



# Latin America 2020

## Challenges to U.S. National Security Interests

Craig A. Deare





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**NDU**  
**Press**

National Defense University Press  
Washington, D.C.  
June 2020

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Cover: Protester launches tear gas fired by national guard during demonstration against government of Nicolás Maduro, Caracas, Venezuela, April 26, 2017 (Shutterstock/Reynaldo Riobueno)

First printing, June 2020

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## Executive Summary

U.S. national security interests in Latin America are undermined by three key threats: transnational criminal organizations, which exploit weak levels of governance across the majority of countries in the region; extra-regional actors, which fill the vacuum created by U.S. distraction and inattention to its neighborhood; and finally, a number of regional political actors embracing ideological positions opposed to open political systems and free markets, which undermine progress toward democratic governance and stability. 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. U.S. prestige is on the line within this hemisphere as we confront the ambitions of revisionist powers undermining global order.

## Introduction

Latin American specialists routinely draw attention to a range of factors that merit the attention and concern of U.S. policymakers. Nonetheless, the panorama in the spring of 2020 is particularly dire, with ongoing social, political, and economic weakness across the region, now exacerbated by the 2019–2020 novel coronavirus (COVID-19) pandemic. The geopolitical environment of the Western Hemisphere during the 2016 U.S. election cycle represented a unique window of opportunity to improve the quality of the security relationships that the United States had with its counterparts throughout Latin America. Unfortunately, policymakers failed to take full advantage of that opportunity and now are confronted with a more daunting landscape.

It is a matter of fact that 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 and support, 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 dynamics of Latin America are quite complex, the cumulative effect a combination of geography and exploration, led by the Spanish (and to a lesser degree, Portuguese) conquest, domination, and eventual colonialization of indigenous populations beginning in the early 16<sup>th</sup> century. The evolution of these societies over the years has been uneven, but the predominant trend has seen authoritarian and non-inclusive political systems, economic systems characterized by small groups of wealthy elites and large segments of economically marginalized populations, and judicial systems developed to support the elites rather than unbiased rule of law for the entire societies. The net effect is the most violent and economically unequal region in the world.

Broad national security interests of the United States were captured succinctly by a report from 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 manifesting themselves now.

In 2016, a number of indicators painted a positive picture for U.S. national security interests in the region and a window of opportunity emerged. The late Venezuelan President Hugo Chávez’s Pink Tide was receding rapidly.<sup>2</sup> The anti-U.S. alliance known as ALBA (Alianza Bolivariana para los Pueblos de América, or the Bolivarian Alliance for the Americas), established by Chávez to reduce U.S. influence, was imploding after Chávez’s death in March 2013 amid declining oil prices.<sup>3</sup> Leaders supportive of the goals of promoting democratic governance and

free markets were in place in Brazil, Mexico, Colombia, Peru, Argentina, and Panama, a notable change from 10 years earlier.

However, in 2020, that relatively positive environment no longer exists. That window of opportunity has closed. Without going country by country, across the board the environment is more dire. As of this writing, the regional environment is unsettled and likely to worsen in the near term. The multiyear human disaster that is Venezuela continues to fester, with no easy options to employ. Long the poster child to be emulated, Chile suffered from pent-up social unrest that exploded in October 2019, exacerbated by Cuban and Venezuelan operatives. Closer to home, the constant pull factor of demand for cheap labor in the United States is accelerated by worsening levels of violence in the Northern Triangle, resulting in a prolonged migration crisis on the U.S.-Mexico border. Nicaragua continues to suffer under the brutal and corrupt Ortega regime. Challenging logic, Cristina Fernandez—who drove the Argentine economy into the ground during her two terms—has returned to the office of the presidency as Alberto Fernandez’s vice president. Many analysts assume that she calls the shots despite her number two role. The hopes for peace in Colombia in 2016 are at significant risk, with both Iván Duque and the FARC (Fuerzas Armadas Revolucionarias de Colombia, or Revolutionary Armed Forces of Colombia) pointing fingers at each other. Andres Manuel Lopez Obrador in Mexico is leading the country on an anti-“neoliberal” (read anti-free market economics) detour and, together with Argentine president Alfredo Fernandez, is confronting the centrist Group of Lima<sup>4</sup> by establishing an ideologically opposed Group of Puebla,<sup>5</sup> attempting to revive the dormant Pink Tide phenomenon of the first decade of the 21<sup>st</sup> century. The Pink Tide is rising again, this phase supported and fomented by acolytes of El Foro de Sao Paulo (the Forum of Sao Paulo), a radicalized communist-inspired movement dedicated to undermining U.S. interests in the region.<sup>6</sup>

There are three primary threats in this part of the world that must concern U.S. policymakers. The first is a growing and dangerous amalgam of criminal entities operating throughout the region 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, intent on undermining an important U.S. role.

The third is the presence of a number of political parties that embrace authoritarian tendencies and ideological positions against open political systems and free markets, undermining and threatening democratic institutions. All three are exacerbated by enduring sociopolitical systems, which have resulted in poor levels of governance, endemic poverty, and widespread corruption—accompanied by an inconsistent level of U.S. attention and commitment to our neighbors. As former Assistant Secretary of State Bernard W. Aronson has stated, “The historic U.S. failure in Latin America has not been interventionism but, rather, neglect.”<sup>7</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, but these are the exception to the rule.

At this juncture, the response required from the United States is not one requiring a conventional military component because most of the threats are not fundamentally military in nature but rather political, although there are elements and derivatives of a military tone. The ongoing crisis in Venezuela is perhaps the most suggestive of a military intervention, but such an action—particularly were it a unilateral conventional action by the United States—is ill-advised and counterproductive in the long term. 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 campaigns that transcend traditional U.S. approaches. Failure to effectively address these threats will have implications far beyond the geographical limits of the Western Hemisphere.

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

*True, for years, the 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 [U.S.] influence. The region still suffers from unresolved challenges—notably, a persistent drug trade, widespread violent crime, and the erosion of democracy in Venezuela.<sup>8</sup>*

Reid concedes that the current administration took a “largely reactive approach” and that increased U.S. attention to the region came too late in the Obama Presidency.

More recently, during Donald Trump's Presidency, a great deal of the focus has been on Cuba, Venezuela, and Nicaragua, characterized as the “Troika of Tyranny” by former National Security Advisor John Bolton. But beyond the security concerns generated by the implosion of Venezuela—supported by the Cuban regime—Michael Shifter emphasizes the continuing lack of a broader approach to the region:

*Beyond this curious, and highly selective, concern for dictatorships, there is no sign that the U.S. administration has other ideas or a more wide-ranging agenda to engage with and cooperate more productively with Latin America. Such a myopic, single-minded focus is unfortunate and will only spur the region's governments to pursue and intensify ties with other external partners. U.S. policy*

*toward Latin America, more so than other regions, has long been defined and driven by U.S. domestic politics, but never to such an extreme as under the Trump administration.<sup>9</sup>*

Although Shifter may be a bit unreasonable in criticizing the current administration for its valid concerns regarding dictatorships, his broader points about the tendency for U.S. policymakers to focus almost exclusively on threats, as well on domestic politics, are justified.

The United States continues to lose influence in the region not only 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 are inclined to enumerate a long list of “threats” in the region, on reflection they are mostly variations of the same theme. 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.

### Transnational Organized Crime

The first threat—and arguably the 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 criminal organizations and their activities represent a clear and direct threat to U.S. interests. As former Director of National Intelligence James Clapper captured 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>10</sup>*

The impact of the drug trade on U.S. society, much of which comes from or through Latin America, is profound. In 2017, more than 29,000 Americans died from heroin and cocaine overdoses—far more Americans than were killed in Iraq and Afghanistan over more than a decade at war.<sup>11</sup> The monetary costs to American society associated with the drug trade exceed \$200 billion every year, far surpassing those associated with confronting terrorism threats, which receive greater attention.<sup>12</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 needed services to the local population, in particular within urban settings. The degree of effectiveness of these illicit groups varies country by country and even by certain geographic locations within a given country. Beyond establishing a secure environment in which they can operate, transnational criminal organizations (TCOs) routinely deliver other services, ranging from conflict resolution 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 levels depending on their requirements and capacity. Importantly, weak and still developing states are the most vulnerable to the increasing strength of 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 TCOs assume ever 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, 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>13</sup> Beyond being penetrated or infiltrated by TCOs and becoming overwhelmed, in some cases officials actually lead the process of criminalizing the state. The most extreme example is the current regime in Venezuela, but others—such as Cuba and Bolivia under Evo Morales—are also actively involved in the criminal enterprise. The result, as former commander of U.S. Southern Command Admiral James Stavridis, USN (Ret.), points out, is that:

*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>14</sup>

In short, the rise of powerful TCOs in Latin America poses a serious and growing national security danger that deserves greater attention. Sharing a region with neighbors under assault represents a risk to U.S. interests, and steps must be taken to reverse those conditions. At the systems level of analysis, Great Powers will continue to dominate the international system, although many international relations theorists point to the rise in influence of nonstate actors, which is undeniable. As Michael Miklaucic and Moisés Naím warn, 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>15</sup>

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

## External State Actors

The second major threat to U.S. interests in this region is the growing presence and activity of external state 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, China, and Iran 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 ring alarm bells for U.S. policymakers. Russia views the current geopoliti-

cal environment as a new Cold War of sorts; China's continued expansion into the South China Sea clearly demonstrates its intentions of projecting military power in its near abroad, the latest step in its Great Power aspirations; 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 responsible 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 ALBA, which was eager to reduce U.S. influence despite the long-term costs to their peoples.

Former Secretary of Defense James Mattis understood clearly the threats posed by both Russia and China. In his National Defense Strategy, published in 2018, he was explicit:

*The central challenge to U.S. prosperity and security is the reemergence of long-term, strategic competition by what the National Security Strategy classifies as revisionist powers. It is increasingly clear that China and Russia want to shape a world consistent with their authoritarian model—gaining veto authority over other nations' economic, diplomatic, and security decisions. . . . China and Russia are now undermining the international order from within the system by exploiting its benefits while simultaneously undercutting its principles and "rules of the road."*<sup>16</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, China is now the largest trading partner for the United States, with annual bilateral trade growing from \$2 billion in 1979 to \$660 billion in 2018, with an accompanying U.S. trade deficit of \$419 billion.<sup>17</sup> Chilean copper, Argentine soy and wheat, Brazilian iron, Venezuelan oil, Bolivian lithium, and Peruvian minerals

are attractive commodities, and those countries profit from increased sales to satisfy growing Chinese demand. On closer examination, however, China's economic activities, including predatory lending, 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>18</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>19</sup> Leaving Mexico aside—a unique case given the North American Free Trade Agreement (NAFTA) of 1994—much 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 share in the United States at Mexico's expense, as well as increasing market share in Mexico from U.S. products.<sup>20</sup> Yet 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 \$671 billion in 2018.<sup>21</sup>

A related but largely unrecognized factor here is that China is filling a trade space that could—and should, from a U.S. interest 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 and extractives, with only a small portion of exports to China consisting 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. China's predatory lending practices leave developing partners in deep debt and will require concessions

for years to come. The net effect for Latin American countries will only worsen in the future.<sup>22</sup>

Beyond China's deep economic engagement with Latin America, China's explicit support for the anti-U.S. alliance ALBA has been 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 being the most obvious example—that would have failed years ago due to flagrant incompetence, mismanagement, and corruption. China continues to fund this failed model and sell it military hardware despite the risk of economic losses; Chinese strategic intentions are primarily geopolitical, not financial, although the financial benefits are significant indeed.

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 practically no arms sales to the region prior to 2005, China is now a key supplier to Latin America. Venezuela continues to lead in China's Latin American weapons sales, with the Stockholm International Peace Research Institute estimating that Venezuela acquired \$373 million worth of Chinese weaponry between 2011 and 2015. In 2012, Venezuela entered into a major deal in weapons that was worth hundreds of millions of dollars, including armored personnel carriers and self-propelled artillery, suggesting a continued dependence on China for years to come.<sup>23</sup>

With the death of Hugo Chávez 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 from over \$110 per barrel in 2013, to an average of \$60 for several years, and then falling dramatically in December 2019 to under \$30 per barrel. Despite the opposition party's takeover of the legislature in December 2015, Maduro's dictatorial powers, supported by a pervasive Cuban intelligence presence and Chinese surveillance technology, ensure that he will continue to prioritize politics over economics, and Venezuela's pain will continue beyond his tenure. Even if Maduro

were to depart the scene (voluntarily or not), the Cuban regime will not relinquish control of the Venezuelan oil lifeline easily, and China's role will be supportive if only to protect its economic investments.

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 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>24</sup>*

In a global system that remains ordered anarchically, China's Great Power aspirations are being played out in Latin America. China has been effective politically beyond its economic efforts; in the past 2 years, three Latin American countries—Panama, El Salvador, and the Dominican Republic—have severed their longstanding ties to Taiwan in favor of the People's Republic of China.

Not only does the United States have the right to protect its geopolitical interests in the region, but more importantly it also has the geostrategic responsibility to do so. If it fails to exert that role, the United States cedes to China its strategic goal of "reshaping the current world system in a fashion more to its liking."

Iran's continuing 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. Iran is infiltrating Latin America primarily through Hizballah, a Lebanese Shi'ite political party and terrorist group loyal to Ayatollah Ali Khamenei, as well as with the Islamic Revolutionary Guard Corps and Quds Force.<sup>25</sup> There are anecdotal reports of more than 80 Iran-supported Shi'ite cultural centers, operated by Hizballah and Quds Force operatives, spread across the region, although publically available data to support this is scant. The likely intent of Iran is probably not to convert individuals to Shia Islam, but to establish relationships with sympathetic regional governments and engage in fundraising and money-laundering activities through licit and illicit methods. As U.S. Southern Command Admiral Craig Faller, USN, testified before the Senate Armed Services Committee:

*As the leading state sponsor of terrorism in the world, Iran's activities in the region are also concerning. . . . It has deepened its anti-U.S. influence campaign in Spanish language media, and its proxy Lebanese Hizballah maintains facilitation networks throughout the region that cache weapons and raise funds, often via drug trafficking and money laundering.*<sup>26</sup>

Even with the nuclear agreement between the Obama administration and Iranian leaders, Iran continued to employ terrorism as a deliberate tool of national power and it goes on today.

Iran's honorary membership in Latin America's anti-U.S. club—ALBA—demonstrated Iran's success in advancing its objectives of penetrating the dominant U.S. area of influence in this hemisphere. Participation in ALBA provided 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 only for illicit trade purposes, as in the Tri-Border Area, but also as a way to promote its broader 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>27</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 Chávez, Russia established itself as an honorary member in good standing of ALBA. Vladimir Putin's government provided 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 anti-democratic values, additional inputs of massive corruption, and a doctrine that draws on totalitarian models. The ALBA bloc embraced terrorism and terrorist groups such as the FARC of Colombia, Hizballah, and the Basque revolutionary organization Euskadi Ta Askatasuna. Also, ALBA's military doctrine included 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 efforts to deepen ties with the nine ALBA bloc members raise real strategic concerns for the United States. Although some have attempted to excuse Russian 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. Although ALBA had turned into a semi-dormant stage with the departures of Brazil with Jair Bolsonaro and Ecuador with Lenín Moreno, Russia continues to support

those countries whose leaders share Putin's illiberal ideologies, including Venezuela and Cuba, as well as Nicaragua and now the return of Argentina. Russian arms sales to primarily ALBA countries throughout Latin America; the expansion of RT en Español (RT in Spanish) throughout the region; high-level, frequent visits of senior leaders back and forth to Russia; and periodic military shows of force, such as the deployment of Russian bombers and ships to the region, are all examples of Putin's efforts to challenge the United States in its sphere of influence.

As Admiral Faller noted in congressional testimony:

*In contrast to China's long-term strategic approach, Russia seeks to be more of a "spoiler" in the region by attempting to disrupt or undermine U.S. engagement. Russia seeks to sow disunity and distrust, propping up autocratic regimes in Cuba, Bolivia, Venezuela, and Nicaragua, which are counter to democracy and U.S. interests.<sup>28</sup>*

In his testimony before the Senate Armed Services Committee, Faller put Russian activities into four broad bins: disinformation, shows of force, security cooperation, and support to authoritarianism.<sup>29</sup> On top of these activities, we must add the active involvement of Russian-backed private military contractors and the employment of what is understood alternately as the Gerasimov or Antimov Doctrine, conducting an effective, albeit little understood, irregular warfare campaign against moderate regional countries and U.S. interests. The reality of the matter is that the Russians are quite actively engaging in our sphere of influence, and we cannot sit idly by.

A final point regarding the presence and actions of these three extra-regional state actors must be emphasized. These revisionist powers explicitly reject the norms and rules of the post-Cold War international order, and they seek to shape an international security environment hostile to U.S. values and interests. While these extra-regional state actors are active globally, their efforts in the neighborhood of the United States should be of even greater concern.



## Illiberal Political Culture

The third and final threat facing U.S. interests in the region is one that is directly related to the first two: regional political actors embracing ideological positions opposed to open political systems and free markets, the cumulative effect of which undermine the consolidation of democratic institutions and stability. The numbers of countries wax and wane through periodic pendulum shifts among political parties as they compete for power, with the exception of Cuba of course, under communist rule since the early 1960s. For a variety of reasons addressed below, few countries have been able to establish stable political and economic systems resistant to these shifts. Driving these swings is the inability of the region's leaders to develop political-economic systems capable of establishing equilibria between the societies' needs for economic opportunity and security and viable social safety nets, all supported and guaranteed within the rule of law.

This theme is quite complex and difficult to convey in a few paragraphs. Although tempting to lay the entire blame on the persistent advocacy by the politics of left-of-center advocates, the fact of the matter is that the challenge does not fit neatly into a U.S. model of left-versus-right analysis. While it is certainly true that communism has played a role in the political systems of Latin America since the 1920s, which Fidel Castro's taking power in 1959 served to enhance, the political shortcomings cannot be laid exclusively at the feet of Castro and communism. Built on a foundation of authoritarian rule dating from the 16<sup>th</sup> century, leaders from various points on the ideological spectrum have ruled their societies as *caudillos* (strongmen), prioritizing wealth and security for themselves rather than the well-being of the countries' inhabitants. This authoritarianism has relied on an incoherent mix of nationalism and populism that has varied from country to country, as well as from different historical periods.

The region is too heterogeneous to cite a single example to convey this reality. Argentina continues to operate under the influence of Juan Perón—himself influenced heavily by Italian Fascists and German Nazis prior to World War II—and the Peronist party (technically the Justicialistas), a broad collection of socialist and left-of-center nationalist ideologies, incorporating labor unions, radical environmentalists, feminist and transgender activists, and other anti-liberal minded

groups. Mexico had a different reality, forged by their civil war (la Revolución) of 1910 through 1917, in which more lives were lost per capita than in the U.S. Civil War. The result in that case was the evolution of a political party (the Partido Revolucionario Institucional, or the Institutional Revolutionary Party) that ruled for over 70 years as a bureaucratic authoritarian regime, in what Nobel Prize laureate Mario Vargas Llosa dubbed “the perfect dictatorship.” Daniel Ortega in Nicaragua and (until recently) Morales in Bolivia are other current examples of this phenomena of autocrats who manipulate constitutions and elections to stay in power indefinitely. The point here is not historical; rather, these types of political organisms that have evolved over the years are the norm rather than the exception and continue to exert a negative influence on societies throughout the region even today.

This theme is developed in the next section when discussing the political and economic underpinnings at play in the region. The major takeaway, however, is that this enduring legacy of anti-liberal ideologies must be understood not simply as a peculiar characteristic of the region, but as a phenomenon that continues to play a key role in preventing the development of effective democratic institutions. This failure contributes to an enduring degree of instability throughout the region, manifesting itself in—among other examples—significant migratory pressures to seek a less dangerous and more prosperous future.

## Cultural Underpinnings

Hundreds of years of externally imposed influence across the region—social, religious, political, and economic, dating from the early 16<sup>th</sup> century—have had the net result of generating a different culture in the new world. Infused into the native inhabitants of the Americas over the years by invading *conquistadores*, 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, and a religious pattern of absolutism and orthodoxy that buttressed and reinforced the state concept.*

The United States, settled and colonized in the 17<sup>th</sup> and 18<sup>th</sup> 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>30</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 distinct 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 and their societies participate in the international system. They continue to directly influence how regional countries' political, economic, and judicial systems behave at the state and substate levels.

## Political Culture

The evolution of political parties and processes in the region has amounted to a 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. Much of the 18<sup>th</sup> and 19<sup>th</sup> centuries were stamped by internal conflicts between two or more factions and countries led by dictators warring internally as well as with their neighbors. The Latin American democratic process began to emerge only 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 shapes, sizes, and colors.

But the image of the Latin American military *junta* is not simply coincidental; as recently as the 1980s, major countries of the Americas—Argentina, Brazil, Chile, Paraguay, Peru, Uruguay, and others—were under military control. In addition, the majority of the countries are based on a unitary (vs. 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 parliamentarian variant.

Indeed, a variety of factors have contributed to create a political culture that would be characterized as generally “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 authoritarian political movements throughout the region. It is no accident that current leaders in Venezuela, Bolivia, Nicaragua, Mexico, and Argentina continue to revere Castro and his legacy.

President Barack Obama’s historic overture to the Cuban regime, however well intentioned, decidedly downplayed the complete authoritarian domination of the people by the Cuban regime. In the recently concluded Seventh Congress of the Cuban Communist Party, only a month after the U.S. 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 a long-term threat, and U.S. policymakers must fully understand this fundamental reality as they consider policy options.

The role played by the United States in the region cannot be minimized. The subject of the relationship of the United States with its neighbors in Latin America is a matter of significant sensitivity, particularly to those who view the United States with varying degrees of mistrust and wariness. Although the United States does not bear the weight of the original colonizers from Spain and Portugal in the 16<sup>th</sup> century, or the early mercantilist activity of other imperial powers such as Britain, France, or the Netherlands in the 17<sup>th</sup> century, U.S. economic and security

interests drove its involvement to varying degrees in many countries in the region as early as the beginning of the 18th century.

Oversimplifying and mentioning only in the briefest possible manner, we recognize how successive U.S. administrations resorted to the use of force—or certainly the implied threat of force by deploying troops—to protect American interests around the world, and in particular the Western Hemisphere. U.S. pre-occupation with Soviet geopolitical and ideological expansion during the Cold War required an active U.S. interest and involvement in matters throughout Latin America, and provided fodder for Castro and his acolytes in their anti-U.S. narrative. I mention this only to highlight the reality that there are notable instances of anti-U.S. sentiment scattered throughout the region, complicating any U.S. intervention, particularly one involving conventional U.S. forces.

## Economic Culture

In similar fashion to other key influences imported from the Iberian Peninsula, the region's economic culture was infused with mercantilist concepts of the 16<sup>th</sup> and 17<sup>th</sup> centuries, built on the notion that a country's wealth was primarily derived from increased exports, in particular precious metals such as gold and silver. By the time Adam Smith and David Ricardo revolutionized economic thought in the 18<sup>th</sup> and 19<sup>th</sup> centuries, mercantilist dogma was fully ensconced in the tool kits of Latin American politicians and philosophers. Protectionist economic beliefs and practices continued as the norm, creating barriers to free trade and greater economic expansion throughout much of the region up through the 20<sup>th</sup> century.

As with other elements, the disparity in capacity across the range of countries is striking. It must be recognized at the outset that although other regions of the world are comparatively poorer, including sub-Saharan Africa, South Asia, and East Asia and the Pacific, Latin America is among the most unequal regions in the world in terms of distribution of wealth. Ten of the 20 most economically unequal countries in the world are in the Americas (including Brazil).<sup>31</sup> The region with the lowest quintile of aggregate wealth is Latin America, which has 4.1 percent of national 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>32</sup> Measured by gross domestic product, Brazil is one of the top 10 producing countries of the world, and both Mexico and Argentina are also members of the Group of 20.

But as richly endowed in natural resources as those countries are, they too share in significant levels of poverty, and their income distribution schemes are also substandard (Brazil is ranked 10<sup>th</sup> worst in the world). Although poverty has declined from 48.3 percent to 30 percent between 1990 and 2018, that still means 182 million people are living in poverty, with another 63 million (10 percent) living in extreme poverty.<sup>33</sup> Another troubling development is that Brazil, Mexico, and Argentina are among the countries with the highest level of external debt.<sup>34</sup> Although many of the countries in the region are amply endowed with mineral and other riches, 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 historically 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 (vs. common law in the United States and Canada, inherited from Britain). Quoting again from Wiarda:

*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>35</sup>*

Levels of corruption throughout Latin America are notorious. With the notable exceptions of Uruguay, Chile, and Costa Rica (ranked 21, 26, and 44, respectively, in Transparency International's 2019 Corruption Perceptions Index), the majority of the region's countries fall firmly within the norm of solidly corrupt nations, with Venezuela ranking among the five most corrupt in the world. Interestingly, societies find their governments to be highly corrupt and are attempting to take action to hold them to account. As reported by Transparency International's report on societies views of corruption:

*A lack of political integrity risks undermining democratic foundations in many Latin American and Caribbean countries. This can be seen in the abuse of electoral processes, such as vote-buying and the spread of fake news, and in the weakening of political institutions. A growing distrust and disappointment in government has contributed to increasing anti-corruption sentiment across the region, but this is empowering populist leaders who frequently make matters worse.*

Despite these challenges, societies in the region are overwhelmingly positive in their desire to make a difference in the fight against corruption.<sup>36</sup>

Latin American countries have their origins in the legal practices and mores imported in the 16<sup>th</sup> century.<sup>37</sup> On the Iberian Peninsula (and France as well, based on the Napoleonic Code), the 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 to switch to an adversarial system began in the late 1980s/early 1990s (more recently in Colombia and 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 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. The global homicide rate per 100,000 was 6.1 in 2017, but the Americas rate was 17.2, surpassing second place Africa with 13. Although comprising just 13 percent of global population, the Americas produces 37 percent of homicides worldwide.<sup>38</sup> Of the top 10 countries with the highest rates of homicides, 4 are from Latin America, to include the most violent—Honduras, with a murder rate of 90.4 per 100,000. To place these levels of violence into perspective, consider the following passage from the United Nations’ *Global Study on Homicide*:

*Criminal activity causes many more deaths than conflicts and terrorism combined. The 464,000 victims of homicide surpass by far the 89,000 killed in armed conflicts and the 26,000 fatal victims of terrorist violence in 2017. Organized crime alone can be a significant source of lethal violence; since the start of the twenty-first century, organized crime has resulted in roughly the same number of killings as all armed conflicts across the world combined. It is estimated that an average of roughly 65,000 killings every year were related to organized crime and gangs over the period 2000–2017, and that up to 19 percent of all homicides recorded globally in 2017 were related to organized crime and gangs.*<sup>39</sup>

For all the attention placed on the horrendous conflicts in Syria and Yemen, the reality is that criminality was more lethal than civil war and terrorism in 2019.



Again, Latin America is on the top of these lists. To put an even finer point on this, Mexico recorded over 35,000 homicides in 2019, an increase of 2.7 percent over the previous year.<sup>40</sup>

South 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, guerilla movements and death squads, state terrorism and dictatorships, social uprisings and violent revolutions.<sup>41</sup>

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

## The Confluence of Threats: Venezuela

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 an “America First” approach:

*An America First National Security Strategy is based on American principles, a clear-eyed assessment of U.S. interests, and a determination to tackle the challenges that we face. It is a strategy of principled realism that is guided by outcomes, not ideology. It is based upon the view that peace, security, and prosperity depend on strong, sovereign nations that respect their citizens at home and cooperate to advance peace abroad. And it is grounded in the realization that American principles are a lasting force for good in the world.*<sup>42</sup>

The ongoing crisis in Venezuela represents the most dramatic and urgent confluence of all three threats, which undermine security interests of the United

States, as well as the well-being of the entire region. Not only is transnational crime rampant in Venezuela, but one of the largest entities, known as the Cartel de los Soles (Cartel of the Suns), is led and operated by members of the government, in large part by the national guard and army.

The term *Cartel of the Suns* is used to describe shadowy groups inside Venezuela's military that traffic cocaine. It is in some ways a misleading term, as it creates the impression that there is a hierarchical group made up primarily of military officials that sets the price of cocaine inside the country. There are cells within the main branches of the military—the army, navy, air force, and national guard, from the lowest to the highest levels—that essentially function as drug-trafficking organizations. However, describing them as a “cartel” in the traditional sense would be a leap. It is not clear how the relationships among these cells work, although rivalries among them have apparently turned deadly in the past.<sup>43</sup>

There are also multiple other groups operating with impunity throughout Venezuelan territory, including *collectivos*, mega-gangs, and up to a dozen paramilitary and guerrilla groups (among which the FARC and National Liberation Army are included). This reality is the direct result of Hugo Chávez's tolerance of guerrilla activity and narcotic-trafficking in the early 2000s, and the dimensions of the problem have increased steadily, in particular subsequent to Chávez's decision to expel the Drug Enforcement Administration in 2005.

The second major component is the activities of key external state actors, primarily China and Russia, to support Cuba and its outsized role with the Venezuelan regime, as well as to promote the interests of the Chinese Communist Party and Vladimir Putin's regime. Maduro has been under the influence of Cuban political advisors, intelligence services, and military representatives since Chávez's departure from the scene. The Obama administration's response was to attempt various mediation efforts, none of which succeeded in part because they were negotiating with the wrong individuals—after all, the Cubans were running the show.<sup>44</sup>

As the descent into chaos accelerated, Cuba's role was clear: “In testimony to the United States Senate in 2017, Luis Almagro, the secretary general of the Organization of American States and an outspoken critic of Mr. Maduro, asserted

that there were about 15,000 Cubans in Venezuela and likened it to ‘an occupation army.’”<sup>45</sup> Preferred access to Venezuela’s oil riches has been a lifeline to Cuba’s dismal economic model, and Cuba will not leave Venezuela easily. For their part, both China and Russia have gradually increased their presence over the years, carefully assessing the U.S. response. When these two actors met no resistance beyond rhetoric, each continued to press.

As of this writing in the spring of 2020, Russia has soldiers stationed in the country, stockpiles of weapons ( including the S-300 surface-to-air-missile system), and is reportedly contemplating a naval presence and the stationing of cruise missiles in country. China’s efforts are less provocative in a military sense, but no less concerning strategically. Since 2005, China has “invested”—through loans—more than \$60 billion; Maduro’s regime owes approximately \$20 billion, and it remains to be seen whether that sum will be repaid. Although there is no Chinese military presence to date, China is second only to Russia in terms of weapons sales. China has provided Maduro surveillance technology—sophisticated cameras, facial recognition software, and technicians—to further assist the authoritarian state. As valuable as the equipment may be, Chinese and Russian use of both military and nonmilitary operations along a spectrum of conflict short of war increases the complexity of the challenge within Venezuela.

The net effect of the authoritarian regime and malign external actors supporting it is a crisis of insecurity and ungovernability, with more than 5 million Venezuelan refugees currently scattered throughout the region. Comparing the crisis in Venezuela to Syria, Admiral Faller stated, “The crisis in Venezuela could approach that degree by the end of this year if Maduro still remains in power. It’s that bad.”<sup>46</sup> Beyond the human tragedy that the Venezuelan society is suffering, the net effect on Colombia and other countries in the region is a serious degradation of their security and stability.

Although other options were available at the outset of the Trump administration, the fact of the matter is that the situation has worsened significantly, and courses of action are now more limited. To date, the Trump administration has attempted to influence the Maduro regime by implementing economic sanctions beginning in 2017 (both against individuals of the regime and state-run enter-

prises) and increasing diplomatic pressure on the regime directly (led by special envoy Elliott Abrams, appointed in January 2019). Influence also extends through regional organizations such as the Organization of American States (OAS) and the Lima Group as well as globally by more than 50 countries supporting the interim presidency of Juan Guaidó, the elected leader of the National Assembly.

For its part, the OAS invoked the Rio Treaty (known formally as the Inter-American Treaty of Reciprocal Assistance) in September 2019. Sixteen of the then 19 signatories to the treaty voted to use the mechanism to impose sanctions against Maduro, accusing his regime of criminal activity including drug-trafficking and money-laundering. Importantly, to reach the minimum number of 13 votes required for passage, the language explicitly stated that military force could not be used.

Most recently, on March 31, 2020, the State Department announced a proposed framework for a democratic transition in Venezuela. The fundamental logic supporting the framework is an understanding that

*Every dictatorship in Latin America, with the rarest of exceptions, ends with a negotiation. Think back, you know, to all those military regimes of Chile, Argentina, Peru, Ecuador, Uruguay, Brazil. Every one ends with a negotiation. The exceptions? Well, Panama. OK. So if you want to propose an American invasion, that's fine, go ahead and propose it. But if that's not going to happen, then how does this come to an end? And our view is it comes to an end the way it came to an end in most of Latin America—for that matter, the way South Africa's dictatorship came to an end—through a negotiation.<sup>47</sup>*

This is true, of course, but all those cases (save Panama) took place in a very different geopolitical environment ranging from the late 1970s until the early 1990s. None of those cases saw the level of involvement of external actors such as the current situation in Venezuela. While I sincerely hope that the collection of actions taken by the United States and its partners will have the desired effect

of a peaceful democratic transition, I suspect that neither Cuba nor its partners will cease to vigorously resist any movement in that direction. Venezuela and its resources are simply too attractive to walk away from.

As of this writing, the most recent effort by the Trump administration to exert pressure on the Maduro regime was to deploy significant naval assets in early April 2020 under the control of U.S. Southern Command to conduct counternarcotics operations, in large part to deny funds to the regime by interdicting shipments. This major deployment was driven in large part due to President Trump's belief that narco-traffickers were taking advantage of the COVID-19 situation to increase the smuggling effort. And yet this show of force is unlikely to have any definitive effect on bringing about a significant political change in Venezuela.

This largely conventional deployment, on its face, appears to misunderstand how Cuba, Russia, and China are operating in Venezuela. In point of fact, the nature of Cuban, Russian, Chinese, and Iranian involvement is not classically conventional in military terms; there are no foreign infantry battalions, naval squadrons, or air wings deployed or stationed in the country. There are a number of disincentives to those moves, ranging from a probable regional negative reaction to greater U.S. interest and attention. Rather, the nature of the presence is much more insidious and clever. Each country, in its own way, understands that war is armed politics, and each further understands that war can also be fought in different ways.

These countries have significant nonconventional capabilities—be they irregular, unconventional, mercenary, asymmetric, or hybrid—to employ in Venezuela and they are doing so. A term of art used in the U.S. defense lexicon to describe the range of actions short of war is the *gray zone*, which the former head of U.S. Special Operations Command General Joseph Votel described this way:

*Actors taking a “gray zone” approach seek to secure their objectives while minimizing the scope and scale of actual fighting. In this “gray zone,” we are confronted with ambiguity on the nature of the conflict, the parties involved, and the validity of the legal and political claims at stake. These conflicts defy our traditional*

*views of war and require us to invest time and effort in ensuring we prepare ourselves with the proper capabilities, capacities, and authorities to safeguard U.S. interests.*<sup>48</sup>

Beyond the nonconventional military capabilities, Cuba, Russia, and China all use nonmilitary political warfare approaches including intelligence, information and disinformation operations, cyber warfare, and deception. George Kennan understood this instinctively, defining *political warfare* as “the employment of all the means at a nation’s command, short of war.”<sup>49</sup> Unfortunately, U.S. national security policymakers appear to have forgotten the key reality that other nations operate in the international system using different rules.

Although President Trump and his national security advisor mused about the option of using military force in the spring of 2019, there is no support of such action by any of our regional partners, and understandably so. Former Deputy Assistant Secretary of Defense for Western Hemisphere Affairs Dr. Frank Mora provided a succinct summary of the challenges of the full military option in an article in *Foreign Affairs* in March 2019.<sup>50</sup> His conclusion was that the costs would greatly outweigh the benefits. Accepting that Mora’s arguments are compelling, the question for any administration regarding U.S. national security interests in the region is this: Is the United States willing to accept Cuban, Russian, and Chinese occupation of Venezuela with all associated costs and implications for regional insecurity? Surely, the answer must be no if the United States intends to continue to play a strong role in the Western Hemisphere.

It is imperative to understand that the nature of the threat on the ground in Venezuela simply does not call for either a Panama-style invasion or a “shock and awe” type of bombardment campaign such as that of Baghdad in March 2003. What it calls for is an accurate assessment of the complexity of the threats in Venezuela, coupled with a yet-to-be-developed scheme to harness the range of capabilities available to U.S. strategists to develop a campaign to counter those various threats.

What is at stake in Venezuela, at the end of the day, is U.S. prestige and credibility. In a world in which the structure of the international system is in flux,

where China and Russia are stepping up their game to challenge the interests of the United States, the manner in which the United States deals with a crisis such as Venezuela is being analyzed by all. Credibility is a function of both capability and political will. There is no doubt that the United States continues to have significant instruments of statecraft to employ. The question at this point is whether it has the will to do so.

## Conclusion

The challenges that confront U.S. policymakers in the region are significant and serious and are due to the factors laid out previously. While U.S. policymakers must recognize the limits of what can be done and how much help is needed, they nonetheless must engage more effectively. Although the United States has limited resources and has demonstrated inconsistent degrees of interest necessary to effect important and tangible change, this historic tendency of benign neglect is not preordained. For his part, President-elect Herbert Hoover undertook a tour of 10 key nations in Latin America and committed the United States to being a “Good Neighbor”—a policy inherited and reinforced by Franklin D. Roosevelt and John F. Kennedy, who proposed a multibillion dollar aid package for the region in 1961 in what came to be known as the Alliance for Progress. Other initiatives could be undertaken, of course, fully recognizing that the initiative to fundamentally upgrade their systems must rest with the countries in the region. While it is true that they have long had the United States as a model of sorts, China—and to a lesser degree Russia—have demonstrated that they have both the interest and the resources to play an increasingly important role in the region.

We have established that the underlying conditions seen throughout the region are the result of inadequate and insufficient institution-building. Given that reality, the long-term solutions to those shortcomings are not exclusively, or even primarily, within the purview of the U.S. Government to help address. Although more effective foreign direct investment, developmental aid funding, as well as security assistance would be useful at the margins, real progress depends on more than a well-integrated, whole-of-government approach. What is truly needed includes our most productive elements (namely, the private sector) and beyond,

including nongovernmental organizations, private charities, universities, and religious orders—in short, our civil society. Empowering an entity to bring those sectors into the mix is a key element to future success. These efforts, however, will take years to develop and have effect.

The immediate threats, however, will not disappear on their own. Should U.S. attention continue to focus elsewhere, these three threats will interact among each other to generate greater degrees of instability and violence. U.S. national security policymakers must recognize the seriousness of the situation and take action. As the 2018 National Defense Strategy notes, “Both revisionist powers and rogue regimes are competing across all dimensions of power. They have increased efforts short of armed conflict by expanding coercion to new fronts, violating principles of sovereignty, exploiting ambiguity, and deliberately blurring the lines between civil and military goals.”<sup>51</sup> Secretary of Defense Mark Esper recently noted that:

*As we look at our national defense strategy, it says that we are now in an era of Great Power competition, and that means we need to focus more on high-intensity warfare going forward, and our long-term challenges are China number one, and Russia number two. And what we see happening out there is a China that continues to grow in military strength, economic power, and commercial activity, but its doing so in many ways illicitly or using the international rules-based order against us to continue this growth, to acquire this technology and to do the things that undermine our nations.*

Senior members of the U.S. national security establishment should view the crisis in Venezuela as an important opportunity to confront the long-term challenges of China and Russia on our terms. Their assets are operating at a significant distance, difficult to supply and reinforce, much closer to U.S. bases and partner nations. We have every advantage on our side, save one—the will to think more creatively of how to counter those malign actors. If the U.S. Government cannot be motivated to confront these threats so close to home on what is advantageous



terrain for us, one questions where we are better positioned to engage. A lack of imagination will severely limit our effectiveness in this fight, and it is a fight we cannot afford to lose, both for our neighbors and ourselves.

## Notes

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

<sup>2</sup> For a concise review of the Pink Tide, see “Latin America: The ‘Pink Tide’ Turns,” BBC, December 11, 2015, available at <[www.bbc.com/news/world-latin-america-35060390](http://www.bbc.com/news/world-latin-america-35060390)>.

<sup>3</sup> Formal members of Alternativa Bolivariana para los Pueblos de América 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>4</sup> The Lima Group is a multilateral governmental body that was established following the Lima Declaration on August 8, 2017, in Lima, Peru, by representatives of 12 countries organized to seek a peaceful exit to the ongoing Venezuelan crisis. The original 12 included Argentina, Brazil, Canada, Chile, Colombia, Costa Rica, Guatemala, Honduras, Mexico, Panama, Paraguay, and Peru. Guyana, Saint Lucia, Bolivia, and Haiti joined subsequently.

<sup>5</sup> For its part, the Group of Puebla is a less formal body that includes both current and former senior leaders: “The meeting of the Puebla Group, which proposes alternative policies to neoliberalism, was attended by more than 30 leaders and former leaders, including Brazil’s former leftist president Dilma Rousseff, former Uruguayan President Jose Mujica, and the former Spanish Prime Minister Jose Luis Rodriguez Zapatero.” See “Argentina’s Fernandez Joins Leftist Leaders for Puebla Group’s Summit,” Reuters, November 9, 2019, available at <[www.reuters.com/article/us-argentina-puebla-group/argentinas-fernandez-joins-leftist-leaders-for-puebla-group-summit-idUSKBN1XJ0CB](http://www.reuters.com/article/us-argentina-puebla-group/argentinas-fernandez-joins-leftist-leaders-for-puebla-group-summit-idUSKBN1XJ0CB)>.

<sup>6</sup> The Foro de Sao Paulo had its origins in 1990, in which the Workers Party of Brazil (Partido dos Trabalhadores) organized a conference of leftist (primarily communist) political parties and activist groups to promote an explicitly nonviolent approach to gain power through electoral processes. It has morphed over the years due to Fidel Castro’s oversight of the movement, turning it into a Latin American version of the old Soviet Communist International (Comintern). Although both Castro and Hugo Chávez are gone, the legacy of undermining moderate governments throughout the region by inciting crises at every opportunity.

<sup>7</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>8</sup> Michael Reid, “Obama and Latin America: A Promising Day in the Neighborhood,” *Foreign Affairs* 94, no. 5 (September/October 2015), 46. Emphasis in original.

<sup>9</sup> Michael Shifter, “The Trump Effect in Latin America,” *The Dialogue*, December 31, 2018, available at <[www.thedialogue.org/analysis/the-trump-effect-in-latin-america/](http://www.thedialogue.org/analysis/the-trump-effect-in-latin-america/)>.

<sup>10</sup> James R. Clapper, “Statement for the Record: Worldwide Threat Assessment of the U.S. Intelligence Community,” House Appropriations Subcommittee on Defense, March 25, 2015, 8, available at <[www.dni.gov/index.php/newsroom/congressional-testimonies/congressional-testimonies-2016/item/1313-statement-for-the-record-worldwide-threat-assessment-of-the-u-s-intelligence-community](http://www.dni.gov/index.php/newsroom/congressional-testimonies/congressional-testimonies-2016/item/1313-statement-for-the-record-worldwide-threat-assessment-of-the-u-s-intelligence-community)>.

<sup>11</sup> Centers for Disease Control and Prevention, *National Center for Health Statistics 2019*, available at <[www.drugabuse.gov/related-topics/trends-statistics/overdose-death-rates](http://www.drugabuse.gov/related-topics/trends-statistics/overdose-death-rates)>.

<sup>12</sup> National Drug Threat Assessment 2010, Product No. 2010-Q0317-001, National Drug Intelligence Center, Department of Justice, 2010.

<sup>13</sup> For a more in-depth understanding of these arguments, see Michael Miklaucic and Jacqueline Brewer, eds., *Convergence: Illicit Networks and National Security in the Age of Globalization* (Washington, DC: NDU Press, 2013).

<sup>14</sup> *Ibid.*, foreword, ix–x.

<sup>15</sup> Michael Miklaucic and Moisés Naím, “The Criminal State,” in Miklaucic and Brewer, *Convergence*, 149.

<sup>16</sup> *Summary of the 2018 National Defense Strategy of the United States of America: Sharpening the American Military’s Competitive Edge* (Washington, DC: Department of Defense, 2018), available at <<https://dod.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf>>.

<sup>17</sup> Wayne M. Morrison, *China-U.S. Trade Issues*, IF10030 (Washington, DC: Congressional Research Service, June 23, 2019), available at <<https://fas.org/sgp/crs/row/IF10030.pdf>>.

<sup>18</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>19</sup> “China Denies ‘Biggest Trader’ Status, Insists It’s ‘Developing Country,’” *RT*, 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>20</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>21</sup> According to the U.S. Trade Representative Office of the United States, available at <<https://ustr.gov/countries-regions/americas/mexico>>.

<sup>22</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>23</sup> Allan Nixon, "China's Growing Arms Sales to Latin America," *The Diplomat*, August 24, 2016, available at <<https://thediplomat.com/2016/08/chinas-growing-arms-sales-to-latin-america/>>.

<sup>24</sup> Yei Lu, "China's Strategic Partnership with Latin America: A Fulcrum in China's Rise," *International Affairs* 91, no. 5 (2015), 1047–1048.

<sup>25</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>26</sup> Craig S. Faller, *Posture Statement Before the Senate Armed Services Committee*, February 2019.

<sup>27</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>28</sup> Faller.

<sup>29</sup> Ibid.

<sup>30</sup> Howard J. Wiarda, *The Soul of Latin America* (New Haven: Yale University Press, 2001), 3–4.

<sup>31</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>32</sup> World Bank, "Poverty and Equity Regional Dashboards," available at <<http://povertydata.worldbank.org/poverty/region/ECA>>.

<sup>33</sup> Economic Commission for Latin America and the Caribbean, "Poverty in Latin America Remained Steady in 2017, but Extreme Poverty Increased to the Highest Level Since 2008, While Inequality Has Fallen Notably Since 2000," press release, January 15, 2019, available at <[www.cepal.org/en/pressreleases/poverty-latin-america-remained-steady-2017-extreme-poverty-increased-highest-level](http://www.cepal.org/en/pressreleases/poverty-latin-america-remained-steady-2017-extreme-poverty-increased-highest-level)>.

<sup>34</sup> World Bank, "International Debt Statistics 2020," available at <<https://openknowledge.worldbank.org/bitstream/handle/10986/32382/9781464814617.pdf?sequence=5&isAllowed=y>>.

<sup>35</sup> Wiarda, *The Soul of Latin America*.

<sup>36</sup> Coralie Pring and Jon Vrush, *Global Corruption Barometer Latin America & The Caribbean 2019: Citizens' Views and Experiences of Corruption*, 3, available at <[www.transparency.org/files/content/pages/2019\\_GCB\\_LatinAmerica\\_Caribbean\\_Full\\_Report.pdf](http://www.transparency.org/files/content/pages/2019_GCB_LatinAmerica_Caribbean_Full_Report.pdf)>.

<sup>37</sup> World Bank, "International Debt Statistics 2020," 9.

<sup>38</sup> UN Office on Drugs and Crime, *Global Study on Homicide* (Vienna: UN, 2019), 11, available at <[www.unodc.org/documents/data-and-analysis/gsh/Booklet1.pdf](http://www.unodc.org/documents/data-and-analysis/gsh/Booklet1.pdf)>.

<sup>39</sup> Ibid., 12.

<sup>40</sup> Mary Beth Sheridan, “Mexico’s Homicide Count in 2019 Among Its Highest,” *Washington Post*, January 21, 2020, available at <[www.washingtonpost.com/world/the\\_americas/homicides-in-mexico-hit-record-highs-in-2019/2020/01/21/a9c5276a-3c5e-11ea-afe2-090eb37b60b1\\_story.html](http://www.washingtonpost.com/world/the_americas/homicides-in-mexico-hit-record-highs-in-2019/2020/01/21/a9c5276a-3c5e-11ea-afe2-090eb37b60b1_story.html)>.

<sup>41</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>42</sup> *National Security Strategy of the United States of America* (Washington, DC: The White House, December 2017), 1.

<sup>43</sup> “Cartel of the Suns,” *Insight Crime*, October 31, 2016, available at <[www.insight-crime.org/venezuela-organized-crime-news/cartel-de-los-soles-profile/](http://www.insight-crime.org/venezuela-organized-crime-news/cartel-de-los-soles-profile/)>.

<sup>44</sup> I develop this argument in “The Solution to Venezuela Runs Through Cuba,” *Americas Quarterly*, May 30, 2018, available at <[www.americasquarterly.org/content/solution-venezuela-runs-through-cuba](http://www.americasquarterly.org/content/solution-venezuela-runs-through-cuba)>.

<sup>45</sup> Kirk Semple, “With Spies and Other Operatives, a Nation Looms Over Venezuela’s Crisis: Cuba,” *New York Times*, January 26, 2019, available at <[www.nytimes.com/2019/01/26/world/americas/venezuela-cuba-oil.html](http://www.nytimes.com/2019/01/26/world/americas/venezuela-cuba-oil.html)>.

<sup>46</sup> Laura Seligman, “U.S. Military Wary of China’s Foothold in Venezuela,” *Foreign Policy*, April 8, 2019, available at <<https://foreignpolicy.com/2019/04/08/us-military-wary-of-chinas-foothold-in-venezuela-maduro-faller-guaido-trump-pentagon/>>.

<sup>47</sup> “A Conversation with U.S. Special Representative for Venezuela Elliott Abrams,” transcript, Center for Strategic and International Studies event, recorded Wednesday, April 8, 2020, available at <[https://csis-prod.s3.amazonaws.com/s3fs-public/event/200408\\_Venezuela\\_Abrams\\_transcript.pdf?\\_DKf9ZB7Vwy96rOBTKIMUoEkZJHpGKZX](https://csis-prod.s3.amazonaws.com/s3fs-public/event/200408_Venezuela_Abrams_transcript.pdf?_DKf9ZB7Vwy96rOBTKIMUoEkZJHpGKZX)>.

<sup>48</sup> General Joseph L. Votel, U.S. Army Commander, United States Special Operations Command, *Statement Before the House Armed Services Committee Subcommittee on Emerging Threats and Capabilities*, March 18, 2015; Philip Kapusta, *The Gray Zone*, U.S. Special Operations Command White Paper, September 9, 2015, available at <[www.soc.mil/swcs/ProjectGray/Gray%20Zones%20-%20USSOCOM%20White%20Paper%209%20Sep%202015.pdf](http://www.soc.mil/swcs/ProjectGray/Gray%20Zones%20-%20USSOCOM%20White%20Paper%209%20Sep%202015.pdf)>.

<sup>49</sup> See George F. Kennan’s Policy Planning Staff Memorandum, May 4, 1948, available at <<https://history.state.gov/historicaldocuments/frus1945-50Intel/d269>>.

<sup>50</sup> Frank O. Mora, “What a Military Intervention in Venezuela Would Look Like: Getting in Would Be the Easy Part,” *Foreign Affairs*, March 19, 2019, available at <[www.foreignaffairs.com/articles/venezuela/2019-03-19/what-military-intervention-venezuela-would-look](http://www.foreignaffairs.com/articles/venezuela/2019-03-19/what-military-intervention-venezuela-would-look)>.

<sup>51</sup> *Summary of the 2018 National Defense Strategy*.

## About the Author

**Dr. Craig A. Deare** has served on the faculty of the National Defense University since January 2001. Dr. Deare came to the College of International Security Affairs in March 2010 from the Center for Hemispheric Defense Studies, where he served for 9 years as a Professor of National Security Affairs and Dean of Academic Affairs. Most recently, he served as Special Assistant to the President and Senior Director for Western Hemisphere Affairs at the National Security Council.

Dr. Deare served in the U.S. Army for 20 years with a variety of assignments specializing in Military Intelligence and Latin American Foreign Area Officer duties. His initial assignment was with the 82<sup>nd</sup> Airborne Division, where he served for 5 years, including time as a Company Commander of an Intelligence Company Team.

He served as the Deputy Commander of the Joint Counterintelligence Operations Element in Honduras in 1986, after which he attended graduate school with a subsequent assignment as an Assistant Professor in the Department of Social Sciences at the U.S. Military Academy at West Point, where he taught International Relations, American Government, and American Foreign Policy. He subsequently served as an Assistant Defense Attaché in Mexico City in the early 1990s; as a Troop Commander of a Special Operations unit; and spent 2 years as a Senior Country Director in the office of Interamerican Affairs in the Office of the Secretary of Defense, where he was responsible for crafting defense policy matters for Mexico.

An American Political Science Association Congressional Fellowship led to his tenure as a Legislative Assistant for National Security Affairs for Senator Bob Graham, following which he spent time as a Congressional Liaison Officer in the Army's Office of Legislative Liaison, serving as the Chief of the Plans and Operations Branch of the Programs Division.

He received a bachelor of arts in political science from the University of Arizona; master of arts in international relations and international economics from the School of Advanced International Studies (SAIS) at The Johns Hopkins University; and doctor of philosophy in international relations from SAIS. He is a graduate

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His research interests focus on U.S. national security strategy and defense policy, as well as security and defense issues related to the Western Hemisphere. He is the author of *A Tale of Two Eagles: The U.S.-Mexico Bilateral Defense Relationship Post-Cold War* (Rowman & Littlefield, 2017). His other recent publications include “Latin America,” in *Charting a Course: Strategic Choices for a New Administration*, ed. Richard D. Hooker, Jr. (NDU Press, 2017), and “La Relación Bilateral EE.UU.-México: Una Evaluación del Efecto Trump,” in *Seguridad y Asuntos Internacionales*, Siglo XXI Editores.







