic, and educationally and legally inductive and scientific.<sup>22</sup>*

This cultural/societal component is thus key to understanding how the region's political, economic, and judiciary systems developed differently from those of the United States, and why the region—despite its strain of Western traditions—evolved in a different fashion. Independent of the effect of globalization across the world, these cultural differences remain relevant in terms of how nation-states participate in the international system. They continue to directly influence how regional countries' political, economic, and judicial systems behave at the state and sub-state level.

### Political Culture

The evolution of political parties and processes in the region has amounted to a slow and gradual move away from explicitly authoritarian regimes to a variety of democratic models, in many cases ostensibly based on separation of powers but typically highly presidentialist and characterized by a dominant executive. This process only began to emerge in the early 20<sup>th</sup> century (in Uruguay) and has progressed in fits and starts across the region, with countless interruptions by coups of all sizes and colors. But the image of the Latin American military *junta* is not simply coincidental; as recently as the 1980s, the major countries of the Americas were under military control—Argentina, Brazil, Chile, Paraguay, Peru, Uruguay, and others. In addition, the majority of the countries are based on a unitary (versus a federal) model, although even then the concentration of authority in the national executive is the norm. This brief description is provided simply to underscore the fact that when we use the term *democratic government* in referring to Latin America, this does not mean an American model or a Canadian parliamentary variant.

Indeed a variety of factors have contributed to create a political culture that would be characterized as “left of center” in U.S. terms. Although communist ideologies are considered fringe elements within the mainstream of the U.S. political system, they are alive and well throughout the region. Cuba's communist party continues to serve as

a model emulated by political movements throughout the region. It is no accident that leaders in Venezuela, Bolivia, Nicaragua, El Salvador, Ecuador, Chile, Brazil, and until recently Argentina continue to revere Fidel Castro. President Obama's historic overture to the Cuban regime, however well intentioned, decidedly downplayed the strength of the authoritarian domination of the Cuban people. In the recently concluded Seventh Congress of the Cuban Communist Party—only a month after the Presidential visit—the party rejected any notion of political reform; despite the handshakes and photo opportunities, Raúl Castro continues to refer to the United States as “the enemy.” This aspect of the region's political culture presents an additional degree of difficulty, and U.S. policymakers must fully understand this fundamental reality as they consider policy options.

### **Economic Culture**

As with other elements, the disparity in capacity across the range of countries is striking. Latin America is the most unequal region in the world in terms of distribution of wealth. Although poverty has declined from 48.3 percent to 28 percent between 1990 and 2014,<sup>23</sup> 10 of the 15 most unequal countries in the world are in the Americas (including Brazil).<sup>24</sup> The region with the lowest quintile is Latin America, which has 4.1 percent of income. The bottom quintile in other developing regions includes South Asia, which has 7.9 percent, and Eastern Europe/Central Asia, which has 8.1 percent. At the other end of the spectrum, the top quintile in Latin America has 53.9 percent of income, the highest regional average.<sup>25</sup> Measured by gross domestic product, Brazil is one of the top 10 producing countries of the world, and both Mexico and Argentina are members of the Group of 20. But as richly endowed as those countries are, they too share in significant levels of poverty, and their income distribution schemes are far from ideal. Although many of the countries in the region are amply endowed with natural resources, in most developed countries intangible capital is the largest share of total wealth. This is not the case in Latin America, and it is explained in large part by weaknesses in educational systems as well as rule of law.

### **Judiciary Systems**

The legal systems throughout the region are quite different from a U.S. model. Latin America's legal foundations, established in the 16<sup>th</sup> and 17<sup>th</sup> centuries, were cast in a manner that would lead to continued authoritarian rule, founded on a legal tradition based on Roman law (versus common law in the United States and Canada inherited from Britain). Quoting again from Howard Wiarda:

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*Among the most important influences brought by Rome to Hispania was its concept of law. In the Roman conception, law derived deductively from divine precepts, nature, and right reason—not from everyday experience as in the more practical Anglo-American common-law tradition. Law and everyday practice were separated, divorced—a situation that leads to widespread violations of the law.<sup>26</sup>*

Levels of corruption throughout Latin America are notorious. With the notable exceptions of Uruguay, Chile, and Costa Rica (ranked 21, 23, and 40 in Transparency International's 2015 Index), Latin American countries have their origins in the legal practices and mores imported in the 16<sup>th</sup> century.<sup>27</sup>

The Iberian Peninsula judicial legacy was the inquisitorial system, where prosecuting attorneys and judges are responsible for *both* the investigation and the determination of guilt; they do so without a trial, but rather by reviewing evidence in private. The common law adversarial system used in the United States, by contrast, has active prosecution and defense attorneys, arguing in open court, and an independent judge whose role is to serve as an impartial umpire. Reform efforts in the region began in the late 1980s/early 1990s (more recently in Mexico) and were undertaken initially as the judicial aspect of democratization efforts, although the business sector's interest in market assurance was another strong element. Notwithstanding some progress, however, many countries continue to struggle with substandard judiciary systems due largely to ideological divides and culturally ingrained corruption. The challenge continues to be creating trusted and competent legal institutions, which are necessary to generate confidence in the minds of all citizens—entrepreneurs, bureaucrats, and everyone in between—that their rights will be protected. The poor levels of effective rule of law throughout the majority of the region continue to have a negative impact on countries' abilities to perform effectively across the entire spectrum of political, economic, judicial, and security development.

Among the most pernicious effects of this developmental delay is that Latin America is the most violence-prone region of the world, besting southern Africa. With 9 percent of global population, the region produces 27 percent of murders worldwide. Of the top 20 countries with the highest rates of homicides, 10 are from Latin America:<sup>28</sup>

*Latin America has long been a violence-prone continent. No other region in the world shows higher homicide rates, no other region shows such a variety of different types and*

*forms of violence. A high incidence of crime, the proliferation of violent youth gangs, the prevalence of domestic violence, violence related to drug trafficking or money laundering as the burning issues of the day come on top of more historical forms of violence in the form of persistent civil wars, guerrilla movements and death squads, state terrorism and dictatorships, social uprisings and violent revolutions.*<sup>29</sup>

With the exception of soccer, in no other category does Latin America so dominate world rankings.

### **A “Big Idea” for U.S. National Security Policymakers**

U.S. national security interests in Latin America are enduring and transcend administrations and political parties; what varies over time are levels of attention paid to the region and the ways and means used to pursue the ends. The most current expression emphasizes “the security of our allies and partners, an open international economic system that promotes opportunity and prosperity, respect for universal values, and a rules-based international order advanced by U.S. leadership that promotes peace, security, and opportunity through stronger cooperation to meet global challenges.”<sup>30</sup> It is not an exaggeration to state that all these interests are at risk throughout most of Latin America. The good news in this potentially depressing picture is that for the most part, the U.S. model is by far the most attractive model to emulate for the majority of the peoples of Latin America. Very few want to send their children to study in China, Russia, or Iran. The bad news is that the U.S. national security system is poorly structured to deal with the nature of the threats and challenges within Latin America. What is lacking is a coherent U.S. effort to actively promote that ideal-model type with willing partners in the region.

Part of the U.S. challenge is due to the factors laid out previously. At the same time, U.S. policymakers must recognize the limits of what can be done, and how much help is needed. Even if the United States had the resources and interest necessary to effect important and tangible change, the initiative to fundamentally upgrade their systems must rest with the countries in the region. Beyond that, given the underlying conditions seen throughout the region, the solutions are not exclusively, or even primarily, within the purview of the U.S. Government to address. Real progress depends on more than a well-integrated, whole-of-government approach. What is truly needed includes our most productive elements

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(namely, the private sector) and beyond, including nongovernmental organizations (NGOs), private charities, universities, religious orders—in a word, our civil society. Empowering someone to bring those sectors into the mix is a key element to future success.

If the interagency community is challenged to provide coherent solutions at the individual country level—and it is—the notion that it can do so region-wide is unrealistic. What is lacking in that regard is an overarching coordinating entity with authorities to direct the various key Federal actors—Department of State/U.S. Agency for International Development, Departments of Defense, Justice, Homeland Security, Treasury, and Commerce, among others. The Senior Director for the Western Hemisphere on the National Security Council lacks the authority to effectively direct, control, or task these departments and other Cabinet-level agencies.

The “Big Idea,” then, requires first the recognition that stating, “We need a more holistic and effective whole-of-government approach,” is insufficient and that more innovative steps should be taken. Taking a page out of President Bill Clinton’s playbook, we need to move beyond the “Special Envoy for Latin America” and designate a serious regional expert heavyweight—someone like John Negroponte comes to mind—to lead a new team authorized and empowered to develop, coordinate, and lead policy for the region.<sup>31</sup> The vision would entail going beyond the governmental sector serving as a “partner of choice,” to include a broader civil society—to-civil society engagement, encouraged and supported by the interagency entities of the U.S. Government. It would build upon an already existing proposal—that of the Integrated Regional Centers (IRC) suggested by the Project on National Security Reform:

*Shift the existing system’s emphasis to the regional level with regional directors heading integrated regional centers, which act as interagency headquarters for national security policy . . . convening Cabinet members and integrated regional directors based on issues, not statutory membership. The departments and agencies support IRCs by providing capabilities. This option builds on the success of the regional military commands while correcting the current civil-military imbalance by providing a civilian counterpart to the regional commands; it allows Washington to focus on global and long-range policy and strategy; and it gives embassies clear authority to coordinate their country plans.<sup>32</sup>*

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The IRC model is a necessary but insufficient first step in the right direction. This Big Idea would go beyond the IRC concept to give it the additional responsibility of also engaging more effectively with the “civil society”—universities, NGOs, churches, the private sector—to do those things not well suited to the government per se.

This proposal recognizes the limits of U.S. time, attention, and resources available to dedicate to the region; other parts of the world represent more significant and urgent threats to U.S. interests. The idea here is to work smarter, not necessarily harder or with more money. Resources will be required elsewhere in the world to confront the threat du jour and traditionally have not been available.<sup>33</sup> But a truly comprehensive approach that includes nongovernmental actors, coordinated, synchronized, and supported by the U.S. Government, would be a game changer. There are areas of concern with duplication of effort that would be deconflicted, as well as gaps and seams that could be recognized and addressed by an entity authorized and bestowed with available—but not coherently integrated—capabilities. The Latin American “Policy Director” would lead a team of regional- and country-specific as well as functional experts (economists, lawyers, judges, political scientists, anthropologists, sociologists, security and defense specialists, law enforcement officers, and so forth) to identify the key elements to assist in addressing essential developmental goals for the region.

A natural reaction to this proposal is that it is unrealistic, too bold, unworkable, or a combination of all three. Perhaps. But prolonging the status quo is demonstrably ineffective; after all, the status quo is what got us here. A system-wide reform effort, à la the Project on National Security Reform, is currently unlikely; unfortunately, a new major crisis will be required to propel us to action. But a pilot program in one specific part of the world might well succeed.

In the event that the Big Idea is too great a leap and simply too hard to pursue, there are other more limited—but still innovative—recommendations that could help in the near term. First, recognizing the real threat presented by transnational criminal organizations, as well as the fact that a number of different actors play a role in identifying the threat as well as dealing with it, a new administration might establish a joint interagency task force (JIATF) with the broad mandate to go after the TCO threat. The idea is to build upon the JIATF-South model, which integrates many of the interagency actors with the Department of Defense (DOD) and Coast Guard to conduct detection and monitoring operations regarding the interdiction of illicit trafficking and other narco-terrorist threats in support of national and partner nation security. This Joint Interagency Task Force–Transnational Criminal Organizations



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(JIATF-TCO) would incorporate law enforcement and intelligence agencies to fuse all available information to identify the gamut of bad actors involved in the broad range of criminal actors and activities. In addition, however, the other critical aspect is the action side of the equation.<sup>34</sup> This JIATF-TCO would coordinate and execute the takedown of TCO groups and other criminal activities, both internationally and domestically. The notion of synchronizing policy, diplomacy, defense, intelligence, finance, law enforcement, and clandestine and covert action by one centralized and integrated entity is easier said than done but is essential to combating the ability of nonstate actors to exploit the gaps and seams in our current organizational construct. This organization should be led by a senior civilian with recognized gravitas and experience such as a former Director of Central Intelligence, Federal Bureau of Investigation director, or retired combatant commander.

Another important concept is to strengthen DOD capacity to focus its capabilities and interact more effectively with the armed forces and law enforcement agencies of Latin America. Although not of traditional interest to much of DOD, the institutional importance of the Armed Forces in the region requires greater support by the Pentagon to promote enhanced security, improve internal civil-military relations issues, and address ongoing human rights concerns. Beyond recognition by the State Department that greater Pentagon support is a positive thing, there are two structural changes that could also help. The first is the creation of the Office of the Assistant Secretary of Defense (ASD) for Western Hemisphere Affairs, elevating the seniority of the individual responsible for crafting policy for the region. There was a short period of time when this was in effect, when the ASD for Homeland Defense and Americas' Security Affairs played that role to a limited degree, complementing the Deputy Assistant Secretary of Defense for Western Hemisphere Affairs as needed. During that time, both ASDs who held that office—Paul McHale and Paul Stockton—were hired first and foremost for their expertise in homeland defense issues. They were not Latin American specialists. But having an Assistant Secretary of Defense engaged with those details, playing an active role within both the interagency and senior regional counterparts, proved helpful.<sup>35</sup>

The second and related idea is to consider consolidating the responsibilities for oversight of security cooperation and foreign military sales programs within the region under the supervision of a single geographic combatant commander. There are two basic options regarding how the Unified Command Plan should incorporate Mexico.<sup>36</sup> One is to maintain the status quo with Mexico, Canada, and the Bahamas as part of U.S. Northern Command. The other alternative makes the case to include Mexico (and portions of the Caribbean region) within the purview of one

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geographic combatant command as the logical step to provide operational support to the policy shop in the Office of the Secretary of Defense.<sup>37</sup> As James Stavridis, testified, we should:

*merge SOUTHCOM and NORTHCOM [U.S. Northern Command] into a single Americas Command. The artificial division of Mexico from SOUTHCOM hurts our unified purpose throughout Latin America and the Caribbean; and our Canadian allies are very involved in the world to the south as well. Making this one command—probably headquartered in Miami, with a sub-unified command in Colorado Springs retaining NORAD [North American Aerospace Defense Command] and air defense—would be efficient, save resources, and improve focus on the Americas.*<sup>38</sup>

Stavridis clarified his remarks, adding, “I absolutely think we should merge NORTHCOM and SOUTHCOM, not only for the efficiencies, but I think there’s cultural connections, to get Canada and Mexico, two of the largest economies in the Americas, into the flow of our work to the south.”<sup>39</sup>

The proponents of the current configuration make the compelling point that the political, economic, social, and security entity that is North America should be conserved and strengthened. They argue that the defense of the United States demands having Canada and Mexico as special and unique partners as part of a dedicated defense structure. The downside of this option is that the status quo essentially places a wall around the United States, Canada, and Mexico, which may convey a message of writing off the rest of the hemisphere. It would confer upon Mexico status as a key strategic partner, but at the cost of appearing to neglect the rest of our neighborhood. The notion of an Americas Command versus either the status quo or a Southern Command that includes Mexico recognizes that the neighborhood is important to the entire region (to include the United States and Canada) and implies an organizational structure sufficient to that task. The disadvantage, at least in the short term, could be a message received by Mexico that suggests the United States does not value the unique relationship that has developed since 2002. It is an important debate that merits serious consideration at the highest levels of DOD.

There are many other smaller details that could also contribute to improving the ways in which the U.S. Government pays attention to and interacts with the key actors in Latin America. But unless major initiatives are undertaken, the smaller moves are probably akin to simply rearranging the deck chairs—and there are icebergs ahead.

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### Notes

<sup>1</sup> Project on National Security Reform (PNSR), *Forging a New Shield* (Washington, DC: PNSR, November 2008), v. Emphasis added.

<sup>2</sup> Linda Robinson, *Intervention or Neglect: The United States and Central America Beyond the 1980s* (New York: Council on Foreign Relations, 1991), 173. Bernie Aronson has also noted that Latin Americans are less annoyed by U.S. intervention than by the inconsistency of our intervention, an important qualifier.

<sup>3</sup> Michael Reid, “Obama and Latin America: A Promising Day in the Neighborhood,” *Foreign Affairs* 94, no. 5 (September/October 2015), 46. Emphasis in the original.

<sup>4</sup> James R. Clapper, Director of National Intelligence, “Statement for the Record: Worldwide Threat Assessment of the U.S. Intelligence Community,” House Appropriations Subcommittee on Defense, March 25, 2015, 8; available at <<http://docs.house.gov/meetings/AP/AP02/20150325/103200/HHRG-114-AP02-Wstate-ClapperJ-20150325.pdf>>.

<sup>5</sup> Centers for Disease Control and Prevention, National Center for Health Statistics 2015, available at <[www.drugabuse.gov/related-topics/trends-statistics/overdose-death-rates](http://www.drugabuse.gov/related-topics/trends-statistics/overdose-death-rates)>.

<sup>6</sup> National Drug Threat Assessment 2010, Product No. 2010-Q0317-001, National Drug Intelligence Center, U.S. Department of Justice, 2010.

<sup>7</sup> For a more in-depth understanding of these arguments, a number of articles in *Convergence* are quite helpful. See Michael Miklaucic and Jacqueline Brewer, eds., *Convergence: Illicit Networks and National Security in the Age of Globalization* (Washington, DC: NDU Press, 2013).

<sup>8</sup> *Ibid.*, foreword, by James G. Stavridis, ix–x.

<sup>9</sup> Michael Miklaucic and Moisés Naim, “The Criminal State,” in *Convergence*, 149.

<sup>10</sup> Formal members of Alternativa Bolivariana para los Pueblos de América, or the Bolivarian Alternative for the Americas (ALBA), include the two original members—Cuba and Venezuela—as well as Antigua and Barbuda, Bolivia, Dominica, Ecuador, Nicaragua, Saint Lucia, and St. Vincent and the Grenadines. Iran and Syria maintain observer status.

<sup>11</sup> Wayne M. Morrison, *China-U.S. Trade Issues*, RL33536 (Washington, DC: Congressional Research Service, December 15, 2015), available at <[www.fas.org/sgp/crs/row/RL33536.pdf](http://www.fas.org/sgp/crs/row/RL33536.pdf)>.

<sup>12</sup> Chinese “policy” banks differ from Chinese commercial banks in that they target specific sectors for economic and trade development issues. Specifically these include the Agriculture Development Bank of China, China Development Bank, and Export-Import Bank of China.

<sup>13</sup> “China Denies ‘Biggest Trader’ Status, Insists It’s ‘Developing Country,’” *RT.com*, February 19, 2013, available at <[www.rt.com/business/china-trading-us-partner-577/](http://www.rt.com/business/china-trading-us-partner-577/)>.

<sup>14</sup> Enrique Dussel Peters and Kevin P. Gallagher, “NAFTA’s Uninvited Guest: China and the Disintegration of North American Trade,” *CEPAL Review* 110 (August 2013), 86–89.

<sup>15</sup> Data from the U.S. Census Web site, available at <[www.census.gov/foreign-trade/balance/c2010.html#1994](http://www.census.gov/foreign-trade/balance/c2010.html#1994)>.

<sup>16</sup> For an excellent analysis of the current China–Latin America trade and finance situation, see Rebecca Ray and Kevin Gallagher, *China-Latin American Economic Bulletin 2015 Edition*, Discussion Paper 2015-9 (Boston: Global Economic Governance Initiative, 2015), 1–22.

<sup>17</sup> Yei Lu, “China’s Strategic Partnership with Latin America: A Fulcrum in China’s Rise,” *International Affairs* 91, no. 5 (2015), 1047–1048.

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<sup>18</sup> Alma Keshavarz, “A Review of Iran’s Revolutionary Guards and Qods Force: Growing Global Presence, Links to Cartels, and Mounting Sophistication,” *Small Wars Journal*, December 23, 2015, available at <<http://smallwarsjournal.com/jrnl/art/a-review-of-iran%E2%80%99s-revolutionary-guards-and-qods-force-growing-global-presence-links-to-car>>.

<sup>19</sup> General John F. Kelly, Posture Statement before the Senate Armed Services Committee, March 12, 2015.

<sup>20</sup> For a particularly sobering overview of Iran’s interests and activities in the region, see Matthew Levitt’s “Iranian and Hezbollah Operations in South America: Then and Now,” *PRISM* 5, no. 4 (2013), 118–133.

<sup>21</sup> Kelly, Posture Statement. Emphasis added.

<sup>22</sup> Howard J. Wiarda, *The Soul of Latin America* (New Haven: Yale University Press, 2001), 3–4.

<sup>23</sup> Economic Commission for Latin America and the Caribbean, “Poverty and Indigence Reduction Stalls in Most of Latin American Countries,” January 26, 2015, available at <[www.cepal.org/en/pressreleases/poverty-and-indigence-reduction-stalls-most-lat-in-american-countries](http://www.cepal.org/en/pressreleases/poverty-and-indigence-reduction-stalls-most-lat-in-american-countries)>.

<sup>24</sup> United Nations (UN) Development Programme, “About Latin America and the Caribbean,” available at <[www.latinamerica.undp.org/content/rblac/en/home/regioninfo.html](http://www.latinamerica.undp.org/content/rblac/en/home/regioninfo.html)>.

<sup>25</sup> World Bank, “Poverty and Equity Regional Dashboards,” available at <<http://povertydata.worldbank.org/poverty/region/ECA>>.

<sup>26</sup> Wiarda.

<sup>27</sup> Transparency International 2015 Index, available at <[www.transparency.org/cpi2015#map-container](http://www.transparency.org/cpi2015#map-container)>.

<sup>28</sup> UN Office on Drugs and Crime, *Global Study on Homicides*, 2013, 35, available at <[www.unodc.org/documents/gsh/pdfs/2014\\_GLOBAL\\_HOMICIDE\\_BOOK\\_web.pdf](http://www.unodc.org/documents/gsh/pdfs/2014_GLOBAL_HOMICIDE_BOOK_web.pdf)>.

<sup>29</sup> Fernando Carrión, “Violence Research in Latin America and the Caribbean: A Literature Review,” *International Journal of Conflict and Violence* 5, no. 1 (2011), 88.

<sup>30</sup> *National Security Strategy 2015* (Washington, DC: The White House, February 2015), 2.

<sup>31</sup> Lifelong friend of President Bill Clinton, Thomas “Mack” McLarty, first served as White House Chief of Staff and was then designated “Special Envoy for the Americas.” His success in this position was due primarily to his close relationship with the President, not his regional expertise.

<sup>32</sup> PNSR, 441–442. See pages 492–506 for greater details regarding the integrated regional center model.

<sup>33</sup> A colleague who also specializes in Latin America makes a compelling case for more funding: “I think more money is a necessary suggestion. We spend less in Latin America in one year, adding up all of our programs—civilian and military—than the military spends in Afghanistan in one week. That’s shameful for a region that neighbors the United States. No wonder we’ve lost influence.” Dr. David Spencer, email note to author, April 1, 2016.

<sup>34</sup> While it is true that “mini” versions of this proposal already exist within the Department of Justice, Department of Treasury, and Intelligence Community, they continue to exist within functional stovepipes. The concept is to integrate efforts across all agencies.

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<sup>35</sup> The precedent of having an Assistant Secretary of Defense for a single region was established in late 2007 with the creation of the office of the Assistant Secretary of Defense for Asian and Pacific Security Affairs.

<sup>36</sup> An outlier would be to place Mexico and the Caribbean into U.S. Southern Command, and merge U.S. European Command into what is left of U.S. Northern Command. See *Armed Forces Journal*, “Redrawing the COCOM Map,” available at <[www.armedforces-journal.com/redrawing-the-cocom-map/](http://www.armedforces-journal.com/redrawing-the-cocom-map/)>.

<sup>37</sup> For a more detailed explanation of the logic behind these recommendations, see Craig A. Deare, “Time to Improve U.S. Defense Policy toward the Western Hemisphere,” *Joint Force Quarterly* 53 (2<sup>nd</sup> Quarter 2009), 38–39.

<sup>38</sup> Testimony of Admiral James G. Stavridis, USN (Ret.), before the Senate Armed Services Committee, December 10, 2015.

<sup>39</sup> Joe Gould, “As Congress Pushes Defense Department Reform, So Does Carter,” *Defense News*, December 12, 2015, available at <[www.defensenews.com/story/defense/policy-budget/budget/2015/12/12/congress-pushes-defense-department-reform-so-does-carter/77057422/](http://www.defensenews.com/story/defense/policy-budget/budget/2015/12/12/congress-pushes-defense-department-reform-so-does-carter/77057422/)>.