Latin America in the New

GLOBAL GEOPOLITICS

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Latin America in the New **GLOBAL GEOPOLITICS**

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FOREWORD

The international political scene is going through one of the most critical and uncertain moments since the end of World War II. In addition to the tensions generated by the world powers, there are the actions of regional powers seeking greater global protagonism, either for or against the current international order. Unfortunately, the impact of conflicts between these actors is not limited to their immediate regions. On the contrary, in a world interconnected under the rules, links and institutions of globalization, their repercussions extend to other regions, including Latin America.

Although the geographical remoteness of the war in Ukraine or the enduring conflicts in the Middle East and Africa shields Latin American countries from the devastating effects of these confrontations, Latin America does not remain, directly or indirectly, unaffected by the repercussions of the interests of the opposing actors. In this context, Latin America has become a key scenario for competition and confrontation between global and emerging powers, which strive to obtain an advantageous position in their relations with the countries of the region.

The need to find markets to export the abundant raw materials existing in Latin America and to attract investments for the development of infrastructure and the growth of local economies, places the countries of the region in a complex situation when choosing and strengthening relations with the opposing powers. In contrast to periods such as the Cold War, when ideology determined the way of relating between the opposing actors and the countries of the region, today these relations are developed bilaterally, under a pragmatic approach, prioritizing - ideally - cooperation strategies that promote the so-called "Win-Win Cooperation", in which both the investor country and the recipient of such capital obtain benefits. However, in the midst of this interaction, Latin America, as a region, runs the risk of losing a great opportunity not only to negotiate better conditions, but also to position itself more favorably in the global geopolitical scenario.

This situation arises as a result of the ideologization of the ambitious integration schemes that have been promoted in the region, which, far from prioritizing economic development, the well-being of the countries and the welfare of their populations have followed personal agendas based on biased political ideologies. As a result, Latin America lacks a common voice and a common position that would allow it to better

face the growing and complex current and future challenges. The lack of regional integration was especially evident during the COVID-19 pandemic, when the countries of the region failed to coordinate an effective response and missed the opportunity to negotiate as a bloc with large pharmaceutical companies for the acquisition of vaccines.

The countries of the region must understand that they are not islands and that what happens in one country has repercussions in the others. The serious political and economic crisis in Venezuela has generated the largest migratory flow in the history of Latin America, which is a clear example of this reality. The lack of regional integration places Latin American countries in a clearly disadvantageous position vis-à-vis other extra-regional actors. It is therefore urgent to promote regional integration, or at least initially subregional integration, in order to create consensus that will allow for joint responses to common problems and a unified position in debates of international impact.

Considering the complex regional and global strategic scenario, countries such as Peru must be aware of their geopolitical and geoeconomic importance, as well as the role they play in the competitive environment existing among the great powers. Undoubtedly, foreign investments in Peru will be highly beneficial to the extent that the Peruvian State visualizes these opportunities and prepares in advance to maximize their impact on development and the local economy, and to avoid the problems and mistakes that have occurred in other countries.

In this sense, due to the quality of the authors and the diversity of the topics addressed, Latin America in the New Global Geopolitics is a book of great interest not only for the main political decision-makers and specialists in Security, Defense and International Relations, but also for society as a whole, as it is directly affected by the challenges analyzed in this publication.

Walter Enrique Astudillo Chávez

Minister of Defense of Peru

Let me begin by thanking the Minister of Defense of Peru, Walter Enrique Astudillo Chávez, for his invitation to write the foreword to this book entitled "Latin America in the New Global Geopolitics", a project led by the Center for Strategic Studies of the Peruvian Army in collaboration with the Strategic Studies Institute of the U.S. Army War College, the William J. Perry Center for Hemispheric Defense Studies and prominent Ibero-American institutions, including the Argentine Council for International Relations.

We live in a world marked by war, where competition between great powers is already globally perceived negatively. This book, which is structured in three parts, explores key aspects of strategic interaction, both globally and regionally and, like any good essay, begins by providing a context that is strongly expressed, affecting our region, barely recovered from the effects of the COVID-19 pandemic, which showed us the dark side of globalization.

Likewise, we live in an era in which globalization and geopolitics are intertwined and complementary, since one focuses on trade flows and economic interconnection, while the other concentrates on the accesses and strategies needed to achieve a positioning that provides countries with strategic advantages.

In this era of conflict, Russia and Iran are certainly playing a destabilizing role in the region, aware that their ability to alter the rules-based international order is closely linked to their success in generating instability in other regions. In turn, in this new geopolitical context, Latin America acquires an unprecedented relevance since, within the framework of the current dynamics of conflict, defense plays a central role, which makes it necessary to define key strategic sectors for a defense production that, although it seeks to be autonomous, must be integrated into global value chains, as shown by the successful processes of integration in defense production that are beginning to emerge in our region.

Additionally, the digital transformation imposes the need to consider how these changes affect our Armed Forces. This task is complex due to the budgetary limitations faced by all countries in the region, which forces us to prioritize among the multiple demands that our democratic governments must manage.

This is compounded by the challenge posed by regional partners of autocracies such as Venezuela and Nicaragua, which operate to the detriment of the necessary coordination.

The book addresses the multiple transnational challenges that this book tackles. In this context, it is crucial to think of broad-spectrum military forces capable of dealing with asymmetric threats, such as terrorism, and symmetric threats, represented by states.

Argentina is immersed in a process of transformation in the economic, political and military spheres, in a region where Peru, Chile and Brazil are key partners in the construction of not only national but also regional geopolitics, as reflected in the second part of the book. The common perspective is the adaptation to the international transition, which imposes a rationality focused on the specific selection of commitments that allow maintaining our region as a zone of peace and international stability.

The war in Ukraine and Israel's defensive actions against the Hamas terrorist group serve as cruel reminders of the costs and consequences of being unprepared for the demanding military conditions of today's battlefields. If just a few years ago war was thought to be a thing of the past, today strategic calculations and aggressive rationalities have led us into a new cycle of conflicts that impose high costs on the civilian population. This makes it clear that the role of the Armed Forces is crucial to protect territorial integrity, population and natural resources against any external aggression.

Today, hybrid threats challenge traditional defense postulates. The destruction of military equipment is as pressing as the increasing use of the digital realm to compromise communication systems or cause specific effects on critical infrastructure. The integration of the physical and virtual domains is essential when considering warfare in the 21st century. In this environment, we guide our defense policy and engage in discussions with regional and global actors to improve our understanding of the phenomena affecting international defense and security.

This book, which I have the honor to prologue, leads to reflection in a didactic manner, allowing different audiences to deliberate on the challenges that defense faces in our region, where ensuring freedom, independence and autonomy is a task that demands responsibilities at both the national and hemispheric levels. Responding to the demands of an international scenario as complex as the current one implies building material and employment doctrine capabilities, as well as identifying international partners willing to face common threats.

This book also presents possible ways to restore confidence and act cooperatively in reducing the problems linked to the current security dilemma and international competition, seeking to prevent the worst consequences of the resurgence of a Cold War from being transferred to the region in a destructive manner.

Finally, I would like to offer a last thought before you enter into the core of this work. Latin America is a region hungry for development and in dire need of peace not only interstate, but also intrastate. It is also a region tired of both the violence suffered by opponents in Venezuela and the threat posed by criminal groups ready to take our lives and future.

At a time when we lack clear maps to address current challenges, we must deepen our commitment to multilateral dialogue through firm and unambiguous political leadership. Only in this way will we be able to ensure the progress and well-being of the inhabitants of our region in a context of freedom.

Luis Alfonso Petri

Minister of Defense of Argentina

INTRODUCTION

To the surprise of many, geopolitics is back in Latin America. More than three decades after the end of the Cold War, it seems difficult to maintain the conviction shared at the time by academics, diplomats and the military that the region was definitively free of conflict and that its capitals could leave behind power games and strategic calculations to open up to a future of unlimited cooperation. The web of interests and threats has become increasingly complex and the sources of discrepancies and tensions have multiplied. Concepts such as strategic competition, deterrence and crisis are back for good.

The reasons why many have decreed the end of geopolitics in Latin America have to do with the shape that the post-Cold War period took in the region. After the failure of Soviet attempts to penetrate the hemisphere and the collapse of the Union of Soviet Socialist Republics, Latin America was excluded from the competition between great powers, which, however, remained more or less muted in other areas of the globe such as Eastern Europe, where Moscow strove to preserve the remnants of its empire, or the Far East, where the emergence of the People's Republic of China generated friction from very early on.

At the same time, Latin America remained in the decades following the end of the East-West confrontation a fundamentally homogenous, peaceful and stable area. In fact, the region completed a series of extraordinarily successful democratic transitions accompanied by policies to liberalize its markets, stimulate economic growth and increase trade. These changes took place more or less in parallel throughout the continent, leading to the emergence of a predominantly democratic and integrated space, where opportunities for conflict and friction were fewer. In this context, the old rivalries that had pitted some countries against their neighbors faded and in their place crystallized a constellation of integration organizations ranging from the Andean Community to Mercosur. Certainly, vestiges of authoritarianism remained, such as the Cuban regime and points of conflict such as Colombia in the late 1990s, but they were still exceptions in a region where political freedom was being consolidated and prosperity was growing.

Such a scenario contrasts with the present. Today, Latin America plays an essential role in the global strategic competition between the United States and China and Russia.

Beijing has become the first trading partner of a good number of Latin American countries and has multiplied its initiatives to gain influence over the region. For its part, Moscow is developing efforts to maintain its presence in the hemisphere, combining disinformation campaigns, attempts at electoral interference and economic coercion exercises. Inevitably, the global rivalry between the People's Republic of China and the United States has spilled over into Latin America and Russian expansionism has impacted the hemisphere.

Meanwhile, the strategic landscape within the continent has also changed substantially. Latin America is more diverse in the political orientation of its governments and the way they understand economic development. This diversity has made it more difficult to build consensus to facilitate the construction of major infrastructure, judicial cooperation or regional integration. It has also increased the potential for disagreements and friction, whether over crime fighting, trade or migration. In this context, authoritarianism and violence have spread. Cuba is no longer alone in the club of autocracies in the region after being joined by Venezuela and Nicaragua. Violence is not only still alive in Colombia, but has spread to other countries in the region such as Ecuador and Mexico.

In addition, the complexity of the Latin American strategic scenario has multiplied as a result of a series of transnational phenomena with a clear geopolitical impact. This has been the case with the consolidation of transnational criminal organizations that operate as actors with their own strategic interests, capable of moving narcotics between continents, executing terrorist campaigns or corrupting political leaders. At the same time, public health emergencies such as COVID-19 have become episodes that have sharpened competition between the major powers in the region and tested cooperation between Latin American governments separated by political and commercial differences. Latin America has thus become a space of extreme complexity where global competition between the great powers, differences between states in the region and instability fueled by transnational phenomena overlap.

Such a scenario, fraught with uncertainties and risks, challenges government officials and academics in Latin American democracies to understand such complexity, not out of intellectual ambition, but as a requirement necessary to discern between threats and opportunities in order to develop policies to avert the former and take advantage of the latter. It is a matter of answering a series of key questions for the region's security: how to navigate the competition between great powers while making

national interests and the alliance with the United States and Europe compatible; how to articulate cooperation between Latin American countries while respecting their sovereignty; how to confront transnational threats; how to deal with transnational threats; and how to deal with the threats that arise in the region. Answering these questions is impossible without a geopolitical perspective. In this sense, this book, Latin America in the New Global Geopolitics, seeks to make a contribution to these debates and, in general, to the analysis of the current Latin American strategic scenario.

In fact, the present work is the result of a collaborative effort between the Center for Strategic Studies of the Peruvian Army, the William J. Perry Center for Hemispheric Defense Studies and the Institute for Strategic Studies of the U.S. Army War College, with contributions from other important academic institutions, integrating 13 academic articles, written by 15 authors of different nationalities and grouped in 3 chapters.

In the first chapter of this book, referring to the Geopolitics of the Great Powers in Latin America, Major General Jesús Rafael Argumosa Pila, in the article entitled "The Road Towards a New Geopolitical Era," points out that most of the indications found in the current geopolitical panorama suggest a return to the old geopolitics of confrontation between blocs, although it is clear that in a different configuration from that existing during the Cold War of the twentieth century. According to the author, during the first third of the 21st century, a possible geopolitical path has been defined, called dual bipolarity, which, most probably, meets the conditions to establish the new geopolitical era. In other words, two different conceptions of how the new geopolitical era can be structured have been perceived. On the one hand, the one based on the values and principles of democracy and, on the other hand, the one based on authoritarianism, lack of freedom and a repressive order. Likewise, Dr. Robert Evan Ellis, in the article entitled "Trends and Strategic Impacts of the People's Republic of China's Engagement in Latin America," examines the key characteristics and patterns of China's engagement with Latin America and the Caribbean, particularly in the aftermath of the COVID-19 pandemic. While the primary focus remains commercial, the author adds, PRC-based companies have shifted from executing large infrastructure projects (backed by their loans) to smaller, more commercially viable projects (focusing on renewable energy and digital technology), although they also seek cooperation in sectors such as space and security. To this end, China interacts with the Latin American and Caribbean

region at the supranational, national and subnational levels, including the use of people-to-people diplomacy to weave networks of influence.

In addition, Dr. Román D. Ortiz, in the article entitled "Russia's Strategy Towards Latin America After the Ukrainian War," indicates that, over the past few years, Russia has developed a systematic strategy to increase its influence in Latin America based on four lines of action: intense diplomatic activity, a broad disinformation campaign, an effort to expand its military presence and a series of economic projects centered on the energy and mining sectors. The author states that, despite limited resources and major failures, Moscow has established a network of satellite states including Cuba, Nicaragua and Venezuela, disrupted the regional status quo and developed a privileged interlocution with Mexico and Brazil. In the near future, Moscow promises to continue promoting authoritarianism and transforming Latin America into a hostile space for the United States and the European Union. Likewise, Dr. Eva Sáenz-Diez Jaccarini, in her article entitled "Relations between the Middle East and Latin America," points out that, at first glance, Arab and Muslim countries have little in common with those of Latin America. However, for several decades, bilateral relations have been developing in different areas. The author points out that Latin America represents a region of great opportunities and therefore arouses the interest of important global players. Due to its geographical remoteness and cultural differences, it could be said that this region is virgin territory for Middle Eastern countries. However, the presence of communities of Arab origin gives Latin America a privileged position for the development of relations and the establishment of links.

Subsequently, Dr. Farid Kahhat Kahhat, in the article entitled "International Geopolitics and the Debate on the Existence of Strategic Sectors," states that various public policies in different States have historically been justified by alluding to the strategic nature of the economic sector they involve. Despite this, it is not always clear what criteria a sector of economic activity should meet in order to be considered strategic, nor is there a consensus definition of the term. Based on specific public policy debates, the author seeks to discern the criteria underlying the designation of an economic sector as strategic and elucidate its implications. Concluding this first chapter, Dr. Mario Torres Jarrín, in the article entitled "The European Union-Latin America and the Caribbean Digital Alliance: Geopolitics in the Age of Technological Global Governance ," examines the European Union-Latin America and the Caribbean Digital Alliance initiative, which is a geopolitical

response by the European Union to reestablish relations with Latin American and Caribbean countries and address the challenges presented by the digital era. In addition, the author analyzes not only the reconfiguration of the traditional international system and the global governance system, both altered by the emergence of new geopolitical actors (the Big Tech Companies), but also the different geopolitical dilemmas faced by both regions to position themselves as global actors rather than global observers.

In the second chapter, on Latin American Geopolitical Perspectives, Professor Juan Erardo Battaleme Martínez, in the article entitled "Argentina in the New Geopolitical Scenario: Selective Engagement, Defense and Strategic Positioning," states that the growing competition between the United States and the People's Republic of China affects the prospects of countries that have a clear role in their respective regions. The foreign and defense policy dynamics in Argentina is an excellent example of this, particularly in the South Atlantic. This space, considered politically tripartite (as ocean, Falkland Islands and South Atlantic islands, and Antarctica), demands the search for a coherent foreign and defense policy strategy. In this sense, the author adds, Argentina will have to face the consequences of its decisions, which have been made on the basis of a combination of perceptions and ideological appreciations, and which may condition the relative position of the country in the future. Likewise, Dr. Karina Furtado Rodrigues and Dr. Sandro Teixeira Moita, in the article entitled "Brazilian Defense in the New Geopolitical Scenario: Between the Discourse, the de jure of Policies and the de facto," examine - from four perspectives - Brazil within the framework of the new geopolitical scenario: the first, analyzes how global and regional defense changes and trends affect the country; the second, the evolution of defense thinking, policies, structure and programs; the third, how this positioning is reflected in documents and in the current context; the fourth, what to expect for the coming years based on current trends. The authors conclude that, despite the international context, the internal dynamics of defense institutions and fiscal constraints in Brazil hinder an effective change in its positioning in the face of growing tensions. However, there are processes of institutional change underway that, in the medium and long term, could improve the situation.

Likewise, Dr. Juan Pablo Toro Vargas, in the article entitled "Chile in the Current Geopolitical Scenario: Indo-Pacific Destination," indicates that, in an international scenario marked by the polarization of security, the fragmentation

of globalization and the impact of climate change, Chile must seek to position itself advantageously in the Indo-Pacific to promote its national interests, wherever they may be. To this end, according to the author, Chile must take advantage of its status as a tricontinental country (America, Antarctica and Oceania), the deep economic networks that connect it with East Asia, the possession of vast reserves of minerals critical to the energy transition and cooperation in security and defense with like-minded countries, starting with the United States, but without forgetting partners such as Australia, France, Japan and the United Kingdom. In its South American regional environment, the key seems to be to achieve greater coordination to face common challenges such as drug trafficking and irregular migration, which is not easy given the internal and neighboring political situation. Finally, Brigadier General Paul Eduardo Vera Delzo, in the article entitled "The Impact of China's Growing Influence in Latin America and Peru," points out that the economic growth of the People's Republic of China is undeniable and so is its global influence. According to the author, the loans and investments that China has been making in various countries in Europe, Asia, Africa, Latin America and the Caribbean generate the concern of important international actors such as the United States because, if the governments of these countries depend excessively on Chinese funds, their political and economic decisions may be strongly influenced by this Asian giant. Within the framework of this growing rivalry, China has become Peru's main trading partner and although Chinese investments in this South American country are smaller than those made by other countries, they are particularly significant as they are concentrated in strategic sectors such as mining, electricity and infrastructure; something of which the Peruvian State must be aware in order to minimize the associated risks.

In the third and final chapter, on the Geopolitics of Transnational Risks, Dr. David E. Spencer, in the article entitled "The Geostrategic Problem of the Mexican Cartels," states that the Mexican cartels are national organizations with geostrategic impact, as they seek to overtake the Mexican State and destabilize the United States, serving as a vehicle for Chinese strategic competition, promoting the configuration of states linked to organized crime in the American continent, and inciting the imbalance of power in the region. However, according to the author, their impact is not limited to the Americas since these organizations also have a marked influence in Europe to link Russia and contribute to the end of the Westphalian international regime, as well as to social disruption and global

instability. Subsequently, Ignacio Cosidó Gutiérrez and Luis de Mergelina, in the article entitled "The Europe – Latin America Cooperation against Organized Crime," point out that organized crime constitutes not only a strategic threat for Latin America, but also a serious risk for the European Union. According to the authors, the dimension of organized crime in the American subcontinent reaches magnitudes that exceed, on many occasions, the capacity of governments to confront it, threatening their institutional stability and seriously deteriorating coexistence in their societies. In an interconnected criminal environment on both sides of the Atlantic, violence, corruption and legal business structures are increasingly being used. To address these important challenges, it is crucial to foster bi-regional collaboration between the European Union and Latin America on security issues. This cooperation must be structural in nature and sustained over time, establishing effective coordination mechanisms to address threats common to both hemispheres, especially in relation to drug trafficking, human trafficking, money laundering, arms trafficking and cybercrime.

In the third chapter, Dr. Carlos Malamud Rikles and Dr. Rogelio Núñez Castellano, in the article titled "The Regional Geopolitics of Health Crises in Latin America" state that the health crisis that Latin America is currently experiencing due to the spread of dengue highlights various structural problems that have not been solved historically and have accumulated over the last four years. Therefore, the authors analyze how the region reacted to COVID-19, and then compare how many of those errors, inadequacies and inefficiencies, which occurred between 2020 and 2021, have reappeared in 2023 and 2024, although now in relation to dengue. In addition, the authors examine the failure of crisis management by the limited Latin American integration mechanisms, as well as the weakness of cooperation and coordination policies at the regional, subregional or even bilateral levels to solve challenges that involve the entire continent.

In this way, the book Latin America in the New Global Geopolitics makes an innovative contribution to the analysis of the strategic dynamics of Latin America in the context of a profound transformation of the global environment. It also seeks to promote a well-founded debate on the security of the region as a fundamental element for the development of the countries that make up the region. In this sense, the Center for Strategic Studies of the Peruvian Army, the William J. Perry Center for Hemispheric Defense Studies and the Strategic Studies Institute of the U.S. Army War College hope that this book will be of interest and useful not only for those interested in the

academic analysis of the Latin American geopolitical reality, but also for those who, due to their position, are called upon to elaborate effective solutions to guarantee stability and peace in the region.

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CHAPTER I:

GEOPOLITICS OF THE GREAT POWERS IN LATIN AMERICA

THE ROAD TO A NEW GEOPOLITICAL ERA

Jesús Rafael Argumosa Pila

Summary

Most of the indications found in the current geopolitical landscape (characterized by volatility, uncertainty, complexity and ambiguity) are postulated by the return to the old geopolitics of confrontation between blocs, although it is clear that in a different configuration from that which existed during the Cold War of the twentieth century. During the first third of the twenty-first century, a possible geopolitical path has been defined, called dual bipolarity, which, in all likelihood, meets the conditions to establish the new geopolitical era. In other words, two different conceptions of how the new geopolitical era can be structured have been perceived. On the one hand, the one that is based on the values and principles of democracy and, on the other, the one that is based on authoritarianism, the lack of freedom and a repressive order. In Roman Paladino, a geopolitical competition between democratic geostrategic forces and authoritarian geostrategic forces is glimpsed.

Keywords: *Geopolitics, major geopolitical dilemmas, instruments of power, emerging technologies, geostrategy.*

Introduction

The geopolitical landscape is changing at an accelerated pace. In reality, we are living in deep international disarray. There is great competition between the two great superpowers, the United States (US) and the People's Republic of China (PRC), as well as between great powers and emerging powers that are applying rules and norms in their own regions of influence, different from one another, generating enormous difficulty in establishing a global order that is subject to universal norms and criteria that are accepted by the entire international community.

It is important to note that the wars in Ukraine and Gaza are powerfully affecting the international geopolitical landscape, mainly for four undoubted reasons: (1) because of the impetus given to the existence of some organizations such as the European Union (EU) and the North Atlantic Treaty Organization (NATO); (2) by the geopolitical repositioning of superpowers, great powers and emerging powers; (3) by the threat of the revisionist movement that seeks to change the current international system of power established by the West at the end of World War II (WWII); and (4) by the

emergence of the Global South with some similarities to the Non- Aligned Movement born in the second half of the 20th century, but with a different and more powerful foreseeable configuration, as yet unarticulated.

There seems to be no doubt that, in the current global vision of the world, we identify four main actors with their own weight in international power relations: (1) the USA still as the international leader of the West in defense of the substantial universal principles and values of democracy; (2) the EU as an actor that represents, together with the USA, the unquestionable democratic values of freedom and equality; (3) the PRC as an emerging great power in a direct revisionist competition with the USA for world predominance; and (4) Russia, with revisionist ambitions for the current Western liberal order and which - as the second nuclear world power - plays a key role in the international security architecture.

Another phenomenon that accompanies us is the contradiction between the simultaneous processes of fragmentation and integration. The former leads to a complexity of intra-state and international relations in which it is very complicated to establish dialogue and agreements not only between different groups within the same country with opposing positions and, at times, calling into question the very authority of the state, but also between states and non-state actors that are difficult to recognize legally worldwide.

The second, the process towards integration as a result of international economic interconnectedness with the instantaneousness of capital transfers across the globe, together with the consideration of security as a single global environment, enhanced by physical interconnectedness, telecommunications and information interconnection and emerging technologies from the internet of things to quantum computing, artificial intelligence, robotics, 5G, *Big Data*, the metaverse, nanotechnology, biotechnology, cognitive science, the use of outer space or cybernetics in general. This process facilitates the need to achieve solid and stable international relations, which currently, as mentioned above, are not going through a good time.

In particular, in recent years, the dynamics of confrontation, friction and competition have prevailed over those of negotiation and agreement, which has translated in a generalized deterioration of international relations in all their facets: political, economic, technological, diplomatic or military. In addition, the democratic decline experienced in recent years contributes to greater instability and hinders the adoption of joint solutions in an interconnected world.

Recent Global Political Movements

For almost a year now, a series of international events have been taking place whose mere celebration has a highly valuable impact on the present and future international security system, especially when world leaders attend and make decisions of a global nature. In this line, the political movements mentioned below are considered.

From the Regional Comprehensive Economic Partnership (RCEP) coming into force (in June 2023) to the Peace Summit on Ukraine (in June 2024), through the virtual meeting of the Shanghai Cooperation Organization - SCO (in July 2023), the BRICS Summit (in August 2023), the G20 Summit (in September 2023), the visit of the Russian president to Beijing and Pyonyang (in May and June 2024, respectively), the commemoration of the Normandy landings (in June 2024), or the G7 Summit (in June 2024), in all these political events attended by a large part of the world leaders, the war in Ukraine has taken center stage.

With regard to the RCEP (an organization made up of 15 Asian countries and led by the PRC), it can be said that -after its entry into force on June 2, 2023- it represents a clear triumph for Beijing in East Asia, as it is the largest free trade agreement in the world, which will eliminate tariffs on imports for the next 20 years. As for the SCO, at its virtual meeting in July 2023, it was -without a doubt- a triumph for the PRC as it included Iran as a new member and showed its support to Russia in its defense of the constitutional order against the Wagner Group's uprising, at the same time as the PRC condemned protectionism and multilateral sanctions.

On the one hand, the BRICS Summit (held in Johannesburg in August 2023), which prioritizes political cooperation and security among its members, was another success for the PRC, with the approval of the admission of Saudi Arabia, Argentina, United Arab Emirates, Egypt, Ethiopia and Iran to the group, although the current Argentine government resigned from such membership. In addition, during the G20 Summit (held in New Delhi in September 2023), the governments of Germany, Saudi Arabia, the UAE, the USA, France, India, Italy and the EU signed a Memorandum of Understanding to establish the India-Middle East-Europe Economic Corridor, which is conceived as a network of transport routes spanning road, rail and maritime routes, and whose main objective is to promote economic development by fostering integration between Asia, the Arabian Gulf and Europe. This project falls within the framework of the Global Infrastructure Investment Partnership, an initiative led by Western countries to support infrastructure projects around the world, with the

overall objective of enhancing trade and international cooperation, becoming a viable alternative to China's Belt and Road Initiative.

Finally, and surprisingly, the G20 reached a consensus regarding the war in Ukraine, after a series of discussions and disagreements among the participants prior to the Summit. On the one hand, it avoided condemning Russia, but highlighted the human suffering caused by the conflict. On the other hand, the principle was adopted that States may not use force for the acquisition of territory or to violate the territorial integrity and sovereignty or political independence of other States. In addition, the African Union was included in the group as a full member, giving it the same status as the EU and the other 19 countries that make up the group. This meeting elevated India as an excellent negotiator, raising its prestige on the international scene.

For his part, Russian President Vladimir Putin paid a state visit to the PRC from May 15-17, 2024, where he met with his counterpart Xi Jinping, at a time of tension with the West due to the war in Ukraine. In addition to discussing trade and energy issues, the two leaders addressed the conflict in Ukraine and cooperation in areas such as artificial intelligence and renewable energy. Regardless of the fact that, according to US intelligence, Beijing is providing substantial support to Moscow's defense industrial base (through machine tools, microelectronics, and engines for drones and turbojets, among others), Russia and the PRC are trying to establish an emerging multipolar world, in response to what they see as US hegemony.

President Vladimir Putin was not invited to the meeting of world leaders participating in the commemoration of *D-Day*, the Normandy landings, which culminated on June 6, 2024, due to the Russian invasion of Ukraine. However, the Ukrainian President Volodymir Zelensky was invited and supported by all in attendance. These events were held with the war raging in Ukraine, on the borders of Europe. As a result, the events commemorating a key turning point in WWII have had a special impact. At different times, all the leaders expressed the absolute necessity that Ukraine should be supported by the Europeans and allies, as France and the other European states needed to defeat Nazism.

During Putin's visit to North Korea (June 18-19, 2024), in his search for ammunition for the invasion of Ukraine, a pact was signed between President Vladimir Putin and North Korean leader Kim Jong-un, whereby both countries pledge to support each other in a hypothetical war. Of particular importance is Article 4 of that pact, which

states that *"If one of the parties is in a state of war due to an armed attack by one or more States, the other party will provide military assistance to the full extent of their abilities, in concordance with article 51 of the United Nations Letter and the laws of Russia and North Korea."*[1] This pact radically changes the strategic situation in East Asia as, until now, North Korea's nuclear program has led to escalation in the region and its international isolation over the past two decades, when the United Nations (UN) imposed sanctions on Pyongyang, backed, at the time, by Russia and the PRC.

Today, the solution to the great geopolitical dilemma of East Asia (to be discussed later), in which North Korea is a key player, will be much more complicated as the pact between Moscow and Pyongyang breaks international policy in this region, reinforcing the aggression that the PRC is carrying out in the South China Sea (SCS) against the coastal countries from which it intends to take away part of their sovereignty in that sea, establishing military bases on certain islands and atolls, once it has expanded and built on their emerged lands.

At the G7 Summit (held in Italy, June 13-14, 2024), the Group's leaders reiterated their unwavering support for Ukraine and condemned Russia's aggression against the country. They also pledged to provide approximately 50 billion US dollars, using the proceeds from frozen Russian assets as a guarantee. They also invited the PRC and Iran to stop supporting Russia in the war against Ukraine. During the signing of the ten-year Washington-Kiev security agreement on the sidelines of the G7 meeting, U.S. President Joe Biden stated that the PRC is not supplying Russia with weapons, but with the capacity to produce those weapons and the technology available to do so, so it is in fact helping Russia.

On the Gaza war, the G7 supported the U.S. proposal for a ceasefire and reiterated that it will be necessary to ensure aid to the population of the Strip, as well as to guarantee peace for Israel. Regarding Artificial Intelligence, the G7 reiterated that it is one of the most complex and impactful challenges facing the international community. The Group's goal is to ensure that this technology remains controlled - at all times - by humans as it develops. In Pope Francis' exceptional intervention at this forum and in addressing Artificial Intelligence he stated that "no machine should choose to take the life of a human being." In his opinion, we would condemn humanity to a hopeless future if we take away people's ability to make decisions about themselves and their

1 Cuesta, Javier G. and Abril, Guillermo. "Rusia y Corea del Norte se alían para luchar contra lo que consideran noticias falsas". El País, June 20, 2024. https://elpais.com/internacional/2024-05-20/rusia-y-corea-del- norte-se-alian- se-allian-para-luchar-con-tra-lo-que-consideran-noticias-falsas.html.

lives, condemning them to depend on the choices of machines. Likewise, he added that humans should not let powerful algorithms decide their fate.

Finally, the peace summit on Ukraine, organized by President Volodymir Zelenski (held in Switzerland, June 16-17, 2024), which brought together nearly 60 world leaders and representatives of just over 90 governments, ended with a joint declaration calling for nuclear and maritime transit security, as well as an exchange of prisoners of war, although it was not signed by 12 countries, including Brazil, India and South Africa, which form - together with the PRC and Russia - the unique geopolitical group of countries known as BRICS, mentioned above. While the attendees have agreed in defense of Ukraine's territorial integrity and that the war in Ukraine should cease, not all countries think the same about how to get to that point. According to the Ukrainian executive, one of the objectives of the meeting was to give voice to all kinds of opinions.

As has been seen in all these different political movements, materialized in summits and meetings, the war in Ukraine has occupied a preponderant place. It is a clear symptom of the repercussion and geopolitical impact that this war has on the entire international community, with a view to establishing the global geopolitical order desired by the international community. Undoubtedly, there is a before and an after in the international order as a result of the war in Ukraine.

It is also necessary to highlight the decisions taken at the meetings of the SCO, BRIC, G20, G7 or in the visits made by the Russian President to the PRC and North Korea. On the one hand, the agreements reached at these meetings and visits, especially by the PRC, India and Russia. On the other hand, the PRC's non- attendance at the G20 meeting, where the West plays an important role, which seems to indicate a Chinese rebuff to the democratic Western world.

The Two Major Geopolitical Unknowns of the 21st Century

In the current geopolitical environment, there are two key unknowns or questions when designing a new holistic geopolitical era that will result in the expected international order to be established in the first third of the 21st century. The first unknown refers to the great existing geopolitical dilemmas, understanding by this term a potential situation of conflict or crisis in a regional strategic zone or area, whose solution or definitive destiny has a strong repercussion on the international security architecture, capable of powerfully influencing the new geopolitical era to come.

At present, four major geopolitical dilemmas are identified on the planet, involving superpowers, great powers and emerging powers. The first of these dilemmas is the Intermarium, a geopolitical challenge that refers to the isthmus between the Baltic Sea and the Black Sea and is manifested in the struggle between the EU and Russia. The second is the warlike labyrinth of the Middle East, where local, regional and international actors compete. The third is East Asia, where the Chinese offensive for dominance of the MCM vis-à-vis the coastal countries, the nuclear crisis with North Korea and the interest of other world players all come together. Finally, the fourth is the Indo-Pacific scenario, which is a focus of tension in the context of the rivalry between the USA and the PRC. These four major geopolitical dilemmas are permeated by an unstable, complex and unpredictable context, with uncertain solutions that may produce unpredictable and uncontrollable situations not only for the superpowers or great powers, but also for the current international security system, which is already in a precarious state of balanced functioning.

Africa and Latin America are considered to be two peripheral geopolitical regions on the global geostrategic chessboard, which do not meet capital conditions initially to have a decisive influence on the next international order to be established in the short or medium term in the 21st century. At present, they are in an embryonic state of being able to constitute themselves as geopolitical entities.

The second question is related to the geopolitical model to be implemented for the design of the next global order. It has been taken into account that two geopolitical models have been in place since World War II. The first model, called bipolarity, established a strategic rivalry between the two great powers of the time, the United States and the Soviet Union. This period was also called the Cold War and lasted until 1990, when the Soviet Union was dissolved. The second model, called unipolarity, was instituted at the end of bipolarity and lasted until 2008, when the war in Georgia took place, which the West did not know how to deal with with the proper authority and decision. During this period, in which the US held full world hegemony, there were the Gulf War, the war in Bosnia-Herzegovina, the war in Afghanistan and the war in Iraq.

Finally, from 2008, when unipolarity came to an end, and up to the present day, attempts have been made to establish a multipolarity that has not yet been achieved. Throughout this period, there have been wars against Al Qaeda and the Islamic State, the war in Ukraine and the war in Gaza, and hybrid warfare and cyberwarfare have emerged.

It is true that both the PRC and Russia are in favor of a multipolar world, but it is also true that the establishment of this new multipolar geopolitical system is very complicated due to the number of different interests supported by the great powers and the emerging powers subject to profound regional and international geostrategic competition. For this reason, some models will be proposed that may fit within the framework of the multipolarity that is being repeatedly announced.

To speak of the geopolitical models that are perceived in this first third of the 21st century, it is necessary, on the one hand, to take as a support those that have existed since the 1950s (practically in the last three quarters of the century), with their profound and enriching experiences, and, on the other hand, to bear in mind a set of emerging countries that will play a special role in the configuration of the aforementioned new international order.

This includes a group of countries -many of them considered emerging countries- with a population of close to 100 million inhabitants, five of them comfortably doubling that number, two close to 1.4 billion and two with a little over 50 million; all of them with a remarkable growth in the last decade. This group is called the G19 and holds - approximately- 98 % of the world's nuclear power, 70 % of the global economy and 54 % of the world's population. In addition to the USA, the EU, the PRC and Russia, this group also includes India, Japan, Bangladesh, Brazil, South Korea, Egypt, the Philippines, Indonesia, Iran, Mexico, Nigeria, Pakistan, the UK, Turkey and Vietnam.

The number of geopolitical models to be considered in the coming years can be reduced to three. The first model is called dual bipolarity, having two rival poles, each composed of two centers of power. One represents the transatlantic, democratic pole, composed of the US and the EU as centers of power, which rests on the transatlantic link. The other is the Asian, authoritarian-communist pole, which is based on the Chinese-Russian strategic partnership.

The second model, simply called bipolarity, can be considered as a new Cold War as it is made up of two unitary poles, the US and the PRC. In this case, each of the poles seeks to dominate the globe vis-à-vis the other, with a different international geopolitical approach in terms of values, principles or norms to be taken into account in exercising power and the corresponding leadership.

Finally, the third model, known as pentapolarity, is made up of the US, the PRC, the EU, Russia and India. India has been included in this model as the fifth pole, a country

that is set to become an important geopolitical actor in the coming years, and could act as a counterweight - mainly in Asia - to the authoritarian Sino-Russian partnership, while providing substantial support to the US and European poles.

In these three multipolar geopolitical models, each pole would be accompanied by a group of countries that support its approaches and that, like *satellites*, orbit around it, following its postulates in relation to the universal principles and criteria that it has presented to the international community and which, it is understood, have been or will be approved by the community.

A Possible Path Toward a New Geopolitical Era

The 21st century has ushered in a radical transformation of the planetary scenario, with its new threats, challenges, and complexities that demand a paradigm shift in understanding and applying the -always complicated and tentative- calculation of the approaching geopolitical era. By virtue of what has been said so far, the configuration of global geopolitics in this first third of the 21st century is outlined below.

Of the three geopolitical models that have been presented, bipolarity between the US and the PRC should not be accepted by the Asian giant since the PRC neither wants nor is interested in establishing a geopolitical rivalry for two main reasons. On the one hand, it does not want to present itself to the international community as a superpower, so it prefers to bring along a fellow traveler, in this case Russia, in its global revisionist stance. On the other hand, it is not in a position to compete with the US alone, bearing in mind that, at the military level -especially in the nuclear field- it is vastly outmatched by the US.

Although some analysts see the PRC as a natural candidate to compete with the US in international leadership, there are different perspectives on its strategic approach. While it is true that the PRC has experienced significant economic growth over the past two decades and that its PLA has modernized considerably, it is also true that its approach may be more in line with economic development than with economic development. It is true that the PRC has experienced significant economic growth over the past two decades and that its People's Liberation Army has modernized considerably, but it is also true that its approach may be more in line with economic development than military dominance.

As for the pentapolar model, it is a model that may appear rather in the long term as India is neither politically nor strategically ready to take the plunge on the

international horizon. It must first seek its geopolitical and geostrategic dominance in the Indian Ocean and assert its regional and international position in the face of the PRC's territorial ambitions and expansions.

However, the geopolitical model that is most likely to found and manage the new geopolitical era is dual bipolarity, where the four global players (the US, the PRC, the EU and Russia) are the main protagonists. Around them, the rest of the G19 countries will position themselves as *satellites*. Whether the new international order will lean towards a world governed by universal norms and criteria defended by democratic actors or by other types of rules and guidelines implemented by authoritarian actors will depend on their positioning.

In a short and medium-term perspective of the alignment of the G19 members, the following are the first considerations of the dual bipolarity model, subject to possible changes and variations over the next few years, depending on how international relations evolve in the fields of geopolitics, economics, diplomacy, high technology and global security strategy.

With respect to the four instruments of power (economic, military, political and technological), related to the four fundamental actors of the dual bipolarity model (USA, EU, PRC and Russia), in 2023, the GDP of the democratic pole was more than double that of the authoritarian pole (US$ 43,591,034 million versus US$ 19,553,359 million);[2] military spending is nearly four times higher (US$ 1,504 billion versus US$ 405.405 billion);[3] the organizational and open capacity of the political structure of the democratic pole is clearly superior; and in high technologies there is a balance between the US and the PRC, while the EU and Russia are lagging behind. Having made these comparisons, the position of the remaining 15 G19 players is presented below.

India has positioned itself as a regional and, later, world power, defending the interests of the Global South and forming the world's largest democracy. India is also a member of the QUAD security forum, together with Australia, the USA and Japan; however, it maintains a historical rivalry with Pakistan, which has resulted in several wars, both countries being nuclear powers. Despite India's trade ties with the PRC and

2 IMF. "World Economic Outlook Database, October 2023." *International Monetary Fund*, October 10, 2023. https://www.imf.org/en/Publications/WEO/weo-database/2023/October

3 "SIPRI Yearbook 2024." *Stockholm International Peace Research Institute*, 2024. https://www.sipri.org/yearbook/2024

apparent political activity, there is growing tension centered on territorial disputes, the Indian Ocean and influence in Southeast Asia. Equally, India takes a balanced stance between the two poles, but without completely alienating itself with Western positions. However, in the event of a choice, it would clearly opt for the democratic pole.

Japan is at a geopolitical crossroads. While North Korea continues to develop its nuclear arsenal, the PRC modernizes its military instrument, making incursions into its territorial waters, and Russia adopts an increasingly aggressive posture on its northern borders, Japan seeks to maintain a close attunement with the U.S. and South Korea, while engaging other countries in the quest for denuclearization of the Korean peninsula. Additionally, Japan remains an influential country (with the fourth largest GDP in the world), which sees the PRC as the greatest strategic challenge to ensuring peace and stability on the Korean peninsula, aspiring for a free and open Indo-Pacific, as well as being a staunch defender of the liberal international order and clearly committed to the democratic pole. Japan's gradual increase in defense spending is part of a long- term strategy to expand its international military status.

United Kingdom maintains a special relationship with the US, collaborating closely on security and defense issues. Its exit from the EU (Brexit) has had a strong impact on British geopolitics, with current challenges affecting its global position. Its geographical location has always influenced and influences its foreign policy and maritime trade, being a nuclear power. Despite its decline as a great power, the UK continues to maintain significant influence in the economic, cultural, military and political spheres of the global environment, forming part of the democratic pole. In addition to being one of the five permanent members of the UN Security Council with voting rights, it is part of the G7 and NATO. Recently, after the Brexit, 58% of the British people wish to return to the EU.

Iran occupies an important strategic position in the Middle East region, while its military power and its participation in international affairs are key aspects of its geopolitical positioning, sharing the revisionist positions of the PRC and Russia, forming part of the authoritarian pole. Its opaque nuclear program is in question before the international community. Likewise, Iran's geopolitics is characterized by a quest for national sovereignty that confronts the interests of the West, mainly the US and Israel. As a regional power in the Middle East it controls several armed militias in Arab countries neighboring Israel. Apart from the recent establishment

of relations with Saudi Arabia, it maintains a strong dispute with that country for control of the region and for leadership in Islam.

Turkey has a relationship with the Global South based on its Muslim identity and anti-imperialist position. It seeks balances and continues to increase its relations with the PRC and Russia, despite being a NATO member. It plays a crucial role in global geopolitics and its influence extends both towards Central Asia and the Global South, especially Africa. It practices exemplary diplomacy and its positioning bets on the democratic pole. Moreover, Turkey's geopolitical complexity is strongly marked by its geographic situation, its energy role and the tensions in its periphery. Its role as a bridge between East and West, together with its military power and influence in the Middle East, makes it particularly relevant as an arbiter and geopolitical pivot on the regional and international scene.

Pakistan possesses nuclear weapons and plays a central role in a region bordering Mackinder's *heartland* that encompasses part of the PRC, India, Iran and Afghanistan. It occupies a relevant strategic position in the world due to its geography, population, atomic weapons and international relations. Its geopolitical positioning is characterized by a calculated ambiguity between the two poles, being situated between four key players in international politics: the PRC, India, Iran and Afghanistan. Pakistan has strengthened its economic and military ties with the PRC, especially through the China-Pakistan Economic Corridor. The religious difference between Pakistan's Islam and India's Hinduism remains a constant source of conflict, particularly around the Kashmir region.

Bangladesh on the other hand, seeks to strengthen friendship and maintain a foreign policy of *friendship for all, malice for no one*; however, it has geopolitical and economic friction with some neighbors. Bangladesh's unique geopolitical location is essential for regional and global powers. This country has one of the highest global economic growth rates in the last decade. Its geopolitical positioning bets on calculated ambiguity. According to the UN Committee for Development Policy, Bangladesh would be rid of the onerous Least Developed Country label by 2024. In fact, it has been registering a growth rate of around 8%, above the Asian average. However, according to the IMF, the country's current account deficit will continue for much of this decade.

Indonesia is a major player in Asia-Pacific. It is the largest economy in Southeast Asia. In case of conflict it could play an important role in blocking Chinese trade. It exercises a relevant role in the global economy and international relations. The India-Indonesia

common vision of Indo-Pacific maritime cooperation is a democratic bulwark in the region. Indonesia's dynamic and balanced foreign policy makes it a regional power in the Indo-Pacific region. It is home to the world's largest Muslim population and its location (sandwiched between the Pacific and Indian Oceans) gives it special conditions given its membership in ASEAN. Undoubtedly, a strong and stable Indonesia is one of the main obstacles for the PRC to take over the MCM, improving - at the same time - ASEAN's position in Southeast Asia. Its positioning leans towards the democratic pole.

South Korea is considered a mid-level regional power; however, its prominence in international relations is increasing in the Northeast Asia region mainly due to its international cooperation initiatives in various fields with a multifaceted diplomacy approach. It has always sought to maintain stability on the Korean peninsula and has been actively engaged in diplomatic efforts to address issues related to North Korea. South Korea has also been the world's most innovative country for seven of the past nine years. Its leadership is based on areas such as patent registration, research and development (R&D), and manufacturing. It has become a diligent and active player in global dynamics, standing out for its innovation, higher education and technological development. It is a key framing member of the democratic pole.

The Philippines, for its part, has emerged as one of the most promising and fastest growing markets in the world. Its GDP experienced a 7.6% growth by 2022, further cementing its position as an attractive destination for foreign investors. Recently, the US has strengthened its military commitment to the Philippines in the event of a confrontation with the PRC. Its location at the maritime gateway to Southeast Asia from the Pacific Ocean makes the Philippines a key player for major Western and Asian powers. From the geopolitical point of view, the country's stability is crucial to the political, economic and strategic interests of the two rival giants, the US and the PRC. It is positioned in the camp of the democratic pole.

Vietnam has become a driving force in manufacturing and trade, showing a booming economy and gaining international recognition fairly quickly. However, it is at a crossroads between its economic success and its authoritarian political system. It is a major player in regional politics, but concerns remain about the lack of internal political freedoms. The country's alliances with international organizations such as ASEAN and the UN play a crucial role in its geopolitical development. These institutions provide Vietnam with a platform to play a more active role in regional and international diplomacy, while contributing to its stability and security. Vietnam's geopolitical

situation is of great global significance given its impact on regional stability and the balance of power in Asia. It is situated in the authoritarian pole environment.

Egypt is an important mediator, trying to defuse clashes and reduce tension in the various conflicts in the Middle East. It has reestablished its traditional alliance with the US and the EU, while improving its relations with Israel, Russia and East African countries. It seeks to maintain its relevance in the region and to balance its international interests. In addition, Egypt occupies a special strategic position, being the junction between Africa and the Middle East, affecting up to 10% of the world's trade routes. The country continues to play a significant role in achieving stability and security in the Middle East. In fact, it is currently participating very actively in the search for peace in the war between Israel and Hamas. It leans towards the democratic pole.

Nigeria faces a painful paradox. Despite being the most populous country on the continent and having a robust economy, inequality and insecurity remain alarmingly high, as it is home to the jihadist Salafist group Boko Haram. Nigeria has the strongest economy in sub- Saharan Africa, but there is a lack of control of its population by the government. Globally, it is the twelfth largest oil producer. Nigeria's geopolitics is related to its position on the African continent and its relations with neighboring countries and foreign powers. For Nigerian geopolitics, ethnic diversity, natural resources and international relations are fundamental elements. It is postulated towards the democratic pole.

Mexico is economically dependent on trade relations with the U.S., which makes it vulnerable to political and economic decisions made in Washington. On the other hand, its enormous natural resources provide it with a solid platform to project itself on the global geopolitical stage. Thus, Mexico's geopolitics can be considered complex and multifaceted. As the second largest economy in Latin America and the fifteenth largest in the world, Mexico faces global challenges in areas such as climate change, geopolitical conflicts and the world economy. It has a relevant position in the geopolitical arena, although it has limitations in its capacity for international influence. It is located in the democratic pole current.

Brazil is the largest country in Ibero-America and ranks fifth among the largest countries in the world, forming alliances with different countries. The main objectives of Brazil's geopolitics are focused on the occupation of its immense territory, approaching the Pacific coast through the Amazon River basin and exercising leadership in South America as a platform to develop its great strategy of global projection. Brazil is the

PRC's main trading partner but seeks to maintain good relations with both Washington and Beijing. It positions itself with the democratic pole as a regional and global power, with neutral diplomacy and ambitious proposals for international peace and security.

In this geopolitical context, Latin America, in the future, may meet the conditions to become an international geopolitical entity and have its own weight in the global power system, and thus be prepared and able to face other world players such as the US, the PRC or the EU. To this end, it has two heavyweights, Brazil and Mexico, which can act as driving forces in the region (in a similar way as France and Germany are doing in the EU) to establish regional entities, initially with the most relevant members and with greater collective bargaining power according to their political, economic, social or legal conditions, to begin the process of integration into the future Union of Latin America as an autonomous and independent geopolitical actor in the new geopolitical era of the near future.

Conclusions

By virtue of what has been explained in this article, in which the latest events in the international arena involving superpowers, great powers and emerging powers, the recent geopolitical history since World War II, the existence of the great geopolitical dilemmas, as well as the most important actors that have and will have a major role in the coming years have been considered, three geopolitical models or paths to be followed by the international community in the short and medium term in the new geopolitical era that is approaching have been defined.

Most of the indications found in the current geopolitical panorama (characterized by volatility, uncertainty, complexity and ambiguity) suggest a return to the old geopolitics of confrontation between blocs, although it is clear that in a different configuration from that existing during the Cold War of the twentieth century. In this environment, of the three models chosen, one of them, the so-called dual bipolarity, is the one that meets the most suitable conditions for establishing the new geopolitical era that is being heralded.

In other words, two different conceptions of how the new geopolitical era can be structured have been perceived. On the one hand, the one based on the values and principles of democracy and, on the other, the one based on authoritarianism, lack of freedom and a repressive order. In plain English, a geopolitical competition is looming between democratic geostrategic forces and authoritarian geostrategic forces.

In the development of this path of dual bipolarity, the actors of the G19, mentioned in the section on the two main geopolitical unknowns of the 21st century, appear aligned in one of the two blocks or poles considered. In addition to the 4 main countries that constitute the core of the model (USA, EU, PRC and Russia), 2 countries are on the authoritarian side (Iran and Vietnam), 2 countries are in an ambiguous position (Pakistan and Bangladesh) and 11 countries are in the democratic camp (Brazil, South Korea, Egypt, Philippines, India, Indonesia, Japan, Mexico, Nigeria, United Kingdom and Turkey). Thus, of the G19, 13 countries are in the democratic camp, 4 in the authoritarian camp and 2 in an ambiguous position.

Neither Israel nor North Korea, nuclear countries, have been included, as they do not correspond to the typology of emerging countries that characterizes the G19 actors. However, both countries are part of two of the major geopolitical dilemmas, the Middle East and East Asia, and will therefore be directly involved in the final outcome of these major dilemmas.

Finally, the path presented as dual bipolarity in the new geopolitical era responds to the international scenario that, in all likelihood, awaits us in the first third of the 21st century. The solution to the four major existing geopolitical dilemmas, together with the alignment of the G19 players, will play a particularly important role, in the hope that, in the somewhat more distant future, the international community will be able to establish universal principles and values that will be respected and complied with by the entire international community.

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Major General of the Spanish Army. He has exercised command in all types of Units of the Arm of Engineers. Likewise, he has been Chief of the School of High Defense Studies, Chief of the Division of Strategy and Military Cooperation and Chief of the Strategy Section of the Joint Defense Staff, Executive Director of the NADEFCOL *Anciens* Association (2005-2014) and President of the Spanish Association of Military Writers (2019-2023). Likewise, he has lectured in numerous courses and seminars linked to international relations and has published more than three hundred articles on Geopolitics, Strategy, Security and Defense in different civilian and military magazines and newspapers, especially in the Revista Ejército, where he has been awarded the Premio Revista Ejército award four times. Currently, he is Vice President and Director of the Chair of Strategic Studies of the *European Institute of International Studies* and Full Academician of the Academy of Military Sciences and Art.

TRENDS AND STRATEGIC IMPACTS OF PRC ENGAGEMENT IN LATIN AMERICA

Robert Evan Ellis

Summary

This work examines the key characteristics and patterns in Chinese engagement with Latin America and the Caribbean, as it has evolved in the Post-COVID-19 era. While the principal focus continues to be commercial, PRC-based companies have shifted away from large acquisitions in commodity sectors and large loan-backed projects in traditional infrastructure sectors, to smaller, more commercially viable projects with a focus on the new renewable energy economy and digital technology sectors. It is also actively pursuing cooperation in the space and security sectors. The People's Republic of China (PRC) engages with the region at the supernational, national, and subnational level, including the use of "people-to-people" diplomacy to weave networks of influence. In the post-pandemic era, it has renewed its diplomatic push, in conjunction with new Global Development, Security, and "Civilization" initiatives, and an expansion of its engagement in politically receptive countries closer to the United States (U.S.), including government, security, media, infrastructure and other cooperation that gives its engagement a more strategic character. This work finds that the economic benefits of engagement with the PRC on the region are frequently less, and the adverse consequences higher than expected. That engagement is indirectly undermining democracy and receptivity of the region to work with the U.S., while creating options for the PRC to act against the U.S. and its partners in the region during a possible future conflict with the West in the Indopacific.

Keywords: *China, PRC, Latin America, Military, Security, Digital, Green Energy, Strategic Competition*

Introduction

Latin America's relationship with the People's Republic of China (PRC), and its impact on the region's relationship with the United States (U.S.) has become a dominant element in the public discourse of the region. China's commercial, and other engagement with Latin America have also played an increasingly important role in both its economic and political trajectory. In commercial terms, China Latin America trade has grown

more than 35-fold since 2000, reaching a level of more than $480 billion in 2023.[1] The PRC is the number one trading partner for virtually every country in the region South of Costa Rica. Chinese investments in the region from 2000 to 2023, although not yet at the level of those accumulated U.S. and other developed nations, total more than $193.2 billion.[2] The PRC's two major policy banks alone have provided over $136 billion to the region since 2005, while its commercial banks are also playing an increasingly important role as well.[3]

The PRC relationship with Latin America has evolved significantly in the more than two decades since China was admitted into the World Trade Organization in 2001. Prior to the 2008 global financial crisis, the PRC-Latin America relationship was dominated by trade with limited presence of PRC-based companies operating in the region. Latin America principally exported commodities and foodstuffs to the region, while importing a broad array of Chinese manufactured products. The interaction was characterized by relatively limited knowledge and ample misperceptions of each side by the other, but also intense activity by businesspersons and others on both sides to build ties and knowledge, driven by the hopes of commercial and other benefit.

Beginning in approximately 2010, PRC-based companies substantially expanded their presence in the region through a combination acquisitions, greenfield investments, and China-financed infrastructure construction projects. The expanded presence was accompanied by conflict between the Chinese entities and local communities, arising from the mismatch between the way the Chinese sought to conduct business, versus norms and perceptions on the Latin American side. That PRC presence on the ground also, however, created opportunities for learning and influence.

The 2020 COVID-19 crisis, in combination with expanded pushback on China's advance in the region from the U.S. during the administration of Donald Trump, together slowed the progress of projects with the PRC. On the other hand, it created opportunities for the PRC to expand its influence by donating and selling vaccines and medical supplies during the early phase of the pandemic when more effective

1 "In 23 years bilateral trade between Latin America and China soared 35 times". *MercoPress*, April 30, 2024. https://en.mercopress.com/2024/04/30/in-23-years-bilateral-trade-between-latin-america-and-china-soared-35-times

2 Dussel Peters, Enrique. "Monitor of Chinese OFDI in Latin America and the Caribbean 2024". *RedALC-China*, May 13, 2024. https://www.redalc-china.org/monitor/images/pdfs/menuprincipal/DusselPeters_MonitorOFDI_2024_Eng.pdf

3 "Chinese Loans to Latin America and the Caribbean Database". *Interamerican Dialogue,* Accessed June 2, 2024. https://www.thedialogue.org/map_list/

MRNA-based Western vaccines were not yet available in the region.[4] The trajectory of PRC engagement with Latin America in the post-pandemic environment reflects changes In China itself, as well as in the region, and in the U.S. This work examines the key dynamics of the PRC activities in the region and their evolution in the post-Pandemic period and their impacts on the region.

Key Elements of PRC Engagement with Latin America

Chinas engagement with Latin America is dominated by commercial activities, principally those of PRC-based State-Owned Enterprises which functions as its national champions, although that engagement also includes security sector activities, political activities at national, subnational, and supernational levels, strategic courtship of individuals in government, academia, business and other domains, as well as other interactions. PRC activities in the region in the post-Pandemic period have become increasingly assertive, including substantial, if often indirect pressure against governments recognizing Taiwan,[5] and elites critical of the PRC or working against the interests of its government and companies.[6]

PRC Economic Engagement with Latin America. In the economic domain, Chinese activities in Latin America, as in other parts of the world, are centered on obtaining secure access to resources and markets needed to sustain and develop the PRC, including capturing as much of the value added in associated supply chains for PRC-based entities. In the process, the PRC gives particular attention to transportation, electrical, and digital infrastructure projects, leveraging them to support the advance of PRC-based firms in other domains.

Chinese resource-sector have shifted in emphasis from traditional commodities such as petroleum and iron to lithium, rare earth elements, and other materials needed for the new energy economy. In agriculture, it has gradually begun purchasing higher value-added goods such as beef, pork, and poultry, rather than just soybeans, fishmeal

4 Kneip, Lucie. "China's Vaccine Diplomacy in Latin America". *The Diplomat*, August 10, 2021. https://thediplomat.com/2021/08/chinas-vaccine-diplomacy-in-latin-america/

5 "China's rejection of Guatemalan shipments could be related to Taiwan ties, Guatemala president says". *Reuters*, May 24, 2024. https://www.reuters.com/world/chinas-rejection-guatemalan-shipments-could-be-related-taiwan-ties-guatemala-2024-05-25/

6 China's suspension of a $5 billion bank swap agreement with Argentina to show its displeasure with the PRC-critical statements of its new president Javier Milei are an illustrative example. "China puts brake on Argentina's US$6.5-billion currency swap amid Milei tensions". *Buenos Aires Times*, December 19, 2023. https://www.batimes.com.ar/news/economy/china-stops-us65-billion-swap-negotiated-by-alberto-fernandez.phtml

and other feed to raise its own animal protein. China's pursuit of Latin America's markets has evolved from selling traditional manufacturing goods and construction services, to advanced digital technologies and devices, electric vehicles, and work building electrical and digital infrastructure in the region.[7]

PRC Space Engagement. The PRC has pursued space engagement in the region for over 30 years, signing an agreement with Brazil in 1989 to co-develop and launch satellites through the China-Brazil Earth Resources Satellite program (CBERS), and in the same year, signing an agreement with Argentina for access to the Félix Aguilar astronomical observatory in San Juan province. Since that time, Chinese space engagement has evolved considerably. It built and launched three satellites for Venezuela and one for Bolivia. In both cases it also played a key role in the instrumentation of the primary and secondary ground control facilities in those countries, as well as training their space personnel. Such engagement with the two anti-U.S. populist regimes thus gave the PRC significant potential access through that equipment and human relationships, to the data obtained by those satellites and facilities.[8]

In Argentina, China negotiated a 50-year contract with the prior Peronist government of Christina Fernandez to build and operate a space radar and control facility in the remote province of Neuquén, run by China Satellite Launch and Tracking Control General (CLTC), a subsidiary of the Strategic Support Forces of the Peoples Liberation Army (PLA), and without continuous presence or strong oversight mechanisms by the Argentine government.[9] It has also moved forward with multiple projects at the previously noted Felix Aguilar observatory, including a 40-meter space telescope, as well as plans by the PRC-based company Emposat to build a space communications facility in Rio Gallegos, in the far South of the country.[10]

In Chile, the Swedish Space Corporation (SSC) which runs the Santiago Satellite Station, has indicated that it will not allow China's CLTC to continue operating at the

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7 "New Infrastructure—Emerging Trends in Chinese Investment in Latin America". *Inter-American Dialogue*, April 25, 2024. https://www.thedialogue.org/analysis/online-event-new-infrastructure-emerging-trends-in-chinese-investment-in-latin-america/

8 Ellis, R. Evan. "China-Latin America Space Cooperation – An Overview". *The Diplomat*, February 16, 2024. https://thediplomat.com/2024/02/china-latin-america-space-cooperation-an-overview/.

9 Caro, Carlo J.V. "The Patagonian Enigma: China's Deep Space Station in Argentina". *The Diplomat*, January 8, 2024. https://thediplomat.com/2024/01/the-patagonian-enigma-chinas-deep-space-station-in-argentina/

10 Funaiole, Matthew P., Dana Kim, Brian Hart, & Joseph S. Bermudez Jr. "Eyes on the Skies: China's Growing Space Footprint in South America". *Center for Strategic and International Studies*, October 4, 2022. https://features.csis.org/hiddenreach/china-ground-stations-space/

facility, because it could not guarantee that such operations could not be used for military purposes.[11] Peru currently collaborates with China in data sharing through its membership in the Asia-Pacific Space Cooperation Organization, while Venezuela and Nicaragua have agreed to participate in China's construction of a lunar research station.

The PRC Focus on Infrastructure and Connectivity. In its commercial relations in Latin America, as elsewhere, the PRC has focused on connectivity through the construction and operation of infrastructure. Initially it focused its efforts on the transportation sector, but has increasingly shifted to electricity, digital, and financial connectivity. That focus began before the PRC officially acknowledged Latin America's ability to participate in its Belt and Road Initiative (BRI) with the acceptance of Panama as the region's first member in 2018. Since that time, 22 states in the region have declared their participation in BRI. Neither the specific infrastructure projects, or benefits and obligations of BRI membership are clear. For most states in the region, membership is a pledge of interest in engaging with China, with the hopes that such a pledge will secure it prioritization from the PRC in receiving hoped-for benefits.[12]

In transport infrastructure, the majority of megaprojects proposed by Chinese entities for the region have not gone forward. These include the Nicaraguan Canal, "dry canal" projects across Colombia and Honduras, and the proposed "Twin Oceans" project connecting the Atlantic and Pacific coast of South America, among others. As noted previously, PRC emphasis has gradually moved from large state-to-state projects backed by loans from PRC-based policy banks to smaller projects. Major Chinese construction firms such as China Harbour Engineering Corporation are becoming increasingly sophisticated, competing for and winning projects even in relatively well-institutionalized countries by putting up some of their own funds through Public-Private Partnership financing vehicles. Prominent examples include work on the Mar 2 highway, Bogota Metro, and Regiotram projects in Colombia, as well as improvement of segments of Highway 5 in Chile by China Railway Corporation.[13]

In the port sector, the PRC has maintained a substantial presence in the region since the late 1990s, with the Hong Kong-based firm Hutchinson-Whampoa operating

11 Ibid.

12 Jenkins, Rhys. "China's Belt and Road Initiative in Latin America: What has Changed?". *Journal of Current Chinese Affairs*, Volume 51, Issue 1. https://doi.org/10.1177/186810262110478

13 "Corporación de Construcción Ferroviaria de China gana concesión de carretera de Chile". *Milenio*, February 17, 2023. https://www.milenio.com/asia-y-oceania/la-ruta-de-la-seda/corporacion-china-gana-concesion-carretera-chile

multiple facilities in Mexico, Panama, the Bahamas and Argentina, among others. Beyond Hutchinson, China Merchant Port (CMPort) has an interest in the port of Kingston, Jamaica, China Harbour constructed the port of Posorja, Ecuador, for DP World, and a Chinese consortium is currently completing the 15-berth private port in Chancay, which will transform the dynamics of maritime logistics on the Pacific coast of South America.[14] Chinese infrastructure projects also include efforts to dredge and operate waterways in the region, including a bid by Shanghai dredging for work at the mouth of the Paraguay-Parana River corridor, critical to the agricultural and other exports of five South American nations, as well as a project by China Harbour to deepen Amazon waterways in the interior of Peru and operate them as toll routes.[15]

In the domain of electricity connectivity, PRC-based firms have played a major role in the construction and operation of generation, transmission, and distribution infrastructure, focusing on green energy and new technologies. The PRC has leveraged a combination of construction companies, its own low-cost labor and equipment, and self-financing to construct numerous hydroelectric dams in Ecuador, Bolivia, Honduras and elsewhere, although it had significant difficulties regarding quality, environmental impacts, and relations with local communities and workforces on virtually all of the projects, including some in which the state withdrew the contract from the PRC-based firm for non-performance. The PRC is used similar advantages to build major wind and photovoltaic projects, including Cauchari-Olaroz in Argentina, and the Açu facility in Brazil, two of the biggest in the hemisphere.[16]

Through mergers and acquisitions, starting in 2010, major Chinese electricity companies have built a significant presence in the region, then have leveraged that presence to compete for public infrastructure projects. State Grid, China Three Gorges, and State Power Investment Corporation (SPIC) are the three principal examples. In that fashion, PRC-based companies have captured 57 % of the Chilean electricity transmission and distribution market, and 100 % of electricity distribution

14 Braw, Elizabeth. "Peru Learns to Read the Fine Print in China Deals". *Foreign Policy*, May 13, 2024. https://foreignpolicy.com/2024/05/13/peru-learns-to-read-the-fine-print-in-china-deals/.

15 Collyns, Dan. "China-backed Amazon Waterway mired in murky information". *Dialogue Earth*, September 13, 2019. https://dialogue.earth/en/water/30190-china-backed-amazon-waterway-mired-in-murky-information/

16 Ellis, R. Evan. "Is China Cornering the Green Energy Transition in Latin America?". *Dialogo,* February 28, 2024. https://dialogo-americas.com/articles/is-china-cornering-the-green-energy-transition-in-latin-america/

in the greater Lima Peru area.[17] A fourth major PRC-based entity, Power China, partners with numerous smaller players to advance its position in wind, solar and other infrastructure projects, and the market for electricity products like industrial storage batteries and photovoltaic panels, across the region.

In the digital sector, the PRC based firm Huawei, and ZTE have been active in the region since the 1990s. Other Chinese companies including Xiaomi and Oppo have also established a presence. Often such companies are suppliers of devices and infrastructure construction and other services to the commercial or state telecommunications companies in the region. Currently, Huawei is leveraging its position in having built or supplied the existing infrastructure, as well as in the cost and features of its 5G offering, to win roles in 5G infrastructure as the region deploys it.[18]

Huawei is also playing an increasingly dominant role in cloud computing in the region, as well as in security systems solutions, including smart and safe city projects, often as an integrator for other Chinese providers. While the number of "smart and safe cities" projects in the region that have actually gone forward, such as ECU-911 in Ecuador and BOL-110 in Bolivia, are limited, Chinese camera and sensor companies such as Hikvision and Dahua play an often unrecognized, dominant role in private and corporate security systems across the region.[19] As a compliment to the PRC role in digital connectivity, the Chinese rideshare company Didi Chuxing has a significant presence in the region, with access to the travel patterns and other data of millions of drivers and users, as well as leverage as the technically largest PRC-based employer in the region.[20] The Chinese company Alibaba similarly has come to play a significant role in eCommerce, particularly in the business-to-business domain.

In the financial sector, Chinese commercial banks have moved from a representational presence to traditional branch banking, taking customer deposits, making loans, and

17 Stott, Michael & Joe Daniels. "US raises concern with Peru over Chinese control of infrastructure". *Financial Times*, October 3, 2023. https://www.ft.com/content/2c77be69-60d7-4d5c-a0c6-c7978bde3888

18 d'Sola Alvarado, Parsifal. "Huawei's Expansion in Latin America and the Caribbean: Views from the Region". *United States Institute for Peace*, April 17, 2024. https://www.usip.org/publications/2024/04/huaweis-expansion-latin-america-and-caribbean-views-region

19 Ellis, R. Evan. "El Avance Digital de China en America Latina". *Seguridad y Poder Terrestre*, Vol. 1, No. 1 (2022): July-September: 15-39. https://revistas.ceeep.mil.pe/index.php/seguridad-y-poder-terrestre/article/view/5

20 Dai, Sarah. "How China's Didi Chuxing quietly grew into a Latin American ride-hailing giant". *South China Morning Post*, April 19, 2020. https://www.scmp.com/tech/enterprises/article/3080454/how-chinas-didi-chuxing-quietly-grew-latin-american-ride-hailing

conducting other transactions in countries like Brazil and Argentina.[21] China's Union Pay electronic funds transfer system is also widely available in the region. In non-traditional banking Chinese billionaire Jack Ma has entered the market in Brazil with a stake in the firm Nutec.[22]

PRC Influence Efforts and Political Engagement in Latin America. By contrast to the Soviet Union during the Cold War, the PRC generally has not openly sought to impose an economic model on the region or subvert democratic governments through guerrilla movements. Rather, it has used the enormous influence that comes from the expectation of benefit through its commercial activities, to induce partners to be open to work with China, and restrain themselves from openly critical discourse about its behavior in areas important to the PRC, such as recognition of Taiwan, PRC violation of treaty obligations in Hong Kong, its repression of Uighur Muslims in Xinjiang, it's militarization of islands in the South China sea, and its increasingly aggressive behavior toward its neighbors there.[23]

In the political domain, the PRC is engaged with Latin America and the Caribbean at the national, subnational, and super-national multilateral levels. At the national level, the PRC has recognized 12 countries in the region as "Strategic Partners," of which seven are "Comprehensive" strategic partners.[24] With some, including Venezuela and Brazil, it has established ministerial level working groups to facilitate the deepening of the relationship. The PRC also employs free trade agreements (FTAs) as a vehicle for expanding its access to the region while protecting its own markets in high value-added sectors through non-tariff barriers. Examples include FTAs signed with Chile, Peru, Costa Rica, and most recently, Ecuador and Nicaragua. It is currently negotiating agreements with El Salvador and Honduras as well, has

21 Ugarteche, Oscar & Carlos de Leon. "El financiamiento de China a América Latina". *Observatorio económico Latinamericano*, February 3, 2020. https://obela.org/analisis/el-financiamiento-de-china-a-america-latina#:~:text=Por%20otro%20lado%2C%20los%20bancos%20comerciales%20presentes%20en,de%20Argentina%2C%20Brasil%2C%20Chile%2C%20M%C3%A9xico%2C%20Panam%C3%A1%20y%20Per%C3%BA

22 Mandl, Carolina. "China's Tencent invests $180 million in Brazil fintech Nubank". *Reuters,* October 8, 2018. https://www.yahoo.com/news/chinas-tencent-acquire-stake-brazil-181104606.html

23 Ellis, R. Evan, Kelly Senters Piazza, Adam Greer, & Daniel Uribe. "China's Use of Soft Power in Support of its Strategic Engagement in Latin America". *Journal of the Americas*, Vol. 4, No. 2: 159-182. https://www.airuniversity.af.edu/Portals/10/JOTA/journals/Volume-4_Issue-2/03-Ellis_eng.pdf

24 Roy, Diana. "China's Growing Influence in Latin America". *Council on Foreign Relations*, June 15, 2023. https://www.cfr.org/backgrounder/china-influence-latin-america-argentina-brazil-venezuela-security-energy-bri#:~:text=In%20addition%20to%20several%20bilateral%20agreements%20with%20countries,Argentina%2C%20Brazil%2C%20Chile%2C%20Ecuador%2C%20Mexico%2C%20Peru%2C%20and%20Venezuela

expressed interest in FTAs with Colombia and Uruguay, and has been unsuccessful in negotiating an agreement with Panama.[25]

The PRC has been increasingly active in courting partners at the sub-national level, where there is less political visibility, and where legal and administrative restrictions on accepting Chinese offers of travel and other benefits are arguably less. Sister-city and sister-province relationships have been a key vehicle through which the PRC has sought influence by bringing mayors and local officials to China, making donations to local Universities, and providing other benefits.[26]

Often the Chinese use work at the sub-national level as an alternative to obstacles at the national level. During the presidency of China-skeptic Jair Bolsonaro in Brazil, or example, Chinese companies expanded their engagement with more receptive Brazilian State-level governments, including Sao Paulo and those in the northeast of the country. In Argentina, the Chinese are particularly incentivized to work with the provinces, not only due to President Javier Milei's declaration that he will not negotiate "pacts with Communists,"[27] but also because key decisions regarding access to resources, such as the lithium highly desired by Chinese companies, are made at the provincial level.[28]

At the Supernational level, the Chinese have long played a role in the established Inter-American system, being an observer in the Organization of American States (OAS) since 2004 and being part of the Board of Directors of the Inter-American Development Bank (IDB) since 2009. As with their role in other bodies such as the United Nations World Health Organization, they have often used their participation in such institutions to try to suppress critical reports, and where possible leverage those institutions to support China's objectives.[29] Examples include their

25 Ellis, R. Evan. "Insights from Comparing PRC Engagement in Africa and Latin America". *The Diplomat*, October 20, 2023. https://thediplomat.com/2023/10/comparing-chinas-engagement-in-africa-and-latin-america/

26 Klaus, Ian. "Ties that Bind: China's BRI and City Diplomacy in a Shifting World Order". *ISPI On-Line*, July 6, 2020. https://www.ispionline.it/en/publication/ties-bind-chinas-bri-and-city-diplomacy-shifting-world-order-26852

27 "'No hago pactos con comunistas', dijo Milei, que quiere romper relaciones con China y Brasil". *El País*, August 17, 2023. https://www.elpais.com.uy/mundo/argentina/no-hago-pactos-con-comunistas-dijo-milei-que-quiere-romper-relaciones-con-china-y-brasil

28 See, for example, Lucila Sigal, "Argentine court in key lithium region halts new permits over environmental concerns". *Reuters,* March 15, 2024. https://www.reuters.com/world/americas/argentine-court-key-lithium-region-halts-new-permits-over-environmental-concerns-2024-03-14/

29 "An Armchair Conversation with Mauricio Claver-Carone, President of the Inter-American Development Ban". *Center for Strategic and International Studies*, February 18, 2021. https://www.csis.org/analysis/armchair-conversation-mauricio-claver-carone-president-inter-american-development-bank

establishment of Co-financing funds with the IDB to identify and position Chinese companies to win projects supported by IDB loans.[30]

China's instrument of choice for multilateral engagement with the region, is arguably the Community of Latin American and Caribbean States (CELAC). As with PRC use of the FOCAC forum in Africa, CELAC has the advantage for China of weak institutionalization, allowing the PRC to advance its own agenda, while minimizing opportunities by states in region to coordinate a common position regarding what they want from China in return for its access to their commodities and markets. By contrast to the OAS, the U.S. and Canada are not present at CELAC, allowing the PRC to engage with the region without the presence of its geopolitical rival.[31]

Every three years, China holds an executive level forum with CELAC in which it advances a new multi-year strategic plan for its engagement with the region. While the document is generally light on details, it highlights the areas the PRC regards as priorities. In its most recent 2022-2024 plan, these included digital technologies, green energy, and space cooperation.[32] The PRC has also established a number of topical forums affiliated with CELAC, which it uses to advance its engagement objectives in those areas. These include a defense forum, through which the PRC has brought together Ministers of Defense in the region, a Disaster Relief Forum through which it has sought to sell its construction and technology solutions to the region as a response to climate change, a Think Tank forum, which has allowed the PRC to bring leading signups from the region and others to China to build relations with them, and most recently, the PRC has established a Space Cooperation Forum for advancing engagement with Latin America in that strategically important domain.[33]

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30 "China to provide $2 billion for Latin America and the Caribbean Co-financing Fund". *Interamerican Development Bank*, March 13, 2013. https://www.iadb.org/en/news/china-provide-2-billion-latin-america-and-caribbean-co-financing-fund#:~:text=The%20proposed%20%242%20billion%20contribution%20by%20China%20will,to%20complement%20IDB%20loans%2C%20subject%20to%20pre-established%20limits

31 Ellis, R. Evan. "Forums And Influence: Chinese Competitive Strategy and Multilateral Organizations in Latin America and the Caribbean". *Modern Warfare Institute*, June 14, 2022. https://mwi.usma.edu/forums-and-influence-chinese-competitive-strategy-and-multilateral-organizations-in-latin-america-and-the-caribbean/

32 Ellis, Evan & Leland Lazarus. "China's New Year Ambitions for Latin America and the Caribbean". *The Diplomat*, January 12, 2022. https://thediplomat.com/2022/01/chinas-new-year-ambitions-for-latin-america-and-the-caribbean/

33 "2024 China-Latin American and Caribbean States Space Cooperation Forum Wuhan Declaration-Space promotes the building a community of shared future". China National Space Agency, official website, April 25, 2024. https://www.cnsa.gov.cn/english/n6465652/n6465653/c10514240/content.html

PRC People-to-People Engagement and Influence Networks. As a complement to its diplomatic engagement, and in support of its political and economic objectives, the PRC maintains an increasingly sophisticated web of people-to-people influence networks in the region. Such networks are multidimensional and overlapping. They include 45 Confucius institutes in the region, which conduct official PRC government sponsored education on the Chinese language and culture, but also serve as a gateway for establishing ties with youth interested in the PRC, linking the most promising with PRC government and private scholarships to study in China, ultimately nurturing strong relationships with leaders of the future, who may play important roles in representing their company or government's interests vis-à-vis the PRC.

Beyond Confucius Institutes, the PRC also brings other Latin Americans to China in large numbers. The most recent China-CELAC plan indicated a goal of bringing at least 5.000 Latin American government personnel to the PRC from 2022-2024, as well as 3.000 others for "training" scholarships.[34] Such invitees include China oriented academics, businesspeople, journalists, politicians, and even government personnel such as military personnel, police, and judges. Such trips create positive relations that may facilitate these persons providing insights to their Chinese hosts and colleagues, as well as moderating their own discourse about the PRC, in the hopes of continued access to the PRC through such travel in areas of the invitee's professional or personal interest, and sometimes speaking fees or other payments as well.[35]

In Latin America itself, the International Liaison Division of the Chinese Communist Party, the United Front Work Department, maintains relationships with numerous "Friendship Societies," Chambers of Commerce, and other China-oriented groups in the region, complimenting the relationships that the PRC builds with Latin Americans in China, and allowing PRC functionaries to apply and coordinate their influence in the region through local actors.[36]

The PRC has also been exposed in operating "police stations" in Latin America, ostensibly to help overseas ethnic Chinese with transactions involving the PRC government such as visas, but also highlighting China's growing recognition that its diaspora population is a strategic asset with which ties should be maintained, and

34 "CHINA - CELAC JOINT ACTION PLAN FOR COOPERATION IN KEY AREAS (2022-2024)". *People's Republic of China embassy in Guyana, official webpage*, December 13, 2021. http://gy.china-embassy.gov.cn/eng/xwfw/202112/t20211213_10469237.htm

35 Ellis, et. al., 2022.

36 Ibid.

through which influence can be exerted. Through such "police stations," the PRC may leverage their ability to impact relatives in China, to impact the behavior of Chinese communities overseas, their public discourse, and possibly use them to obtain information.[37]

PRC Security Engagement in Latin America. In the military domain, the importance of the PRC as a commercial partner and a global power, more than the quality of its military hardware or training programs, has opened doors for military-to-military and increasingly other security relationships. These relationships, and the familiarity and access to partner nation military institutions that comes with them, help the PLA to set up operations in the Western Hemisphere more rapidly, and operate there in a more agile, effective fashion, if they are ever called upon to do so in the context of a large-scale military conflict with the U.S.[38]

PRC military activities in the region include arms sales and donations, training and professional military equipment, presence by the PRC in the region, and to a small but increasing degree, search for opportunities in the region by Chinese private security companies.[39] Most Chinese arms sales in Latin America have been to anti-U.S. governments, including the sale of K-8 fighters and radars to the Chavez regime in Venezuela, the sale of K-8s, Z-9 military helicopters and armored personnel carriers to the Evo Morales regime in Bolivia, and the sale of military radars and over 700 trucks and other military vehicles to Ecuador. Other regimes, however, have also bought military hardware from the PRC. These include Peru's purchase of Chinese trucks and 27 Type 90B Multiple Launch Rocket Systems vehicles, with a decision to possibly acquire more in 2024.[40] They also include Trinidad and Tobago's 2014 purchase of a Chinese offshore patrol vessel, OPV in 2014, and Argentina's purchase of a small number of WMZ-551 armored personnel carriers.

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37 Dirks, Emile & Diana Fu. "China's overseas police stations: An imminent security threat?". *The Brookings Institution*, February 16, 2024. https://www.brookings.edu/articles/chinas-overseas-police-stations-an-imminent-security-threat/

38 Ellis, R. Evan. "The Strategic Role of Latin America in a Global Conflict Over Taiwan". *Seguridad y Poder Terrestre*, Vol. 2, No. 1, January - March 2023: 113 - 131. https://revistas.ceeep.mil.pe/index.php/seguridad-y-poder-terrestre/article/view/21/35

39 Lazarus, Leland & R. Evan Ellis. "Chinese Private Security Companies in Latin America". *The Diplomat*, July 17, 2023. https://thediplomat.com/2023/07/chinese-private-security-companies-in-latin-america/

40 "Peru reevaluating future of Type 90B MRLS partnership with China's next purchase still pending". *Army Recognition*, April 11, 2024. https://www.armyrecognition.com/news/army-news/2024/peru-reevaluating-future-of-type-90b-mrls-partnership-with-china-s-next-purchase-still-pending

The PRC government also provides a substantial number of gifts to both militaries and police forces in the region. These commonly involve dual-use vehicles such as trucks tractors and ambulances for the military but have also included small Y-12 military transport aircraft donated to Colombia, Costa Rica, and Guyana. With respect to police forces in the region, the PRC has donated squad cars and motorcycles to Guyana, the Dominican Republic, and Costa Rica among others. It has also provided them with other equipment including 6.000 Kevlar vest and helmets donated to Panama's national police, Air and Naval Service (SENAN) and border service (SENAFRONT) in February 2023.[41]

Chinese military goods have been plagued with quality issues, including a radar system purchased from the China Electronics Technology Group Corporation (CETC) by the former anti-U.S. populist Correa government of Ecuador, which was functionally unsuitable for the jungle conditions for which it was acquired, leading Ecuador to cancel the acquisition, precipitating a multi-year legal battle with the Ecuadorian government. Peru similarly had problems with dangerous vibrations in Dongfeng, Beiben and Shanxi military trucks donated by the PRC, as well as defective 7.62mm ammunition that had to be returned because its improperly soft metal jammed in guns during combat, putting soldiers' lives at risk.

A significant portion of PRC contracts with populist states have also had contracting irregularities, including investigations of bribery in the procurement by Peru of the previously mentioned Type 90B MLRS vehicles,[42] and in Bolivia's purchase of Chinese Z-9 helicopters.[43] In recent years, several states have decided to abandon arms purchases from Chinese defense countries that they were contemplating. These include Argentina's decision not to buy Chinese FC-1 fighter jets, and Uruguay's decision not to purchase offshore patrol vessels from the PRC.[44]

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41 Bravo, Douglas. "China dona miles de equipos tácticos de protección a Panamá". *Defensa.com,* February 14, 2023. https://www.defensa.com/centro-america/china-dona-miles-equipos-tacticos-proteccion-panama

42 Watson, Peter. "Perú investiga la adquisición de los lanzadores múltiples Norinco a China". *Infodefensa*, January 5, 2017. https://www.infodefensa.com/texto-diario/mostrar/3079068/peru-investiga-adquisicion-lanzadores-multiples-norinco-china

43 Carol, Marcela V. "Primer relevo en la historia de puestos militares bolivianos con helicópteros chinos Z9". *Defensa*, May 15, 2021. https://www.defensa.com/bolivia/primer-relevo-historia-puestos-militares-bolivianos-helicopteros

44 "China transmitió a Uruguay su "descontento" por procedimiento de compra de buques OPV para la Armada". *El Observador*, March 11, 2023. https://www.elobservador.com.uy/nota/china-transmitio-a-uruguay-su-descontento-por-procedimiento-de-compra-de-buques-opv-para-la-armada-202331016450

In the domain of professional military education and training, virtually all states maintaining diplomatic relations with the PRC have sent personnel to its short (3-5 weeks) courses in China's National Defense university in Champing. A smaller number of Latin American states have also sent students to longer courses such as the Command and General Staff course operated by the PLA outside of Nanjing. Increasingly the PRC has begun to offer police training, in addition to military training, including invitations extended to Nicaragua.[45]

With respect to PLA military presence in the region, delegations from PLA War Colleges and other institutions periodically visit their counterparts in Latin America. Chinese military police deployed to Haiti from 2004 to 2012 as part of the Brazil-led MINUSTAH peacekeeping force. The PLA Navy hospital ship peace ark has visited the region three times, in 2011, 2015, and in 2018-2019.[46] PLA sharpshooters participated in a military war game in Venezuela in 2023. The PRC has also maintained a presence in the electronic eavesdropping facility in Bejucal, Cuba since at least 2019, and is reportedly negotiating a semi-permanent presence for its military trainers in Cuba.[47] Despite such advances, however, the PRC may also be making an effort to lower the profile of its military presence in Latin America in recent years, due in part to push-back from the U.S., examples include the absence of expressed interest by the PRC in participating in a new Peacekeeping Force in Haiti, and the absence of a visit by the Peace Arc to the region since 2019.

Chinese Organized Crime in Latin America. With the expansion of commercial engagements and people to people connections between China and Latin America, illicit ties have also grown. PRC-based triads operate within local ethnic Chinese communities in the region and play a role in the trafficking of ethnic Chinese smuggled from the mainland, their maintenance in conditions that often resemble indentured servitude in Chinese businesses in the region, plus other illicit activities involving gambling and micro-money laundering through such activities. Multiple Chinese mafias including groups from Fujian and from Canton are believed to operate

45 "Delegación de seguridad de China llega Managua para reunirse con la policía, Cancillería, y Mint". *La Prensa*, May 27, 2024. https://www.laprensani.com/2024/05/27/politica/3325003-china-nicaragua-encuentros-ministerio

46 Ellis, R. Evan. "Trends in PRC Security Engagement in Latin America and the Caribbean". *The Diplomat*, February 23, 2024. https://thediplomat.com/2024/02/chinas-security-engagement-in-latin-america-and-the-caribbean/

47 "China negocia con Cuba una 'instalación de entrenamiento militar' en la isla". *La Razón*, June 20, 2023. https://www.la-razon.com/mundo/2023/06/20/china-negocia-con-cuba-una-instalacion-de-entrenamiento-militar-en-la-isla/

in Mexico and elsewhere in the region. Chinese criminal organizations collaborate with their Latin American counterparts, particularly the Mexican, Sinaloa, and CJNG cartels in the trafficking of fentanyl and its precursors, as well as the movement of other synthetic drugs from Wuhan, China to the region.[48] Groups involved in this trade reportedly include the triads 14K and Sun Ye-on, among others.

The proliferation of Chinese banks and legitimate commercial activities in the region has also facilitated the use of such PRC-based entities by Chinese organized crime groups and others for money laundering. In one illustrative case called "Flying Money," run by Chinese entrepreneur Li Xizhi, Chinese gangs take ownership of cash paid to Mexican Cartel-affiliated narcos in the U.S., without moving it across borders, and transfer ownership of that cash to wealthy persons in China seeking to move their money out of the PRC. The wealthy Chinese then transfer a corresponding amount of RNB to Cartel-affiliated groups in Mexico, who use it to purchase products from China without paying full customs duties. The technique is not only faster than traditional smuggling of cash and trade-based money laundering, but it is also harder for Western authorities to detect, insofar as the money changes hands in less-than-transparent Chinese banks and groups.[49]

Beyond money laundering, Chinese groups also play a key role in Illegal, Unreported, and Unregulated (IUU) fishing,[50] as well as wildlife trafficking in the region, including exotic species of butterflies, sea horses, tiger teeth and shark fins.[51] Chinese criminal elements are also involved as the illegal mining sector in all part of the illicit value chain, from those who purchase the metals in the PRC, to those who pay for it at the local level, to Chinese shopkeepers who supply the mercury and illicit activities such as prostitution, to the miners.

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48 Pelcastre, Julieta. "Chinese Criminal Networks and Their Reach in Latin America". *Dialogo*, February 16, 2024. https://dialogo-americas.com/articles/chinese-criminal-networks-and-their-reach-in-latin-america/

49 Rotela, Sebastian & Kirsten Berg. "How a Chinese American Gangster Transformed Money Laundering for Drug Cartels". *ProPublica,* October 11, 2022. https://www.propublica.org/article/china-cartels-xizhi-li-money-laundering

50 Myers, Steven Lee, Agnes Chang, Derek Watkins & Claire Fu. "How China Targets the Global Fish Supply". *The New York Times*, September 26, 2022. https://www.nytimes.com/interactive/2022/09/26/world/asia/china-fishing-south-america.html

51 Lazarus, Leland & Alexander Gosco. "Triads, Snakeheads, and Flying Money: The Underworld of Chinese Criminal Networks in Latin America and the Caribbean". *Dialogo*, September 27, 2023. https://dialogo-americas.com/articles/triads-snakeheads-and-flying-money-the-underworld-of-chinese-criminal-networks-in-latin-america-and-the-caribbean/

Trends of China's Advance in Latin America

As noted previously, China's profile in Latin America has evolved significantly in the post-pandemic period, reflecting changes in the region, in the U.S. response, and in China itself.

Beyond just Business. The PRC has not moved away from its economic engagement with Latin America, nor abandoned the BRI. Nonetheless, in recent years it has advanced a series of concepts for its engagement with the region that frame its activities in an increasingly political and strategic tone, within the framework that the PRC calls a "Community of common destiny."[52]

In its "Global Development Initiative," the PRC emphasizes the common cause that it claims with the developing nations of Latin America, at the same time, differentiating these states from "developed" nations such as the U.S., Europe, Japan and South Korea. The combination of China's simultaneous sense of exceptionalism, combined with its use of the "developing world" bond to woo partners, was illustrated by its participation in the annual G77-plus-China summits.[53] China has sought to insert statements about GDI not only into its own official discourse, but in the joint statements it releases following meetings with partners.

In the Global Security Initiative (GSI), as elaborated through a PRC White Paper on the topic, China has expressed interest in working with the region on security issues through CELAC, where the U.S. is not present, rather than the established security mechanisms of the Inter-American system such as the Interamerican Defense College (IADC) and Inter-American Defense Board (IADB),[54] where the PRC an open seat that it has not sent person to in recent years. In GSI, China also highlights governance of data, artificial intelligence and space, highlighting that the PRC understands the inherent security value of these areas in which the PRC already has a significant presence in the region.

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52 McLaughlin, Daniel W., "Rewriting the Rules: Analyzing the People's Republic of China's Efforts to Establish New International Norms". *Journal of Indopacific Affairs*, March 8, 2021. https://www.airuniversity.af.edu/JIPA/Display/Article/2528526/rewriting-the-rules-analyzing-the-peoples-republic-of-chinas-efforts-to-establi/

53 "G77+China summit concludes with emphasis on empowering Global South". *Xinhua*, September 18, 2023. http://www.china.org.cn/world/2023-09/18/content_116690813.htm#:~:text=China%20is%20not%20a%20member%20but%20has%20been,group%20under%20the%20framework%20of%20%22G77%20and%20China.%22

54 Ellis, R. Evan. "What China's Global Security Initiative Tells Us About Its Strategic Engagement with Latin America". *The Diplomat*, April 4, 2023. https://thediplomat.com/2023/04/what-chinas-global-security-initiative-tells-us-about-its-strategic-engagement-with-latin-america/

In its Global Civilization Initiative (GCI), the PRC argues against concrete, enforceable standards on democracy, human rights, and the rule of law advanced by the West. The discourse, while seeming reasonable, is attractive to authoritarian populist states in the region such as Venezuela, Nicaragua, and Cuba, insofar as it creates a veneer of justification for not holding them to account for their violations in these areas.[55]

PRC Political Re-Engagement with the Region. With the end of the COVID-19 pandemic, and the PRC's move away from its own "zero-covid" lockdown policies, China has begun to politically reengage the region. In 2023, an unprecedented number of Latin American leaders traveled to the PRC, including Brazilian President Luis Ignacio Lula da Silva (Lula), Honduran President Xiomara Castro, Venezuelan dictator Nicolas Maduro, Guyanese President Irfan Ali, then Argentine President Alberto Fernandez, Chilean President Gabriel Boric, Colombian President Gustavo Petro, and Uruguayan President Luis Lacalle Pou. In April 2024, Surinam's President Chan Santokhi also traveled to China. It is expected that China's President Xi Jinping will travel to Latin America to attend the November APEC Leaders' Summit in Lima, Peru to inaugurate the new China-Owned Megaport in Chancay.[56] The visit would represent President Xi's first trip to Latin America since before the pandemic.

Beyond diplomacy, the end to the pandemic permitted PRC-based companies to resume pursuit of, and/or work on important infrastructure projects, although as noted previously, the profile of that commercial engagement has changed with fewer large mergers and acquisitions and greenfield investment projects in traditional sectors, as well as reduced lending on major projects by Chinese policy banks. The PRC has prioritized smaller scale projects which are financially more viable. In addition, the PRC appears to continue to support projects in strategic sectors such as renewable energy and digital technologies.[57]

China's engagement with Latin America is also being impacted by the fallout from the crisis in its property sector. The economic difficulties in the rest of the Chinese economy caused by that crisis, and the shock effect on the financial system will likely

55 Ellis, R. Evan. "The Trouble with China's Global Civilization Initiative". *The Diplomat*, June 1, 2023. https://thediplomat.com/2023/06/the-trouble-with-chinas-global-civilization-initiative/

56 "China and Peru are set to inaugurate the mega port of Chancay". *Fundacion Andres Bello*, January 23, 2024. https://fundacionandresbello.org/en/news/peru-%f0%9f%87%b5%f0%9f%87%aa-news/china-and-peru-are-set-to-inaugurate-the-mega-port-of-chancay/

57 Glade, Jim. "How China has Shifted its Investment Strategy in Latin America in the Past Years". *The Latin Times*, January 26, 2024. https://www.latintimes.com/how-china-has-shifted-its-investment-strategy-latin-america-past-years-550625

continue to inhibit PRC-based SOEs from pursuing significant acquisitions, major greenfield investments, and risky loan-based projects in Latin America and elsewhere. Sustained depressed demand from China's property sector may also translate into lower Chinese demand for materials demanded by that sector from Latin America, such as iron, cement and wood products.

Such effects are further illustrated by dumping by PRC based companies of steel in Latin American markets such as Chile and Brazil in 2024.[58] On the other hand, Chinese demand for copper from Chile, Peru and other producers is likely to remain high, due to the production and transmission of electricity and electric vehicles in the new energy economy.

Expanding U.S. China tensions driving "decoupling" have an increasingly important role in supply chains and strategic sectors involving the U.S. In this environment, companies are increasingly considering the risks from intellectual property theft, logistics disruptions, or being considered a national security risk by having PRC-based companies in their supply chains. Reciprocally, Chinese companies are pursuing strategies to avoid being excluded from access to the U.S. market due to such dynamics. The combination of both dynamics is driving the phenomenon of "nearshoring," involving investments in production oriented for the U.S. market in Mexico, and other countries physically closer to the U.S.

In the case of Mexico, the country has benefitted from a wave of investments by companies moving away from sourcing products in the PRC, yet nearshoring has also significantly increased the presence of PRC-based firms in the country, particularly in states close to the U.S. Many Chinese companies have invested in distribution or facilities in Mexico, seeking to reinvent themselves as legally Mexican companies, in an effort to preserve access to the U.S. market under USMCA.[59] In northern Mexican states such as Nuevo Leon, the PRC based companies have become the major source of new investment there. The growing influence of these PRC-based companies as local employers and business partners will likely become a significant policy issue for

58 Attwood, James, Mariana Durao & Andrea Jaramillo. "China's $8.5 billion in steel spurs Latin America toward tariffs". *American Journal of Transportation*, May 21, 2024. https://www.ajot.com/news/chinaas-8.5-billion-in-steel-spurs-latin-america-toward-tariffs

59 Goodman, Peter S. "Why Chinese Companies Are Investing Billions in Mexico". *The New York Times*, February 3, 2023. https://www.nytimes.com/2023/02/03/business/china-mexico-trade.html#:~:text=Tracing%20a%20path%20forged%20by%20Japanese%20and%20South,part%20of%20a%20broader%20trend%20known%20as%20nearshoring

the new Mexican administration of Claudia Scheinbaum. For U.S. policymakers, the question of how to prevent USMCA from giving PRC-based companies a "back door" into U.S. supply chains will likely become a significant issue when USMCA is reviewed in 2026.

Beyond Mexico, "near shoring" will also likely drive expanded Chinese investment in other countries geographically close to the U.S. with privileged access to U.S. markets through FTAs, including those in Central America (through CAFTA-DR), as well as states of the Caribbean, and others such as Columbia, which enjoy special access to the U.S. through bilateral free trade agreements. Reinforcing, and reinforced by, the effects of near shoring, the PRC is advancing in increasingly political ways, in small states ever close to the U.S., particularly in the northern portion of Central America. In three of those states, the advance has been facilitated by a recent change in recognition from Taiwan to the PRC, leading to the signing of memorandums of understanding and negotiation of FTAs opening of local markets to China, and facilitating the rapid expansion of PRC human networks, as well as influence through government-to-government ties there.

In El Salvador, which recognized the PRC in August 2018, the PRC advance has been facilitated by the maverick government of Nayib Bukele, whose New Ideas party controls 2/3 of the El Salvador legislature, and whose relations with the U.S. have been strained due to U.S. concerns and criticisms over his use of repression and questionably democratic procedures in achieving dramatic success in reducing violence in the country through repressing gangs. Working with the Bukele government, the PRC has constructed a new Tourist pier at La Libertad, a new National Library, and is building a National Stadium, as well as building two water treatment plants. PRC-based companies have also previously shown an interest in a multi-billion-dollar project to transform the port at La Union, in the Gulf of Fonseca, into a major logistics and commercial complex.[60]

In Nicaragua, the anti U.S., Sandinista government of Daniel Ortega and Rosario Murillo switched relations to the PRC as the U.S. and the European Union imposed increasing sanctions against the regime over its holding a rigged elections in November 2021, the outlawing of opposition parties, candidates, NGO's and even the Catholic

60 Dilanian, Ken, Joel Seidman & Gabriel Sanchez. "A project in El Salvador shows how China is exerting growing power in America's backyard". *NBC News*, September 4, 2021. https://www.nbcnews.com/politics/national-security/project-el-salvador-shows-how-china-exerting-growing-power-america-n1278464

Church and other religious organizations. As with El Salvador, Nicaragua, upon establishing diplomatic relations with the PRC, signed numerous memorandums of understanding, as well as negotiating a free trade agreement with a PRC, which collectively open up the Nicaraguan economy to PRC products and services, as well as an array of from security sector cooperation to trips to the PRC by Nicaraguan journalists. Each of these, in both the commercial and other areas, facilitates the expansion of influence relationships in the country by the PRC. In infrastructure, the Ortega regime his embraced Chinese proposals to expand the Punta Huerta airport Northwest of Managua, as well as work on multiple road and rail projects across the country, including a possible eventual rail corridor connecting the port of Corinto on Nicaragua's Pacific Coast, to Corinto and Bluefields on the Atlantic.[61] The Ortega regime has also signed up to participate in Chinas planned lunar base.

In Honduras, the leftist populist Libre party recognize the PRC in 2023, also signing multiple nontransparent MoU's and initiating negotiation of a FTA which will further accelerate the penetration by Chinese companies into the country. The Honduran government has expressed intention to contract with PRC based companies to rework the national telecommunications infrastructure and build a new hydroelectric facility, Patuca II, in addition to one already built by the PRC in the country, Patuca III. As in Nicaragua Honduras has invited PRC-based companies to build significant infrastructure, including a Pacific Coast port at San Lorenzo, the improvement of the "dry canal" highway corridor connecting the Atlantic to the Pacific sides of the country in close proximity to the U.S. military regional Forward Operating Location (FOL) Joint Task Force Bravo (JTF-B).[62] The Castro government has also committed to work by PRC-based companies improving improved bridges connecting the Honduran mainland to the coast near Ceibo. As in Nicaragua, Honduras has sent journalists to the PRC and accepted training of its government personnel by the PRC. The geographic confluence of the three countries in the Gulf of Fonseca also creates synergy that could reinforce the strategic importance of China's advance in each. The combination of PRC operation and control of the "dry canal" corridor from San Lorenzo across Honduras, plus the new Punta Huete airport and Corinto to Bluefields corridor in Nicaragua, could give a new impulse

61 Ellis, R. Evan. "China's growing strategic position in Nicaragua". *The Diplomat*, December 18, 2023. https://thediplomat.com/2023/12/chinas-growing-strategic-position-in-nicaragua/

62 "Honduras signs agreement with China Harbour Engineering for infrastructure projects". *BNAmericas*, May 30, 2023. https://www.bnamericas.com/en/news/honduras-signs-agreement-with-china-harbour-engineering-for-infrastructure-projects

to the development of the long-contemplated port complex at La Union nearby, creating a cluster of PRC-controlled ports and transport corridors from the Atlantic to Pacific, in PRC-friendly countries close to the U.S.[63]

Meanwhile, just to the north, in Guatemala, which also spans the Atlantic and Pacific of the content, the PRC is applying increasing pressure on the Arévalo administration to change its relations from Taiwan to the PRC. This pressure includes the PRC's May 2024 suspension of purchases of a range of goods from Guatemala, contributing to a PRC lobby within President Arevalo's Semilla party, as well as within conservative Guatemalan elites looking for a counterweight against U.S. government political and legal pressures against them over their corruption.[64]

Farther to the north in Mexico, as noted previously, the expanding PRC commercial presence driven by near shoring, may be accelerated by the election of the country's new President Claudia Sheinbaum. Her positive orientation toward green energy may lead her to adopt more welcoming policies than her predecessor Andres Manuel Lopez Obrador (AMLO) toward the already significant PRC presence in green energy production through the conglomerate Zuma energy, and through the presence by China's Ganfeng in Mexico's Bacanora lithium fields. Scheinbaum's declared intention in supporting further foreign nearshoring investment[65] will also likely expand the PRC presence in Mexico, as will her foreign policy orientation.

As a complement to its advance in Central America, the PRC also maintains a strong, if low key focus on its commercial and other activities in the Caribbean. The region is host to five of the 12 nations in the world that still recognize Taiwan instead of the PRC. Moreover, like China's own southeastern maritime approaches, the Caribbean is strategically important as center of international finance and logistics, close to numerous U.S. facilities that would support the deployment and sustainment of U.S. forces in any conflict in the Indopacific region.

Reflecting such strategic importance, both PRC security and commercial activities in the Caribbean are significant relative to the small size of its populations and economies,

63 Ellis, R. Evan. "China's Advance in Central America and Its Strategic Importance". *The Diplomat*, May 8, 2024. https://thediplomat.com/2024/05/chinas-advance-in-central-america-and-its-strategic-importance/

64 Author interviews, off-the-record, with Guatemalan experts. May 2024.

65 Graham, Dave. "Mexico's Sheinbaum spurs hope of more private investment in energy after Lopez Obrador". *Reuters*, December 21,2023. https://www.reuters.com/world/americas/mexicos-sheinbaum-spurs-hope-more-private-investment-energy-after-lopez-obrador-2023-12-21/

including numerous gifts of police cars, motorcycles and equipment to Caribbean security forces, multiple trips to the region by the PRC Hospital Ship Peace Arc, deployment of PRC military police for eight years in the MINUSTAH Peacekeeping Force in Haiti, regular invitations to Caribbean security force officials to course in China, and numerous road and port infrastructure projects, tourist hotels, and other Chinese investments.[66] PRC activities have secured a particularly significant influence in in Grenada, Dominica, and to an extent, Barbados, Jamaica, in Trinidad and Tobago, and Antigua and Barbuda.[67]

Together, the advance of the PRC and its companies in so many countries relatively close to the U.S. contrasts with the preceding two decades in which that advance occurred principally in South America, farther away from U.S. shores, and in countries less directly connected than Mexico and Central America with security issues such as drugs and migration directly impacting the U.S. The November 2024 election in the U.S. and the political polarization surrounding it is likely to particularly increase attention in the U.S. to Chinas expanding presence in the region.

Impacts of PRC Engagement in the Region

Less than Hoped For Benefit. Although individual persons and companies in Latin America have made significant money working with the Chinese, in general the expected benefits for those in the region have been less than hoped for.[68] The often predatory business tactics used by Chinese companies, their structuring of contracts to ensure their advantage,[69] their greater latitude than Western companies to use of bribes and other personalistic benefits, all combine with the weakness of Latin American institutions and the inexperience of many in Latin American in dealing with the Chinese, to produce numerous cases of projects not completed on time with the required quality, or if completed, do not produce the hoped for commercial value to repay the loans the Latin American governments and other partners incurred with the Chinese to build them.[70]

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66 Ellis, R. Evan. "Understanding PRC Political and Security Engagement in the Caribbean". *Global Americans*, February 21, 2023. https://globalamericans.org/understanding-prc-political-and-security-engagement-in-the-caribbean/

67 Kirsten Tatlow, Didi. "China Building New Outpost on U.S. Doorstep, Leaked Documents Reveal". *Newsweek*, April 19, 2024. https://www.newsweek.com/2024/05/03/china-caribbean-united-states-antigua-belt-road-diplomacy-debt-chinese-xi-jinping-rivalry-1891668.html

68 Patterson, Sarina. "The BRI at 10: A report card from the Global South". *AIDData*, March 26, 2024. https://www.aiddata.org/blog/the-bri-at-10-a-report-card-from-the-global-south

69 See, for example, the case of the port of Chancay in Peru. Braw, 2024.

70 Ellis, R. Evan. "*China Engages Latin America: Distorting Development and Democracy*?" (New York: Palgrave-Macmillan, 2022).

Although the PRC does have laws against corruption, and laws and policies for promoting environmental and other forms of corporate social responsibility, PRC-based companies operating in Latin America, far from China, in contexts where local governments are corrupted or otherwise limited in their capacity to supervise them, create opportunities for negative outcomes, including environmental damage and conflict with local labor forces, those not hired, and impacted communities. The expectation of benefit by Latin Americans politicians and business elites dealing with the Chinese, and their calculations regarding their ability to manage the risks in order to obtain the hoped-for benefits, has distorted the discourse about the risks of working with the PRC. Often, by the time information comes out regarding the poor performance of projects, another administration is in power.[71]

As noted previously, the ability to discuss risks from working with the PRC and its companies in the region has been restrained by the webs of influence and expectation of benefit. Such "self-restraint to avoid losing personal benefit and access to the PRC through webs of Chinese People-to-People diplomacy, is particularly important in restraining the public discourse of those Latin American elites and sinologists with most direct experience in dealing with, and authority talking about, the PRC.

Decreased U.S. Influence and Extended Life for Authoritarian Regimes. In addition to its other deleterious effects, engagement with the PRC has impacted the political trajectory of the region. Regimes with populist tendencies, which have usually come to power for reasons having nothing to do with China, have benefitted from PRC willingness to purchase their resources and provide them with loans for infrastructure projects, commercial goods, and other forms of support without conditions about their political behavior, corruption, or mistreatment of other investors, so long as Chinese companies are protected and deals are structured through contracts with intrusive commercial conditions that make sure that China gets paid. In that fashion, the Venezuelan regime of Hugo Chavez, and his successor Nicolas Maduro, acquired over $64 billion of Chinese goods and services over a decade,[72] including Chinese commercial products to sell to regime supporters at a discount in the runup to Venezuelan elections. This Chinese credit, in turn, was repaid by Venezuelan oil, pumped out of the country with the participation of PRC-based companies. In the process, the projects created sufficient opportunities for graft so as to provide not only resources to the regime, but side benefits for those who were loyal to it.

71 Ellis, et. al., 2022.

72 "Chinese Loans…" 2024.

In the case of Ecuador, the PRC loaned the government of Rafael Correa $18 billion for a series of public works projects which mostly failed.[73] In both cases however, PRC resources and graft opportunities played an important role in giving populist authoritarian regimes space to consolidate power as they moved away from the West. Beyond loans, China's support for authoritarian regimes also has included security vehicles and digital systems which help keep them in power. The Fatherland Identity Card system provided by Chinese Telecommunications company ZTE to Venezuela, the ECU-911 national monitoring system provided to the Rafael Correa regime in Ecuador,[74] the similar BOL-110 system given to the Evo Morles regime in Bolivia, and the PRC-provided telecommunications system which helped the Cuban government cut off protesters from each other and the outside world during July 2021 grassroots protests in Cuba[75] are only several examples.

The turn of the Ortega regime in Nicaragua to the PRC in December 2021, as noted previously, similarly illustrates how the PRC provides options to authoritarian regimes under pressure from the West for their undemocratic and other bad behavior, thus extending their lives and short-circuiting the cycle by which such regimes have historically been pushed out of office by virtue of the corruption and economic chaos that their own policies produced. Even with more democratic countries in the region, such as Brazil, Honduras, and Colombia, the ability to obtain resources from the PRC with no conditions regarding corruption, treatment of other investors, or anti-democratic behavior, has undercut the leverage of the U.S. and Western institutions pushing for transparency and good governance.

Expanded Options for Future PRC Military Action in the Region. Although the PRC has not publicly pursued military alliances or basing agreements in Latin America yet, it's commercial and military presence in the region creates options for the PLA to conduct actions against the U.S. in the region in time of war. These include possibilities for operating out of facilities in the Caribbean or elsewhere geographically close to the U.S. to observe and disrupt U.S. deployment and sustainment flows to the Indo-Pacific. Such Chinese activities also provide knowledge and presence that could

73 Ibid.

74 Kessel, Jonah M. "In a Secret Bunker in the Andes, a Wall That Was Really a Window". *The New York Times*, April 26, 2019. https://www.nytimes.com/2019/04/26/reader-center/ecuador-china-surveillance-spying.html

75 Lazarus, Leland & Evan Ellis. "How China Helps the Cuban Regime Stay Afloat and Shut Down Protests". *The Diplomat*, August 3, 2021. https://thediplomat.com/2021/08/how-china-helps-the-cuban-regime-stay-afloat-and-shut-down-protests/

facilitate the shutdown of the Panama Canal, as well as observing and potentially interrupting alternative transit routes through the straits of Magellan and the Drake passage in South America. It also gives the PLA potential access to the skies and space over the Western Hemisphere[76] to capture signals from, locate and potentially destroy western satellites, or to support communication with Chinese space vehicles and arms targeting the U.S., and the potential use in wartime of ports that it operates, such as Chancay in Peru, to refuel its warships.[77]

Conclusions

The PRC relationship with Latin America and the Caribbean continues to evolve in ways that impact the political and economic trajectory of the region as well as the U.S. While successive U.S. governments have shown their discomfort with such advances, they arguably continue to struggle to find the best tone for engaging the region on the issue, simultaneously understanding of the legitimate commercial opportunities that such engagement provides, respectful of the region's sovereignty, yet permitting a conversation that recognizes and facilitates working together to address the risks, in order to secure the benefits, for both the region and for the U.S.

It is not clear that substantial additional U.S. resources for the region will be forthcoming to "compete" with the PRC, nor that such a posture would be effective. Nonetheless, there is arguably more the U.S. can do to help the region strengthen its institutions and to improve transparency and the fair application of the rule of law, to all, in interactions regarding both Chinese and other entities. Doing so will help the region make better decisions about when and how to engage with all actors, and to ensure that it produces the best deal for the country, with enduring value for its development.

It is also important that the U.S. do a better job in leading with values, as a compliment to expanded material offerings, in "competing" with China in the region. The U.S. must go beyond "beating up" partners over their corruption and shortcomings in democratic behavior and the protection of individual rights. It must get its own house

76 "Statement of General Laura J. Richardson, Commander, United States Southern Command, Before the House Armed Services Committee". *U.S. Southern Command*, March 12, 2024. https://www.southcom.mil/Portals/7/Documents/Posture%20Statements/2024%20SOUTHCOM%20Posture%20Statement%20FINAL.pdf?ver=Iwci9nu-nOJkQjxIWp09Rg%3d%3d

77 Sukhankin, Sergey. "'From Chancay to Shanghai': Peru's Strategic Role in PRC Maritime Strategy". *China Brief*, Volume24, Issue 6, March 15, 2024, https://jamestown.org/program/from-chancay-to-shanghai-perus-strategic-role-in-prc-maritime-strategy/

in order in these areas, and work respectfully with partners through a discourse appropriate to the new era of interdependence, information technologies and artificial intelligence, to make a case to its partners in the region that resonates with them about why the rule of law, true democratic choice, the protection of individual freedoms, and an economy based in the individual rather than the government as the core generator of value, is in their long-term interest.

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RUSSIA'S STRATEGY TOWARDS LATIN AMERICA AFTER THE WAR IN UKRAINE

Román D. Ortiz

Summary

Over the past few years, Russia has developed a systematic strategy to increase its influence in Latin America based on four lines of action: intense diplomatic activity, a broad disinformation campaign, an effort to expand its military presence, and a series of economic projects focused on the energy and mining sectors. Despite having limited resources and having reaped significant failures, Moscow has established a network of satellite States that includes Cuba, Nicaragua and Venezuela, dislocated the regional status quo and developed a privileged dialogue with Mexico and Brazil. Looking to the near future, Moscow promises to continue promoting authoritarianism and transforming Latin America into a hostile space for the United States and the European Union. Faced with this prospect, Washington and its European allies need a strategy to respond to the Kremlin's threat in the hemisphere.

Keywords: *Russia, Latin America, Nicaragua, Venezuela, strategy, diplomacy, disinformation, defense, investment, trade.*

Introduction

In April 2023, a few weeks after the first anniversary of the war of aggression launched by Vladimir Putin's regime against Ukraine, Russian Foreign Minister Sergei Lavrov toured Latin America, visiting Cuba, Nicaragua, Venezuela and Brazil. As part of the propaganda campaign accompanying his visit, the head of Kremlin diplomacy published an article in which he stressed that the Kremlin's relations with many countries in the region "were based on strategic partnerships" and expressed his government's willingness to "strengthen the Russian-Latin American cooperation on the foundation of mutual support, solidarity and consideration of each other's interests."[1]

What is certain is that a superficial glance at the volume of Russia's relations with Latin America might encourage one to consider Lavrov's words as another sign of the Kremlin's penchant for grandstanding.

1 Lavrov, Sergei. *"Russia and Latin America: Forward-looking partnership and cooperation"*. The Ministry of Foreign Affairs of the Russian Federation, April 13, 2023. https://www.mid.ru/en/foreign_policy/news/1853443/

Russian economic relations with the region are meager in volume. In fact, Moscow's exports to Latin America reached a value of $12.8 billion in 2021.[2] By comparison, Moscow sold $28.3 billion to Germany and $74.3 billion to the People's Republic of China (PRC) in the same year. Nor do human relations justify the Kremlin's hyperbole. According to UNESCO data, Russia was hosting 1,738 Latin American students in 2019 (the latest data available). In the same year, the figure was 15,405 in France and 20,004 in Australia.[3]

With these levels of exchange, the question is whether Latin America matters to the Kremlin and, if so, why. The first question seems to be answered in view of the attention paid by Russian diplomacy to the region. Since 2014, both Vladimir Putin and Sergei Lavrov have made a series of tours of the region with special attention to countries with which Russia has a historical relationship rooted in Soviet times (Cuba, Nicaragua); but also to other states considered of special strategic value by the Kremlin. Such was the case of Putin's visits to Brazil in 2014 and 2019 and Lavrov in 2023 or the latter's trip to Mexico in 2020.

Parallel to these more visible diplomatic tours, Moscow has developed abundant contacts with key figures of the regime. This was the case of the trip of the Chief of the General Staff of the Russian Armed Forces, General Valery Gerasimov, to Nicaragua in 2013,[4] the visit of the Minister of Defense, Sergei Shoigu, to Cuba, Venezuela and Nicaragua in 2016[5] and more recently the meetings of the then Secretary of the National Security Council of the Russian Federation, Nicolai Patrushev, and the President of the oil giant Rosneft, Igor Sechin, to Cuba and Venezuela in 2023.[6]

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2 Harvard. *"The Atlas of Economic Complexity."* Harvard's Growth Lab, 2024. https://atlas.cid.harvard.edu/explore?country=185&queryLevel=location&product=undefined&year=2021&productClass=HS&target=Partner&partner=undefined&startYear=1995.

3 UNESCO. *"UNESCO Institute for Statistics."* UNESCO, 2023. http://data.uis.unesco.org/

4 Tass. *"Chief of Russian General Staff arrives in Nicaragua on working visit."* TASS Russian News Agency, April 21, 2013. https://tass.com/world/592593

5 HT. *"Russian Defense Official Says No Bases Planned in Cuba."* Havana Times, February 15, 2015. https://havanatimes.org/interviews/russian-defense-official-says-no-bases-planned-in-cuba/

6 Gámez Torres, Nora. *"Oil, espionage rallying allies? Trips of Putin's men to Cuba and Venezuela attract attention." Miami Herald*, March 7, 2023. https://www.miamiherald.com/news/nation-world/world/americas/cuba/article272842050.html *"Maduro recibe a secretario del Consejo de Seguridad de Rusia." Deutsche Welle*, March 1, 2023. https://www.dw.com/es/maduro-recibe-al-secretario-del-consejo-de-seguridad-de-rusia/a-54847754 *"Russian allies facing 'unprecedented pressure' from US – security chief."* Russia Today, March 3, 2023. https://www.rt.com/news/572242-venezuela-maduro-patrushev-us/

The Fundamentals of Russia's Strategy towards Latin America

This diplomatic activity underscores the strategic importance the Kremlin attaches to the region, despite limited human and economic exchanges. In reality, Russia's bid to establish a presence in Latin America is not new. The first attempts to set foot on the American continent date back to the 18th century and would intensify after the Bolshevik Revolution, when the Comintern saw the region as fertile ground for extending the communist model. However, it was from the beginning of the Cold War, after identifying the United States (US) as the main barrier to its hegemonic project, that the Kremlin deployed a systematic effort to penetrate the continent. Its results would lead to the consolidation of Cuba as a strategic ally in the 1960s and the establishment of a lasting relationship with the Nicaraguan Sandinista Front after the overthrow of Anastasio Somoza in 1979.

This will to be present in Latin America would survive the collapse of the Soviet Union. The truth is that the collapse of the Soviet system not only broke Moscow's ability to project itself into the region, but also dealt a devastating blow to its Latin American allies. The Sandinistas lost the government in Nicaragua after the electoral defeat of 1990 and Cuba sank into an economic depression —the so-called special period— as a result of the end of Soviet subsidies. Thus, the demise of the communist model wiped out what the Kremlin had built up in the region over almost four decades.

However, Russian diplomacy showed signs of regaining its appetite for Latin America with extraordinary speed. The arrival of Yevgeny Primakov at the Russian Foreign Ministry in December 1995, only three years after the official disappearance of the Soviet Union, marked a nationalist turn in Russian diplomacy, the return of imperial ambitions and, with them, the resurrection of interest in the Latin American space. Primakov himself made a trip to Cuba, Venezuela and Mexico just six months after assuming the leadership of the Kremlin's foreign action.[7] Subsequently, attention to Latin America has grown steadily as is visible in the foreign policy concepts published by the Russian Foreign Ministry over the years. In fact, the region occupied a marginal place among the geographic areas considered in the 2008 edition of this document to then gain notoriety in the

7 JT. *"Primakov Ends Latin American Tour", Monitor 2:102.* Jamestown Foundation, May 20, 1995. https://jamestown.org/program/primakov-ends-latin-american-tour/

successive versions of the text and become a relevant region in the last concept elaborated in 2023, after the invasion of Ukraine.[8]

Russia's return to Latin America since the late 1990s is consistent with the principles of the Primakov doctrine, which judged the consolidation of US unipolar hegemony at the end of the Cold War as an unacceptable scenario and advocated a strategy aimed at eroding US power and encouraging the growth of alternative power centers with which Moscow could form a coalition to confront Washington. From this perspective, Latin America became a doubly attractive scenario. On the one hand, the exploitation of anti-American sentiments and support for radical leftist regimes in the region offered an opportunity to erode US control over its strategic periphery. On the other hand, support for Brazil's aspirations to become a global power offered an opportunity to build an alternative power to the US in the Western Hemisphere with whom Russia could build a cooperative relationship.

This geopolitical design that combines the consolidation of a series of satellite regimes in the region with support for the global ambitions of Latin American powers—Brazil and, to a lesser extent, Mexico—underlay Primakov's vision in the late 1990s and continues to mark Vladimir Putin's foreign policy in the period following the invasion of Ukraine. In fact, it was these approaches that pushed Primakov to become a champion of the establishment of a strategic partnership with Brazil.[9] It is also this same outlook that has guided Vladimir Putin's diplomacy, which has combined support for the Cuban, Nicaraguan and Venezuelan regimes with a bid for closer relations with Brazil that included an invitation to join the BRICS group.[10]

Of course, this is not to say that Russia has given up on other secondary objectives in Latin America. The Kremlin has also seen additional opportunities in the region ranging from its role as a market for Russian defense industry exports to a huge space for circumventing international sanctions. But it has been above all the relevance of

8 Alberque, William and Fraioli, Paul. *"Russia's new foreign-policy concept: the airing of grievances and a new vision of world order."* International Institute for Strategic Studies, April 13, 2023. https://www.iiss.org/online-analysis/online-analysis/2023/04/russia-new-foreign-policy-concept-the-airing-of-grievances-and-a-new-vision-of-world-order/; Ministry of Foreign Affairs of the Russian Federation. *"The Concept of the Foreign Policy of the Russian Federation."* March 31, 2023. https://www.mid.ru/en/foreign_policy/fundamental_documents/1850585/

9 Zubelzú de Bacigalupo, Graciela. *"As relações russo-brasileiras no pós-Guerra Fria."* *Revista Brasileira de Política Internacional*, 43(2), 2000. https://www.scielo.br/j/rbpi/a/xyqRWndWkXQKtLbNjzkxC7R/

10 Gvosdev, Nikolas K., and Marsh, Christopher. *"Russian Foreign Policy: Interests, Vectors, and Sectors."* CQ Press Books, 2013. https://sk.sagepub.com/cqpress/russian-foreign-policy

Latin America within the Kremlin's strategy to weaken U.S. dominance and promote a multipolar order friendly to its interests that has fueled Moscow's interest.

On this basis, Moscow's strategy towards Latin America has been built on a series of principles that have informed the external action of the Russian Federation. In this regard, the first point to underline is the regional projection of the principle of constructive destruction as made explicit by Sergei Karaganov, an advisor to Vladimir Putin, a leading intellectual exponent of Russian ultranationalism, who currently chairs the Council for Defense and Foreign Policy, one of the most influential Russian think tanks. According to Karaganov, Russia should curb any pretense of collaboration with Western countries to safeguard the present international order and on the contrary facilitate its collapse insofar as it is frontally opposed to its interests.[11] The practical application of this vision has been seen in Russia's unrestricted backing of its Latin American allies when they have carried out blatant electoral frauds, such as Nicolas Maduro in Venezuela (2018 and 2024) and Daniel Ortega in Nicaragua (2021). The same can be said when these same regimes have resorted to massive repression campaigns as has been the case in Caracas in 2017 and 2024 or previously in Managua in 2018. In all these cases, the rejection of any concertation with the US has been absolute and the only goal sought by the Kremlin has been to weaken Washington at any cost.

At the same time, Russian foreign policy—like Soviet foreign policy before it—has tended to blur the lines between peace and war, making hostile use of what are considered instruments of peaceful inter-State relations such as public diplomacy or trade. This practice, which views war as a multidimensional governmental endeavor and demands the use of all state capabilities for war purposes, has its roots in a generation of Russian military thinkers whose approaches crystallized in the misnamed Gerasimov Doctrine—or Non-Linear War Doctrine.[12]

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11 Karaganov, Sergei A. *"From Constructive Destruction to Gathering." Russia in Global Affairs*, 20(1), 2022: 50–57. https://eng.globalaffairs.ru/articles/from-destruction-to-gathering/

12 Gareev, Makhmut and Slipchenko, Vladimir. *"Future War."* Polit.ru, Moscow: 2005 (introduction and translation by Jacob W. Kipp, FMSO, 2005). https://community.apan.org/wg/tradoc-g2/fmso/m/fmso-books/352073/download; S.G. Chekinov and S.A. Bogdanov. *"A Forecast for Future Wars: Meditations on What They Will Look Like." Military Thought*, Num. 4, Vol. 24, 90–98. General Gerasimov's lecture condensing these approaches in Gerasimov, Valery. *"The Value of Science is in the Foresight. New Challenges Demand Rethinking the Forms and Methods of Carrying out Combat Operations." Military-Industrial Kurier*, February 2013 (translation by Robert Coalson, *Military Review*, Jan–Feb 2015). https://www.armyupress.army.mil/Portals/7/military-review/Archives/English/MilitaryReview_20150228_art008.pdf

This perspective is complemented by the so-called Limited Actions Strategy which sets out how Russia should employ its limited resources to project strength in peripheral arenas.[13]

These concepts have become visible in the strategy deployed by the Kremlin in Latin America. Moscow, for example, has deployed systematic disinformation campaigns in the region to weaken the U.S. image and stimulate protests against those governments in the region considered close to Washington. At the same time, it has resorted to economic coercion by threatening to block access to the Russian market to force changes in the foreign policy of certain Latin American countries. This was the case, for example, when Moscow blocked Ecuadorian agricultural exports until the Quito government desisted from its intention to transfer its army's aging Russian-made Mi-17 helicopters to the U.S. for delivery to Ukraine.[14] In parallel, Russia has made limited deployments of its armed forces to show its support for allied governments in the region at critical junctures. This was the case with the deployment of a contingent of a hundred military specialists to Venezuela in 2019 when President Nicolas Maduro was facing escalating pressure from the US government, neighboring countries and the internal opposition.

At the same time, the implementation of Russian foreign policy in general and towards Latin America has relied not only on the traditional state instruments—diplomacy and armed forces—but also on a wide variety of non-state entities, ranging from companies to non-governmental organizations.

To a large extent, this trend is a reflection of the oligarchic functioning of the Russian state, where a minority monopolizes key government positions and the country's main economic groups. Consequently, it is inevitable that government priorities will inform the decisions of large companies and private organizations since the decision-makers are the same group of people. But, at the same time, the use of private entities to serve the government's interests is supported by the ideological vision of Vladimir Putin's regime, which emphasizes the need

13 McDermott, Roger. *"Gerasimov Unveils Russia's 'Strategy of Limited Actions'." Eurasia Daily Monitor*, 31/15. Jamestown Foundation, March 5, 2019. https://jamestown.org/program/gerasimov-unveils-russias-strategy-of-limited-actions/

14 Loaiza, Yalile. *"Rusia volvió a habilitar la importación de bananas ecuatorianas". Infobae*, February 15, 2024. https://www.infobae.com/america/america-latina/2024/02/15/rusia-volvio-a-habilitar-la-importacion-bananas-ecuatorianas/; *"Ecuador desiste de enviar equipos militares rusos a Ucrania". Deutsche Welle*, February 20, 2024. https://www.dw.com/es/ecuador-desiste-de-enviar-equipos-militares-rusos-a-ucrania/a-58304389

to strengthen the state and unify society under its control as conditions for the survival of the Russian nation.[15]

This fusion of public and private is repeated again and again in Russian foreign action towards Latin America. Rosatom, the Moscow business conglomerate in charge of civil nuclear projects, financed the support of a group of Russian political advisors to the campaign of the then Bolivian President Evo Morales for the 2019 elections, a venture inspired by the same company's long experience in electoral interference in Russia.[16] As already mentioned, Igor Sechin, president of the giant Rosneft, closely connected with the Russian Federal Security Service (FSB), has been a key player in Moscow's diplomacy towards Latin America.[17] The Russian Orthodox Church, through the Department for External Relations of the Moscow Patriarch's Church, has established a network of representatives for Latin America that collaborates with the cultural centers of the Russian embassies in the region.[18]

Finally, Russian strategy both globally and in Latin America is dominated by the search for short-term results, even at the cost of investing scarce resources and taking considerable risks. Such an attitude is nurtured by the existence of real vulnerabilities—demographic decline, technological dependence from abroad, etc.—that place the Kremlin in a fragile strategic position. This weakness feeds a discourse that sees the West as an enemy determined to destroy Russia and emphasizes the fear of a collapse similar to that suffered by the country in periods such as the 1917 revolution or the collapse of communism in 1992.[19] Faced with this perspective, Russian foreign action sees it justified to resort to risky and aggressive actions in an attempt to force a radical change of scenario in its favor.

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15 Snegovaya, Maria, Kimmage, Michael, and McGlynn, Jade. *"The Ideology of Putinism: Is It Sustainable?"* CSIS, September 2023. https://csis-website-prod.s3.amazonaws.com/s3fs-public/2023-09/230927_Snegovaya_Ideology_Putinism.pdf

16 The Proekt Team. *"Coca & Co. How Russia secretly helps Evo Morales to win the fourth election."* Proekt, October 23, 2019. https://www.proekt.media/en/investigation-en/morales-rosatom-eng/

17 *"Cuba's president meets CEO of Russia's Rosneft amid fuel shortage."* Reuters, March 5, 2023. https://www.reuters.com/world/americas/cubas-president-meets-ceo-russias-rosneft-amid-fuel-shortage-2023-03-05/ *"Rosneft's CEO in Caracas to Strengthen Venezuela – Russia Oil Production."* Orinoco Tribune, March 5, 2023. https://orinocotribune.com/rosnefts-ceo-in-caracas-to-strengthen-venezuela-russia-oil-production/

18 Fonseca, Brian and Rouvinski, Vladimir. *"The Russians of Latin America."* Army University Press, November–December 2018. https://www.armyupress.army.mil/Portals/7/military-review/Archives/English/ND-18/Fonseca-Russia-Latam.pdf

19 Snegovaya, Maria, Kimmage, Michael, and McGlynn, Jade. *"Putin the Ideologue." Foreign Affairs*, November 15, 2023. https://www.foreignaffairs.com/russian-federation/putin-ideologue

This aggressiveness of Russian foreign action has become visible in Latin America over the past few years. Moscow's diplomacy, for example, has gained notoriety for its willingness to openly interfere in the internal affairs of countries in the region to weaken hostile governments and favor like-minded politicians. It is worth recalling how Russia criticized the government of President Ivan Duque of Colombia at the United Nations (UN) in April 2022 for its alleged unwillingness to implement the peace agreement.[20] Moscow's criticism came in response to Colombia's condemnation of Russia's invasion of Ukraine and landed in the run-up to that year's presidential elections that brought to power Gustavo Petro, a leader who has turned out to be much more to Vladimir Putin's liking.[21]

Russia has also been willing to take risks to gain prestige in the region. This has been the case when Moscow has made deployments of Tu-150M1 Blackjack strategic bombers to Venezuela in 2003, 2008 and 2018 as a show of solidarity with the Chavista regime.[22] The same can be said of the initial supply of Russia's COVID-19 Sputnik V vaccine to Argentina and other countries in the region that multiplied the Kremlin's prestige among governments desperately seeking assistance in dealing with the pandemic.[23] However, the influence initially gained by Russia faded as soon as it became clear that the promise to deliver millions of doses to meet the needs of Latin American countries was far beyond the Kremlin's scientific and industrial capabilities.[24]

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20 *"Fuerte ataque de Rusia a Iván Duque por la implementación del acuerdo de paz: 'Colombia no es un país normal'."* *Infobae*, April 12, 2022. https://www.infobae.com/america/colombia/2022/04/12/fuerte-ataque-de-rusia-a-ivan-duque-por-la-implementacion-del-acuerdo-de-paz-colombia-no-es-un-pais-normal/

21 *"Vladimir Putin elogia a Gustavo Petro y dice que Colombia es un 'prometedor socio de Rusia en América Latina'."* *Semana*, September 20, 2022. https://www.semana.com/politica/articulo/atencion-vladimir-putin-elogia-a-gustavo-petro-y-dice-que-colombia-es-un-prometedor-socio-de-rusia-en-america-latina/202221/

22 Demerly, Tom. *"Russian Air Force Tu-150 Bombers Deploy To Venezuela."* *The Aviationist*, December 11, 2018. https://theaviationist.com/2018/12/11/russian-air-force-tu-160-bombers-deploy-to-venezuela/

23 Pozzebon, Stefano. *"How Russian vaccine Sputnik V spread through Latin America."* CNN, February 17, 2021. https://www.cnn.com/2021/02/17/americas/russia-putin-sputnik-vaccine-latin-america-intl/index.html

24 Niebieskikwiat, Natasha. *"Dmitry Feoktistov, embajador de Rusia en la Argentina: El contrato de la vacuna se cumplirá pero tenemos algunas pausas."* *Clarín*, March 21, 2022. https://www.clarin.com/politica/dmitry-feoktistov-embajador-rusia-argentina-contrato-vacuna-cumplira-pausas-_0_Zl-ipq52T.html; Garcia Cano, Regina, Litvinova, Daria and Arraez, Juan Pablo. *"Russia struggles to meet global orders for Sputnik V vaccine."* Associated Press News, October 15, 2021. https://apnews.com/article/coronavirus-pandemic-business-health-russia-venezuela-f24520e051259b2509ca27c455955e24

Moscow's Diplomatic Efforts

Built on the principles outlined above, Russia's strategy towards Latin America has been developed through a series of key efforts: diplomatic relations, disinformation, military collaboration and economic relations. In terms of diplomatic relations, Russia maintains 17 embassies and several consulates in Latin America.[25] This network of legations is headed by a relatively small group of diplomats, mostly from the Soviet era, who speak Spanish and/or Portuguese and who have spent a large part of their careers in various Latin American countries or countries directly associated with the region. Just as an example, the ambassadors in Brasilia, Santiago, Bogota and Mexico City as of mid-2024 had held positions in other capitals of the continent. This in-depth knowledge of the regional context is not common among representatives of Western countries and provides a substantial advantage to Russian foreign action.

On this basis, Kremlin diplomats have been extremely active in building a network of relations aimed at expanding Russian influence. These contacts have not followed any ideological preferences but have been guided by an absolute pragmatism aimed at maximizing benefits for the Kremlin. Thus, the Russian legation in Brazil worked on the organization of the trip that the conservative president, Jair Bolsonaro, made to Moscow in February 2022, a few weeks before the invasion of Ukraine, and facilitated the meeting during the visit of the Brazilian president's son, Carlos Bolsonaro, with Leonid Slutsky, chairman of the Committee for International Relations of the State Duma, and a key figure in Russian ultranationalism.[26]

A few weeks later, it was the Russian ambassador to Mexico, Viktor Koronelli, who welcomed the installation in the Chamber of Deputies of a Mexico-Russia Friendship Group, promoted by members of the leftist groups Movimiento de Restauración Nacional (MORENA) and Partido del Trabajo.[27]

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25 Embassy of Russia in Cuba. *"Las representaciones diplomáticas de Rusia en los países de América Latina y Caribes."* Embajada de la Federación de Rusia en la República de Cuba, 2024. https://cuba.mid.ru/en/embassy/diplomaticheskie_predstavitelstva_rossii_v_stranakh_latinskoy_ameriki_karibskogo_basseyna/

26 Pedroso, Rodrigo. *"Jair Bolsonaro visita a Vladimir Putin en el Kremlin y expresa su solidaridad con Rusia."* CNN Español, February 15, 2022. https://cnnespanol.cnn.com/2022/02/15/jair-bolsonaro-vladimir-putin-en-el-kremlin-solidaridad-rusia-trax/; Almeida, Pauline and Hirabahasi, Gabriel. *"Carlos Bolsonaro diz que viagem à Rússia foi convite de parlamento do país."* CNN Brasil, March 11, 2022. https://www.cnnbrasil.com.br/politica/carlos-bolsonaro-diz-que-viagem-a-russia-foi-convite-de-parlamento-do-pais/

27 Ramírez, Claudia. *"Instalación del grupo de amistad México-Rusia es una forma de sostener la postura ideológica de AMLO: especialista." Infobae*, March 30, 2022. https://www.infobae.com/america/mexico/2022/03/30/instalacion-del-grupo-de-amistad-mexico-rusia-es-una-forma-de-sostener-la-postura-ideologica-de-amlo-especialista/

Contacts have gone beyond congresses. Russia has made a systematic effort to develop ties with Latin American justice agencies. As part of its outreach to Ecuador, the Ecuadorian National Court and the Russian Prosecutor's Office signed a cooperation agreement in January 2018.[28] Subsequently, in January 2019, a delegation from the Russian Supreme Court paid a visit to its equivalent in Paraguay's judicial system.[29] Such contacts between justice systems have extended to Argentina, Mexico, and other countries in the region.[30] At the same time, Russian embassies have invested substantial efforts to engage with regional local governments in their host countries.[31]

All this public relations effort may seem irrelevant at first sight; but it helps to understand the behavior of a continent that is usually ready to criticize any possible violation of international law by the US or its Western allies, but which has been reluctant to punish Russia for its war of aggression against Ukraine. In general terms, Latin American countries have subscribed to the UN resolutions condemning Russian aggression, with the exception of certain capitals which have occasionally preferred to abstain and the cases of Venezuela and Nicaragua which have oscillated between declaring themselves absent or voting against in order to demonstrate their adherence to Moscow.[32] However, beyond the votes in the international body, the region has

28 CNJ Ecuador. *"Corte Nacional de Ecuador y Fiscalía de Rusia firmaron Memorando de Cooperación."* Corte Nacional de Justicia de Ecuador, January 25, 2018. https://www.cortenacional.gob.ec/cnj/index.php/noticias/97-enero-2018/145-corte-nacional-de-ecuador-y-fiscalia-de-rusia-firmaron-memorando-de-cooperacion

29 CSJ Paraguay. *"Autoridades judiciales de Rusia de visita al Poder Judicial."* Corte Suprema de Justicia de Paraguay, January 21, 2019. https://www.pj.gov.py/notas/15273-autoridades-judiciales-de-rusia-de-visita-al-poder-judicial

30 MPF Argentina. *"Reunión de Mahiques con el Fiscal General de la Federación Rusa."* Ministerio Público Fiscal de la Ciudad Autónoma de Buenos Aires, October 22, 2021. https://mpfciudad.gob.ar/news/2021-10-22-17-43-31-reunion-de-mahiques-con-el-fiscal-general-de-la-federacion-rusa

31 DNS. *"El embajador de Rusia visita la provincia de Salta."* Diario Nox Salta, April 30, 2021. https://saltaradionox.com/el-embajador-de-rusia-visita-la-provincia-de-salta/; Castañón, Araly. *"Realiza embajador ruso en México visita a Cruz Pérez Cuéllar." El Diario de Juarez*, November 10, 2022. https://diario.mx/juarez/2022/nov/10/realiza-embajador-ruso-en-mexico-visita-a-cruz-perez-cuellar-912979.html; Embassy of Russia in Colombia. *"Reunión del Embajador Nikolay Tavdumadze con los representantes de regiones de Colombia."* Embajada de la Federación de Rusia en la República de Colombia, August 5, 2024. https://colombia.mid.ru/es/noticias/reuni_n_del_embajador_con_los_representatives_of_regions_of_colombia/

32 *"Los registros de votación para las resoluciones sobre Ucrania de la ONU en Resolución de la Asamblea General ES-11/1."* Digital Library, March 2, 2022. https://digitallibrary.un.org/record/3959039; *"General Assembly Resolution ES-11/2,"* Digital Library, March 24, 2022. https://digitallibrary.un.org/record/3955954?ln=en; *"General Assembly Resolution ES-11/3."* Digital Library, April 7, 2022. https://digitallibrary.un.org/record/3957778?ln=en; *"General Assembly Resolution ES-11/4."* Digital Library, October 12, 2022. https://digitallibrary.un.org/record/3990400?ln=en; *"General Assembly Resolution ES-11/5."* Digital Library, November 14, 2022. https://digitallibrary.un.org/record/3994052?ln=en; *"General Assembly Resolution ES-11/5."* Digital Library, February 23, 2023. https://digitallibrary.un.org/record/4003921?ln=en

maintained a calculated ambiguity that manifested itself in the difficulties to reach a consensus on a text condemning Russian aggression during the summit between the European Union (EU) and the Community of Latin American and Caribbean States (CELAC) in 2023.[33] The result was a minimal agreement with a disjointed expression of deep concern about a war that was raging in Ukraine.

Along with political ambiguity, all Latin American countries have stayed out of the US and EU sanctions against Russia. In fact, the region could only see merit in maintaining a position of neutrality in view of the experience of Costa Rica, whose visible support for Ukraine earned it a series of cyber-attacks by Russian hackers.[34] The same can be said of the lack of response to US requests for Latin American governments to hand over Russian military equipment in the hands of their armed forces—usually in poor condition due to lack of maintenance—with a view to transferring it to Ukraine. The above-mentioned commercial pressures from the Kremlin against the Ecuadorian government with the announcement of its intention to deliver a small number of Mi-17 helicopters not only dissuaded Quito, but also discouraged others who might have opted for similar arrangements, with the exception of Argentine President Javier Milei, who dared to cede two helicopters for delivery to Ukraine.[35] In any case, the Kremlin's success in keeping the vast majority of Latin American governments attached to its rhetoric of neutrality was not the result of coercion alone. The success of Moscow's protests and threats had much to do with the fact that they fell on ground fertilized by the laborious diplomatic work carried out by Russian delegations over the years.

The Kremlin's painstaking work to build political relations in the region has been accompanied by a massive disinformation effort combining the communication activities of embassies, the penetration in the region of Russian state-owned media companies and extensive social media campaigns aimed at weakening the image of the US and its allies in the region and making the Russian view of the international arena dominant. As for the Russian legations, it is difficult to overstate their role as terminals of the disinformation campaign. Kremlin ambassadors write articles

33 Gijs, Camille and Moens, Barbara. *"The incredible shrinking summit."* Politico, July 15, 2023. https://www.politico.eu/article/latin-america-eu-summit-celac-turns-into-blame-game-moscow-ukraine/

34 Martin, Alexander. *"Costa Rica declares state of emergency following Russian-speaking criminal 'cyber terrorism'."* Sky News, May 10, 2022. https://news.sky.com/story/costa-rica-declares-state-of-emergency-following-russian-speaking-criminal-cyber-terrorism-12509215

35 Domingo, Juster. *"Argentina Sends Russian-Made Helicopters to Ukraine." The Defense Post*, March 5, 2024. https://www.thedefensepost.com/2024/03/05/argentina-russia-helicopter-ukraine/

and give interviews to the mainstream media of their host countries, disseminating Kremlin propaganda without in most cases facing any response.[36]

At the same time, Russian diplomatic representations disseminate propaganda and hold events aimed at the Russian diaspora or the general public with the aim of defending Kremlin actions contrary to the most elementary principles of international law such as the annexation of Crimea in 2014.[37] The embassies' communication effort is supported by a network of 117 Telegram channels, in principle aimed at the Russian emigrant community, but also distributing content in Spanish, Portuguese, English and other languages.[38] In addition, there are at least 15 profiles on X (formerly Twitter) belonging to embassies and consulates, to which must be added another one managed directly by the Russian Ministry of Foreign Affairs. In total, these social network accounts reach a not inconsiderable 230,000 users.

Russian Disinformation System in Latin America

In any case, the communication effort of the embassies pales when compared to that deployed by the Russian state media, the RT television network and the Sputnik agency. Prior to the invasion of Ukraine, both entities developed a systematic effort to spread their influence throughout the region. In particular, RT deployed a series of strategies that included its distribution as part of the government television offer (Cuba, Venezuela, Argentina) or the state satellite transmission system (Bolivia) as well as paying large private operators to be included in its offer (Colombia).[39] These efforts were complemented by two additional initiatives. On the one hand, RT established agreements to exchange content free of charge with well-established networks. Frequently, the main area of these exchanges was international news, where the Latin

36 Solar, Carlos. *"Moscow's Other Offensive: Russian Public Diplomacy in Latin America."* Royal United Services Institute, March 19, 2023. https://www.rusi.org/explore-our-research/publications/commentary/moscows-other-offensive-russian-public-diplomacy-latin-america

37 Embassy of Russia in Argentina. *"Sobre el proyecto 'Gente de las Nuevas Regiones'."* Embajada de la Federación de Rusia en la República Argentina, 2024. https://argentina.mid.ru/es/press-centre/news/about_the_project_people_of_the_new_regions/; Embassy of Russia in Chile. *"En Chile se celebró la XVII Conferencia Nacional de Compatriotas."* Embajada de la Federación de Rusia en la República de Chile, 2024. https://chile.mid.ru/es/noticias/270724es/

38 Roig, Catalina, Trincado, Fernando and Rosauro, Maiquel. *"Migración rusa a América Latina: qué narrativas difunde Rusia a través de X y de Telegram."* Chequeado, May 29, 2024. https://chequeado.com/el-explicador/migracion-rusa-a-america-latina-que-narrativas-difunde-rusia-a-traves-de-x-y-de-telegram/

39 Rouvinski, Vladimir. *"The Misleading Truths of Russia's Strategic Communication in Latin America." Global Security Review*, January 2, 2022. https://digitalcommons.fiu.edu/cgi/viewcontent.cgi?article=1012&context=gsr

American media were weaker, and RT had an interest in influencing. The Russian network also reached agreements with local and regional cable operators to be included in their channel offerings. These small channels saw the Russian audiovisual offer as extremely attractive due to its careful production and its focus on topics outside their scope, usually international in nature.

This entire operation has been sustained by a substantial investment of financial resources and continued political backing from the Kremlin. It is unclear how much has been invested in RT's international operation. The Russian Duma voted a budget of some $300 million to sustain the entire news conglomerate in 2017.[40] However, this figure could be an underestimate. Reports delivered to the US authorities by the company's branch operating in this country put the transfers from Russia at more than $104 million in the 2017–2021 period. At the same time, the Kremlin has not been shy about exerting political pressure in favor of its information companies. When President Mauricio Macri announced the withdrawal of the Russian channel from the Argentine public television network, Russian Foreign Minister Sergei Lavrov did not hesitate to describe the move as unfriendly.[41] Subsequent negotiations would result in a complete rectification by the Buenos Aires government, which kept the Russian channel in its television offer.[42] The result of this combination of money and politics was evident when RT announced in mid-2018 that its audience in Latin America had tripled to 18 million people.[43]

The Kremlin's media activities in Latin America were hardly disturbed by the reaction of governments and private companies to the invasion of Ukraine. Unlike in the U.S. and the EU, where its broadcasting was blocked, Latin American authorities made no gestures to hinder RT's operation. The only exception was the Uruguayan government, which ordered its withdrawal from the programming of the state-owned communications company.[44] At the same time, some private channels suspended their collaboration agreements with

40 Eckel, Mike. *"RT America Received More Than $100 Million In Russian Government Funding Since 2017, Filings Show."* Radio Free Europe—Radio Liberty, August 25, 2021. https://www.rferl.org/a/russia-rt-america-funding/31427870.html

41 HispanTV. *"Lavrov: Suspensión de RT en Argentina es un gesto inamistoso."* HispanTV, June 15, 2015.

42 RT. *"Hernán Lombardi: 'Es muy importante que RT continúe viéndose en Argentina'."* Russia Today, September 1, 2015. https://actualidad.rt.com/actualidad/217559-ministro-rt-argentina-cooperacion

43 RT. *"La audiencia televisiva de RT se triplica en Latinoamérica y alcanza los 18 millones de personas."* Russia Today, April 3, 2018. https://actualidad.rt.com/actualidad/257339-ipsos-audiencia-televisiva-rt-crece

44 Latin America. *"Uruguay suspende emisión de canal RT."* Resumen, March 2, 2022. https://resumen.cl/articulos/uruguay-suspende-emision-de-canal-rt

Russian television. But beyond these cases, the Kremlin's communications arm continued to disseminate propaganda throughout the region without major setbacks. This has been the case, for example, in Argentina, where the channel remained accessible through public television after Russia unleashed its war of aggression.

RT's role as a central element of Vladimir Putin's propaganda machine has not prevented it from continuing to be feted by some Latin American reporters. Such was the case in Mexico where the Journalists' Club honored RT's reporting activities at its December 2022 and 2023 meetings when its role in support of Moscow's expansionist objectives was more than evident.[45] This attitude is even more surprising considering the network's role in support of Kremlin-aligned dictatorships in the region. In fact, RT has offered favorable coverage to the regimes in Nicaragua and Venezuela even when both have been responsible for massive electoral frauds.[46] Furthermore, the Russian company has collaborated in the technical training of the propaganda apparatuses of both governments. Thus, for example, RT has given training courses to the Nicaraguan government's communication agencies.[47]

The Kremlin's media apparatus in Latin America is complemented by the deployment of social media campaigns that have been especially visible at critical junctures such as mass unrest or elections. Part of this communication effort is developed through the accounts of Russian diplomatic missions and the state media RT and Sputnik, which rely on a network of influencers for the elaboration and dissemination of information. Likewise, indications abound of the use of automated accounts or *bots* for the retransmission of content.[48] This type of dissemination tool was visible during the social protests in Chile and Colombia in 2019. In both cases, RT reported abundantly on the public order crises in both countries and relayed their news through social

45 RT. *"El Club de Periodistas de México otorga premios a corresponsales de RT."* Russia Today, December 7, 2022. https://esrt.press/actualidad/451042-club-periodistas-mexico-otorga-premios; RT. *"RT Spanish Wins Mexican Press Club Awards."* Russia Today, December 1, 2023. https://www.rt.com/about-us/press-releases/rt-spanish-mexican-press-club-awards/

46 RT. *"Daniel Ortega gana las presidenciales de Nicaragua, según el recuento preliminar."* Russia Today, November 8, 2022. https://actualidad.rt.com/actualidad/409510-nicaragua-elecciones-presidencial; RT. *"Oposición venezolana desconoce los resultados de las elecciones presidenciales."* Russia Today, July 29, 2024. https://actualidad.rt.com/actualidad/517502-oposicion-venezuela-desconocer-resultados-elecciones

47 DM4. *"RT en Español y el régimen sandinista: colaboración y propaganda sin freno en Nicaragua."* Dario Medios, July 17, 2024. https://dariomedios.com/rt-en-espanol-y-el-regimen-sandinista-colaboracion-y-propaganda-sin-freno-en-nicaragua/

48 Ponce de Leon, Esteban. *"RT and Sputnik in Spanish boosted by Russian embassy tweets and suspicious accounts."* Medium, March 17, 2022. https://medium.com/dfrlab/rt-and-sputnik-in-spanish-boosted-by-russian-embassy-tweets-and-suspicious-accounts-3a24ded7ef57

networks. In addition, both scenarios saw the operation of social network accounts that reproduced the Russian channel's content with a frequency only possible if *bots*.

This component of the Russian disinformation campaign is connected to Venezuela. In fact, a substantial portion of the social media accounts that disseminated RT's Spanish-language content during the aforementioned 2019 riots was based in Venezuela.[49] This use of the Bolivarian Republic as a channel for the development of influence operations is not a novelty. A large number of social media accounts used during Moscow's campaign against the 2016 US elections had their IP addresses located in the Caribbean country.[50]

The aforementioned elements—embassy propaganda, Russian state media news, and the activity of related social networks—form an extensive disinformation system at the service of the Kremlin. This does not imply that there is a hierarchical structure that has absolute control over this entire communication conglomerate with the objective of ensuring that its components emit messages with identical orientation. Certainly, there are lines of communication between the Russian Foreign Ministry, the Kremlin media and the networks of influencers and friendly local media. However, the consistency of Moscow's disinformation campaigns relies primarily on a practical application of the purpose-unity principle whereby the components of the system share ideological goals and approaches which makes it easier for them to reproduce similar content on the same topics, be it criticism of the U.S. presence in Latin America, the relevance of Russia in international affairs or the justification of the invasion of Ukraine.

It is difficult to measure precisely the impact of this enormous communication effort, but it is possible to assess the degree of Moscow's success in some specific cases. Thus, for example, there are indications that Russia developed a systematic effort to influence several electoral campaigns in Latin America. Apart from the aforementioned episode of support for Evo Morales in Bolivia, a number of indications revealed Moscow's interest in backing Andrés Manuel López Obrador

49 Farah, Douglas and Ortiz, Román D. *"Russian Influence Campaigns in Latin America."* Special Report n. 525, USIP, October 2023. https://www.usip.org/publications/2023/10/russian-influence-campaigns-latin-america

50 DiResta, Renee, et al. *"The Tactics & Tropes of the Internet Research Agency."* New Knowledge, 2018. https://www.intelligence.senate.gov/sites/default/files/documents/NewKnowledge-Disinformation-Report-Whitepaper.pdf

in his run for the presidency of Mexico in 2018.[51] The same can be said of the case of Gustavo Petro whose campaign to become Colombian head of state came under suspicion of having been backed from social network accounts under the control of Russian operators.[52] The truth is that there is no evidence that Moscow's influence was of sufficient magnitude to alter the outcome of both elections and the victories of Obrador and Petro were large enough to leave no doubt that they were the product of genuine popular support. But it is also true that Russia clearly benefited from the coming to power of both leaders.[53] In this sense, Russian support may not have been decisive, but it offered Moscow the possibility of consolidating a cooperative relationship with two political figures that have ultimately facilitated the increase of Russian influence in Mexico and Colombia.

When assessing its impact on public opinion in the region, it can be said that the Kremlin's disinformation campaign has been unevenly effective. According to Latinobarometer figures, the number of Argentines who viewed Russia favorably or very favorably fell from 52% to 27.8% between 2020 and 2023, while that of Brazilians fell from 41.7% to 26.7%, that of Chileans from 47.9% to 23.3% and that of Mexicans from 45.9% to 37.7%.[54] In other words, Russia's image seriously suffered from the effects of the war in Ukraine. However, another survey conducted by the consulting firm Ipsos in the year 2023 indicated that the percentage of citizens who considered the war in Ukraine as a matter alien to their interests stood at 51% in Argentina, 38% in Brazil, 50% in Chile and 57% in Mexico.[55] These figures were striking if contrasted with those of South Africa (41%) or Singapore (44%), two countries far removed from the conflict which, nevertheless, seemed to perceive it as closer than a good part of the Latin American respondents. In other words, Russian media efforts had not been able to

51 Weiss, Andrew S. *"Are Mexico's Elections Russia's Next Target?" The Atlantic*, February 20, 2018. https://www.theatlantic.com/international/archive/2018/02/is-mexico-the-next-target-of-russias-meddling/554381/

52 EC. *"Los 'bots petristas' que dejaron rastro en Rusia atacaron a Duque, Uribe y 'Fico' Gutiérrez." El Colombiano*, January 7, 2023. https://www.elcolombiano.com/colombia/politica/bots-que-apoyaron-a-petro-en-rusia-attacked-federico-gutierrez-ivan-duque-y-alvaro-uribe-BG19778401

53 Sarukhan, Arturo. *"López Obrador's flirtation with Russia risks worsening US-Mexican relations."* Brookings, April 11, 2022. https://www.brookings.edu/articles/lopez-obradors-flirtation-with-russia-risks-worsening-us-mexican-relations/; *"Vladimir Putin elogia a Gustavo Petro y dice que Colombia es un 'prometedor socio de Rusia en América Latina'." Semana*, September 20, 2022.

54 Latinobarómetro. *"Opinión pública Latinoamericana."* Corporación Latinobarómetro, 2024. https://www.latinobarometro.org/latOnline.jsp

55 *"The World's Response to the War in Ukraine. A 28-country Global Advisor survey."* Ipsos, January 2023. https://www.ipsos.com/sites/default/files/ct/news/documents/2023-01/Global%20Advisor%20-%20War%20in%20Ukraine%20.pdf

shield their country's image from the impact of the war; but they had helped to feed the desire for neutrality among public opinion in the region.

Security Relations between Russia and Latin America

Russia has used security cooperation as one of its main tools to try to gain influence in Latin America. After the end of the Cold War and the collapse of communism, this became an area of interest for Moscow's potential Latin American partners who sought arms suppliers other than the U.S. as a way to assert their autonomy and glimpsed the possibility of accessing Russian military technology without the ideological risks of dealing with the defunct Soviet Union. However, the Russian defense industry's military penetration has faced obstacles and achieved mixed results.

The Russian defense industry approached Latin America as part of its search for new export markets in the context of its efforts to survive the collapse of the Soviet system and the drastic cutback in demand for armaments following the end of the Cold War. Initially, sales were very modest, as could not be otherwise in a region mostly at peace and under Washington's influence. It was not until the early 2000s that Russian arms accounted for more than 8% of the total military equipment sold to the region. It would be from 2007 onwards that Kremlin exports would skyrocket to become the second largest supplier to the region with over 27% of the market, behind only the combined European suppliers (33.5%) and well above the US (13%).[56] This expansion of Moscow's arms sales fueled the perception of a rapid growth of the Kremlin's military influence in the region. However, things turned out to be more complex.

The boom of Russian weapons in Latin America was essentially the result of a combination of two factors: the success of a single system and the voracity of a single customer. The system was the Mi-17 helicopter in its various variants and the customer was Venezuela. As for the Mi-17, its sales growth in the region was spectacular. The combination of robustness, easy maintenance and low price, added to the existence of former operators of this aircraft in the region, such as Peru, Cuba and Nicaragua,

56 Ortiz, Román D. *"Transferencias de armamento y competencia de grandes potencias en América Latina"*, in Paul Eduardo Vera Delzo (ed.) *"Challenges and Threats to Security in Latin America."* Centro de Estudios Estratégicos del Ejército de Perú – William J. Perry Center for Hemispheric Defense Studies – Strategic Studies Institute at the U.S. Army War College, December 2022. https://ceeep.mil.pe/wp-content/uploads/2022/12/Challenges-and-Thrreats-to-Security-in-Latin-America.pdf

made the Mi-17 a very attractive option compared to their Western counterparts, the American UH-50 Black Hawk and the H125/AS332 Super Puma of the European Airbus consortium. As a result, by the beginning of 2014, the number of Russian rotary-wing aircraft in the region had reached 409, of which more than 300 were Mi-17s in operations in Argentina, Brazil, Colombia, Cuba, Ecuador, Mexico, Nicaragua and Peru.[57]

As regards Venezuela, the Chavista regime's desire to break with the US and become a regional power, Washington's decision to impose an arms embargo that prevented the Bolivarian Republic's armed forces from having access to spare parts for their US equipment, and the availability of huge oil resources led Caracas to place a series of massive arms orders with Russia. In 2005, Moscow and Caracas signed a first arms sale agreement worth $2.9 billion which included the purchase of 24 SU-30MK2 fighter-bombers, the most sophisticated aircraft ever delivered by Russia to a Latin American country.[58] A new agreement was signed in 2009 for the purchase of 92 T-72M medium tanks and S-300VM and Antey-2500 anti-aircraft defense systems, financed with a $2.2 billion credit from Moscow.[59] The list of Venezuelan purchases would grow to incorporate 38 Mi-17V-5 helicopters, 10 Mi-35M2 attack helicopters, 3 Mi-25T2 heavy transport helicopters, 12 Tor-M1 self-propelled anti-aircraft defense systems, a number of Buk-2ME anti-aircraft missile launchers, BMP-3 infantry fighting vehicles, 12 9K58 Smerch multiple rocket launchers, 2S23 120 mm self-propelled mortars, an Igla-S portable anti-aircraft missile package and 100,000 AK-103 assault rifles.[60] According to Russian official sources, the transfers of military equipment between 2005 and 2013 totaled 30 contracts worth $11 billion.[61]

57 *"Russian Helicopters solid growth in Latin America."* Helis.com, March 25, 2014. https://www.helis.com/database/news/fidae14_rushel2/

58 Hernández, Carlos E. *"The Sukhoi Su-30MK2s complete five years in the service of the Venezuelan Air Force."* Infodefensa, October 28, 2011. https://www.infodefensa.com/texto-diario/show/3144475/sukhoi-30mk2-accomplish-five-years-service-venezuelan-air-force

59 González, Ivelisse. *"An Assessment of Russia's Military Presence in Latin America."* Intern Corner, FPRI, June 18, 2019. https://www.fpri.org/article/2019/05/an-assessment-of-russias-military-presence-in-latin-america/

60 Ellis, R. Evan. *"The New Russian Engagement with Latin America: Strategic Position, Commerce, and Dreams of the Past."* Strategic Studies Institute—US Army War College, June 2015. https://media.defense.gov/2023/May/04/2003215079/-1/-1/0/2345.PDF

61 Liltovkin, Viktor. *"Russian weaponry selling best in Latin America."* TASS Russian News Agency, March 30, 2015. https://tass.com/defense/855023

This gave Caracas an absolute dominant weight within the sales of the Russian defense industry to Latin America. In fact, Venezuela absorbed more than 84% of the total Russian armaments transferred to the region between 2007 and 2016.[62]

On these two pillars —the Mi-17 helicopter and the Venezuelan market— Moscow sought to expand its sales to the Latin American armed forces. In this effort, the Kremlin developed three types of commercial relations. On the one hand, it made transfers to countries with which it shared hostility toward the U.S. and therefore looked to Russia as an attractive arms supplier. In addition to Chavez's Venezuela, this was the case with Cuba and Nicaragua. However, the difficult Cuban economic situation made any commercial breakthrough virtually impossible outside of talks for the construction of a munitions factory.[63] Nicaragua offered some more tangible results thanks to President Daniel Ortega's determination to restore some of the past Cold War splendor to the armed forces. Managua acquired 50 T-72B tanks, 2 Mi-17 helicopters and a number of BMP-1 armored personnel carriers and BM-21 multiple rocket launchers.[64] In any case, the size of the Nicaraguan military apparatus and the country's economic constraints placed limits on the opportunities for the Russian defense industry.

A second category of Russian defense industry relations focused on countries where Moscow's political influence was less; but its products could count on some competitive advantage, either because they had been used before, or because of an emphasis on reducing dependence on US systems. These types of conditions favored the purchase of substantial quantities of Mi-17 helicopters in Peru (a former user of this same platform), Mexico (interested in diversifying its fleet with non-US systems) and Colombia (operator of the Mi-17 since the mid-1990s). In any case, attempts to expand sales beyond this type of aircraft encountered strong resistance.[65]

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62 Ortiz, Román D. *"Transferencias de armamento y competencia de grandes potencias en América Latina."* in Paul Eduardo Vera Delzo (ed.) *"Challenges and Threats to Security in Latin America."* Centro de Estudios Estratégicos del Ejército de Perú – William J. Perry Center for Hemispheric Defense Studies – Strategic Studies Institute at the U.S. Army War College, December 2022.

63 Sudakov, Dimitri. *"Russia to develop defense project in USA's backyard."* Pravda.ru, January 12, 2011. https://english.pravda.ru/russia/119803-russia_cuba/

64 Ventas, Leire. *"Qué tan sofisticados son los nuevos tanques rusos de Nicaragua que preocupan al resto de Centroamérica."* BBC, August 19, 2015. https://www.bbc.com/mundo/noticias-america-latina-37118955

65 *"El tanque T-90S sometido a pruebas por el Ejército del Perú."* Infodefensa, September 24, 2013. https://www.infodefensa.com/texto-diario/mostrar/3139045/tanque-t-90s-sometido-pruebas-ejercito-peru; Cepeda Bernal, Cesar Fernando. *"Los vehículos blindados del Ejército Colombiano: desde el año 2000 hasta la actualidad."* Zona Militar, May 29, 2023. https://www.zona-militar.com/2023/05/29/los-vehiculos-blindados-del-ejercito-colombiano-desde-el-ano-2000-hasta-la-actualidad/

Finally, Russia also tried to conquer new and much more competitive markets, offering high-tech systems that potential buyers had difficulty obtaining from their usual Western suppliers. The most significant effort in this direction was the attempt to become a privileged supplier of military equipment to Brazil. The first step in this direction resulted in a significant success with the sale of 12 Mi-35 attack helicopters in 2008. However, this project eventually foundered amid serious maintenance problems with these aircraft.[66] Subsequently, attempts to escalate the business relationship with Brasilia to other more sensitive areas such as the transfer of SU-35 fighter-bombers, the delivery of Pantsir S-1 air defense systems or the development of nuclear-powered submarines failed.[67] The same can be said of plans to supply MIG-29s or SU-30s to the Argentine Air Force despite the difficulties it has faced until recently in modernizing its fleet with Western systems.[68]

In any case, Russia's presence in the Latin American market proved to be extremely fragile. Russian sales suffered a radical drop between the periods 2012–2016 and 2017–2021 when they went from representing 27% of the market to just 0.2%. A number of factors explain this slump. On the one hand, sales of Mi-17 helicopters suffered as a result of a reduction of the market's capacity to absorb more aircraft of this type. On the other hand, the collapse of the Venezuelan economy deprived the Russian defense industry of its star Latin American customer. In addition, Russia showed signs of a very poor ability to adequately sustain the equipment it was selling. Finally, the sanctions imposed on the Kremlin in response to its annexation of Crimea increased the difficulties for Moscow to conquer new regional market niches. This series of changes pushed the Russian defense industry back to the place of irrelevance it had occupied in Latin America before the boom of the 2010s.

The period of expansion of Russian military sales facilitated an increase in contacts between the Russian Armed Forces and their Latin American counterparts. Some of these contacts had essentially symbolic objectives, to demonstrate that Russia had

66 Meier, Ricardo. *"Brazilian Air Force will retire its Russian Mil Mi-35 helicopters."* ADN, February 11, 2022. https://www.airdatanews.com/brazilian-air-force-will-retire-its-russian-mil-mi-35-helicopters/

67 Dall'Agnol, Augusto César, Perius Zabolotsky, Boris and Mielniczuk, Fabiano. *"The Return of the Bear? Russian Military Engagement in Latin America. The Case of Brazil." Military Review*, March–April 2019. https://www.armyupress.army.mil/Journals/Military-Review/English-Edition-Archives/Mar-Apr-2019/128-Russia-LATAM/

68 Meier, Ricardo. *"Russia reportedly offered MiG-29 and Su-30 fighters to Argentina."* ADN, January 31, 2021. https://www.airdatanews.com/russia-reportedly-offered-mig-29-and-su-30-fighters-to-argentina/

friends and that the West had failed in its attempt to isolate it. Probably the best example of such gestures was President Obrador's invitation for a contingent of Russian soldiers to join the parade commemorating the 213th anniversary of Mexican independence in Mexico City on September 16, 2023, a year and a half after Russia invaded Ukraine.[69]

However, Moscow's military activities have also responded to more strategic reasons. Russian naval aircraft deployments in the Caribbean seek to establish a presence on the periphery of the United States, precisely when the North Atlantic Treaty Organization sits close to Russia's borders. The idea is to create an image of strategic symmetry between the Alliance's proximity to Russia and Moscow's capacity to reach U.S. territory. This was the logic behind the aforementioned visit of Tu-150M1 bombers, which not only landed in Caracas but also in Managua. The same can be said of the presence of Russian ships such as the flotilla that stopped over in Cuba at the end of June 2024 and then headed for Venezuela and the one that followed a month later.[70] The truth is that the pretended symmetry between Moscow and Washington is only a mirage and the military relevance of these deployments is more than debatable in view of the lack of supporting infrastructure and maintenance problems afflicting Russian military equipment. Nevertheless, there is no doubt that the Kremlin's military presence demonstrates its willingness to make its presence felt in the Western Hemisphere and complicates the calculations of U.S. planners.

Moscow has also deployed troops with the aim of providing assistance to the armed forces of its Latin American partners. This has been the case of the deployment of Russian troops in Nicaragua that could reach the figure of about 130 soldiers, mainly intended to provide training and maintenance for equipment delivered by Moscow.[71] A similar mission could have had the hundred or so Russian soldiers deployed in Venezuela in March 2019, who devoted much of their efforts to fine-tuning the

69 Juárez, Tania. *"Participación de tropas rusas en desfile militar de México desata polémica." El Universal*, September 19, 2023. https://www.eluniversal.com.mx/nacion/participacion-de-tropas-rusas-en-desfile-militar-de-mexico-desata-polemica/

70 AP. *"Una fragata y un buque petrolero de la armada de Rusia llegan a puerto de Venezuela."* Associated Press News, July 2, 2024. https://apnews.com/world-news/general-news-d4e9ff52519a830513c4e57fa5735b82; Ricci, Agustin. *"Venezuela recibe segunda flota naval rusa en menos de dos meses: mayor despliegue desde la Guerra Fría." La República*, August 11, 2024. https://larepublica.pe/mundo/venezuela/2024/08/10/venezuela-receives-second-russian-naval-fleet-in-less-than-two-months-largest-deployment-since-the-cold-war-lrtmv-154110

71 Olivares, Iván. *"Aumento de presencia militar rusa en Nicaragua provoca a Estados Unidos." Confidencial*, June 11, 2022. https://confidencial.digital/principal/aumento-de-presencia-militar-rusa-en-nicaragua-provoca-a-estados-unidos/

air defense systems supplied by Moscow to Caracas.[72] Indeed, in Nicaragua and Venezuela, the supply of military equipment by Moscow has been accompanied by the establishment of facilities run by Russian military personnel aimed at maintenance, training and intelligence gathering.[73]

Both the naval aircraft deployments in the Caribbean and the presence of military advisors in Venezuela and Nicaragua also carry a political message from Russia to its Latin American allies: Moscow's willingness and ability to support them in the face of pressure from the US and its domestic opponents. It is about assuring the dictatorships of Nicolas Maduro and Daniel Ortega that Moscow is committed to guaranteeing their survival in exchange for their strategic backing in a similar way as it has done with Alexander Lukashenko in Belarus or Bashar al-Assad in Syria. Indeed, it is significant that the last Russian naval visit to Venezuela at the beginning of August coincided with the political crisis unleashed by the electoral fraud from the Chavist regime in the presidential elections carried out weeks before. The same can be said of the dates chosen for the sending of the aforementioned military contingent in March 2019, just when Nicolas Maduro was facing the rejection by the internal opposition and a large part of the international community of his pretensions to be sworn in as president after fraudulent elections in 2018.

This same implicit agreement—unrestricted support for a repressive regime in exchange for total alignment with Moscow—is behind the role of Russian intelligence services in relations between Moscow and its Latin American allies. In particular, the FSB has played a key role in providing capabilities to strengthen the repressive apparatus of the Cuban, Nicaraguan and Venezuelan dictatorships. This support has materialized especially in the improvement of the signals-intelligence capabilities of the political police of these countries. In fact, the Russian security service and the companies that provide it with technical support have introduced the use of the so-

72 BBC News. *"Crisis en Venezuela: Rusia envía dos aviones con equipo militar al país sudamericano en medio de la condena de EE. UU."* BBC, March 2, 2019. https://www.bbc.com/mundo/noticias-america-latina-47591745; Olmo, Guillermo D. *"Las armas que Rusia le vendió a Venezuela y qué tienen que ver con los aviones militares rusos que llegaron este fin de semana a Caracas."* BBC, March 25, 2019. https://www.bbc.com/mundo/noticias-america-latina-47702554

73 *"El jefe del Estado Mayor ruso inaugura complejo de adiestramiento militar en Nicaragua para desactivar munición."* Infodefensa, April 29, 2013. https://www.infodefensa.com/texto-diario/mostrar/3138757/jefe-estado-mayor-ruso-inaugura-complejo-adiestramiento-militar-nicaragua-desactivar-municion; *"El ex jefe de Inteligencia de Maduro denunció que Rusia ya tiene dos bases militares en Venezuela." Infobae*, January 18, 2022. https://www.infobae.com/america/venezuela/2022/01/18/el-ex-jefe-de-inteligencia-de-maduro-denuncio-que-rusia-ya-tiene-dos-bases-militares-en-venezuela/

called System for Operational Research Activities (SORM) in Nicaragua.[74] In addition, the FSB established a training center in Managua, officially intended for the fight against drug trafficking, but which in reality trains intelligence agents at the service of the Nicaraguan regime and other Latin American countries. In parallel, both the FSB and the Russian Main Intelligence Direction of the Major State (GRU, military intelligence) have played a central role in the modernization of the Venezuelan internal security apparatus.[75]

The Economic Dimension of the Russian Strategy

Russia's economic strategy towards Latin America is marked by two main factors. To begin with, Russia has a small economic weight, which necessarily reduces the impact of its commercial and financial activities. In this respect, its position is diametrically opposed to that of the PRC. While Beijing can rely on the size of its market or the volume of its financial resources to build relationships in Latin America, Russia is not a major buyer of goods and services from the region, nor does it have sufficient funds to be a major lender. Consequently, it is doomed to be a secondary economic player. On the other hand, the goals it seeks in its economic relations with the region go beyond the mercantile and include political and strategic objectives. In other words, Russia's business management is not exclusively driven by profitability criteria but is also strongly influenced by priorities related to competition with the US and its allies.

Of course, this is not to say that the financial sustainability of its foreign relations is of no concern to the Kremlin. After its disastrous experience in Cuba that left a huge unpaid bill, Moscow has maintained a constant interest in making its foreign adventures viable from an economic perspective. The thing is that behind every commercial or financial decision there are usually strategic interests that often lead to outcomes that lack logic from a purely mercantile perspective. Probably the most obvious example is Venezuela. Caracas has proven to be a disastrous partner in

74 Farah, Douglas and Richardson, Marianne. *"Dangerous Alliances: Russia's Strategic Inroads in Latin America." Strategic Perspectives 41*, Institute for National Strategic Studies—National Defense University, December 2022. https://ndupress.ndu.edu/Portals/58/Documents/stratperspective/inss/strategic-perspectives-41.pdf; Iglesias, Wilmar. *"Rusia adiestrará a la policía de Daniel Ortega y avanza en un sistema de inteligencia y espionaje en Nicaragua." Infobae*, March 31, 2014. https://www.infobae.com/america/america-latina/2024/03/31/rusia-adiestrara-a-la-policia-de-daniel-ortega-y-avanza-en-un-sistema-de-inteligencia-y-espionaje-en-nicaragua/

75 Klyszcz, Ivan U. *"Russia's Intelligence Agencies in the Global South: the Case of Venezuela." Riddle*, January 9, 2023. https://ridl.io/russia-s-intelligence-agencies-in-the-global-south-the-case-of-venezuela/

economic terms. The Chavista regime had to resort to a restructuring plan to meet its debt for massive arms purchases.[76] Similarly, Russian oil giant Rosneft's investment in the Caribbean country turned out to be a lousy deal as a result of the combined effect of international sanctions and the ruinous state of the Venezuelan energy sector. Under these circumstances, Igor Sechin's company sought an agreement to transfer its assets in the Bolivarian Republic to a Russian state-owned company.[77] However, such fiascos have not caused critical damage to the alliance between Moscow and Caracas.

In this context, Russia has tried to manage its economic interests in the region by trying to find a balance between the demand for profitability and the search for strategic advantages. However, the conditions created by the invasion of Ukraine and the massive international sanctions have pushed the Kremlin to progressively give primacy to the strategic over the mercantile, relegating to second place the possibility of obtaining economic benefits and managing its productive apparatus under a war logic.

These conditions have guided the three key lines of action in economic matters deployed by the Kremlin: investments, trade and loans. In the first area, the Kremlin's investments have been concentrated in the areas in which the Russian economy has the greatest experience, particularly in the extractive sector. A substantial part of this effort has been oriented towards hydrocarbons. Beyond the difficult venture in Venezuela, where the company continues to operate, Rosneft has developed projects in Cuba and Brazil, which granted it permission to operate in the Solimões basin, in the Amazon region.[78] In addition, Lukoil has made an investment valued at $435 million to exploit oil in Mexican waters.[79] Other initiatives have been associated with

76 *"Así es el plan de pagos de la deuda que Rusia le impuso a Venezuela: el monto anual se multiplica cinco veces desde 2023." Infobae*, July 1, 2020. https://www.infobae.com/america/venezuela/2020/07/01/asi-es-el-plan-de-pagos-de-la-deuda-que-rusia-le-impuso-a-venezuela-se-incrementara-cinco-veces-desde-2023/

77 Prince, Todd. *"A Sale Or A Sham: Rosneft Ditched Venezuelan Assets, But Will It Shed U.S. Sanctions?"* Radio Free Europe—Radio Liberty, April 5, 2020. https://www.rferl.org/a/russia-rosneft-ditches-venezuela-assets-u-sanctions-/30534209.html

78 *"Cuba hopes to cooperation with Rosneft oil corporation."* TASS, June 19, 2014. https://tass.com/economy/735705; *"Rosneft plans new wells and pipelines in Solimões Basin."* Brazil Energy Insight, June 21, 2019. https://brazilenergyinsight.com/2019/05/21/rosneft-plans-new-wells-and-pipelines-in-solimoes-basin/

79 Rani, Archana. *"Lukoil to acquire stake worth $435m in Area 4 project offshore Mexico."* Offshore Technology, July 5, 2021. https://www.offshore-technology.com/news/lukoil-stake-area-4-project-mexico/

the mining sector. Such was the case of the acquisition of a nickel mine in Guatemala in 2011 by Solway, a business conglomerate based in Switzerland, but under Russian control. Within this same category, investments by the aluminum giant RUSAL in Jamaica and Guyana should also be included.[80] Similarly, mention should be made of the agreement between the Bolivian government and the Russian nuclear industry giant Rosatom for the exploitation of lithium in collaboration with the Chinese company Citic Guoan Group.[81]

All these investments have represented bets to control resources with high strategic value—energy, aluminum, nickel, lithium—and have frequently been accompanied by political maneuvers, overt or covert, aimed at giving Moscow a decisive advantage over potential competitors. This has been the case with projects in Venezuela and Cuba where the Kremlin's ties with both regimes have made it almost inevitable that the projects have ended up in Moscow's hands. On occasion where Russia does not have such privileged access, it has been common for its companies to be involved in illegal activities. Apart from the aforementioned Rosatom case, some analysts point to the possibility that RUSAL was connected to an attempt to interfere with the elections in Guyana in order to defend its commercial interests.[82] Solway's project in Guatemala has been subject to sanctions by the U.S. Treasury Department due to its responsibility in the development of an extensive corruption network for the benefit of its operation.[83]

In terms of trade, Russia has been a minor partner for most Latin American countries. However, when the opportunity has presented itself, it has not hesitated to use economic exchanges as a lever to obtain political concessions. The most visible case has been the aforementioned Ecuador. Moscow blocked exports of Ecuadorian flowers and bananas in response to Quito's plans to deliver the Russian-made equipment of its armed forces to the U.S. Faced with the risk of losing a trade partner that had

80 Chappell, Kate. *"Rusal's Jamaica operations to continue as usual, minister says."* Euronews, August 15, 2022. https://www.euronews.com/next/2022/03/15/jamaica-mining-rusal; *"UC RUSAL starts bauxite mining at Kurubuka-22 in Guyana."* RUSAL, March 12, 2015. https://rusal.ru/en/press-center/press-releases/uc_rusal_starts_bauxite_mining_at_kurubuka_22_in_guyana/

81 *"Bolivia pega un fuerte salto en la explotación de litio con China y Rusia como socios." La Nación*, June 29, 2023. https://www.lanacion.com.ar/el-mundo/bolivia-pega-un-fuerte-salto-en-la-explotacion-de-litio-con-china-y-rusia-como-socios-nid29062023/

82 Hees, Maximiliam. *"Rusal's Bauxite Mine and Potential Russian Meddling in Guyana's Election."* Foreign Policy Research Institute, April 8, 2020. https://www.fpri.org/article/2020/04/rusals-bauxite-mine-and-potential-russian-meddling-in-guyanas-election/

83 DOTT. *"Treasury Targets Russian-Backed Corruption in Guatemala Mining Sector."* U.S. Department of the Treasury, November 18, 2022. https://home.treasury.gov/news/press-releases/jy1118

brought the national economy $721 million in benefits by 2023, the government of Daniel Noboa cancelled the agreement with Washington.[84] Although in a more subtle way, the threat of economic boycotts has floated in some decisions in favor of Russia taken by other Latin American governments. During negotiations with the Argentinean administration of President Mauricio Macri to prevent RT's signal from being removed from public television in 2015, Russian authorities toyed with the possibility of suspending meat imports from the southern country and denying funding for the construction of the Chihuido dam.[85] Faced with such a prospect, the Russian channel has continued to broadcast in Argentina.

More recently, the possible consequences of an economic rupture with Russia have also been put forward as an argument to explain the careful neutrality shown by Brazilian President Luiz Inácio Lula da Silva when talking about the war in Ukraine. The truth is that Brazilian diplomacy has always sought to maintain a cordial relationship with Russia insofar as it coincides with Moscow in its interest in reducing US preponderance and building a multipolar international order. In addition, Brazil presents a key economic vulnerability insofar as its agricultural production represents 30% of its exports and receives 25% of Russia's fertilizers.[86] In this context, guaranteeing the arrival of fertilizers in the midst of the war in Ukraine became a priority to maintain the health of the South American giant's economy which, undoubtedly, was a factor to be considered in order not to escalate the rhetoric against Moscow's international behavior.[87]

Finally, although with very limited financial resources, Russia has also used its loans as a tool to gain influence. In this sense, Moscow has oriented its loans to support

84 Molina, Gabriela. *"Tensión diplomática entre Ecuador y Rusia podría traer repercusiones comerciales al país andino."* Associated Press News, February 4, 2024. https://apnews.com/world-news/general-news-140bc8197f585fd58aebc05ea3205c98; *"Rusia suspende a cinco exportadoras de banano ecuatoriano, sector se enteró en portal de entidad fitosanitaria y busca una confirmación." El Universo*, February 3, 2024.

85 Crettaz, José. *"Cómo es y quién paga RT, el canal de Putin que llega a toda la Argentina por TV abierta." La Nación*, March 30, 2022. https://www.lanacion.com.ar/sociedad/guerra-en-ucrania-como-es-y-quien-paga-rt-el-canal-de-putin-que-llega-a-toda-la-argentina-por-tv-nid30032022/

86 Helou, Tareq. *"Brazil's Reliance on Russian Fertilisers: A Vulnerability Turned Geopolitical?"* Connecting Ideas, United Nations University, June 15, 2022. https://cris.unu.edu/brazil%E2%80%99s-reliance-russian-fertilisers-vulnerability-turned-geopolitical

87 Nicas, Jack and Spigariol, André. *"Good News for Food, Bad News for War: Brazil Buys Russian Fertilizer." New York Times*, May 8, 2022. https://www.nytimes.com/2022/05/08/world/americas/brazil-russian-fertilizer-sanctions.html

allied countries in projects of interest to Russia.[88] This has meant that the Kremlin's financiers have focused on Cuba, Venezuela and Bolivia. Russian loans have had little presence in the rest of Latin America, insofar as most governments in the region had alternative sources of money and were not interested in the type of projects the Kremlin offered to finance.

As already mentioned, the Kremlin's financial experience with Cuba and Venezuela has been very negative. The enormous debt accumulated by Havana during Soviet times —some $32 billion— was 90% written off by Vladimir Putin in 2013. With the remaining funds, the Kremlin financed some investments on the island, including Rosneft's stake in the Cienfuegos refinery.[89] Russia also offered a €1.2 billion loan for the construction of a thermal power plant in 2015, which Havana had to renegotiate in view of its inability to repay it in 2023.[90] Despite these difficulties, Rosneft has resumed the delivery of oil cargoes to the island with no clarity as to how they will be paid.[91] As for Venezuela, Moscow has been forced to continue financing Caracas to prevent the collapse of the Chavista regime, particularly after the PRC was reluctant to grant new loans. As a result, it is estimated that Venezuelan debt to the Russian government and Rosneft had reached $17 billion by 2019.[92] Since then, Caracas has made some partial payments; but at the same time repayment of the entire debt has become more urgent for Moscow, which faces its own financial straits as a result of international sanctions.

Financial relations between Russia and Bolivia have been smoother, although not without ups and downs. Moscow offered funding for the construction of a nuclear research reactor by Rosatom in El Alto. However, the fall from power of Evo Morales in 2019 stalled the project. Russian cooperation would only be reactivated in 2020, following the arrival in government of Luis Arce, a member of the same political group as Morales. In this new context, plans would resume to complete the construction

88 Svoboda, Karel. *"Russia's Loans as a Means of Geoeconomic Competition in Africa and Latin America." Problems of Post-Communism*, 71: s, 2024. https://doi.org/10.1080/10758215.2022.2094808

89 *"PdV out of Cuba refinery, Rosneft hovering."* Argus, December 18, 2017. https://www.argusmedia.com/en/news-and-insights/latest-market-news/1592558-pdv-out-of-cuba-refinery-rosneft-hovering

90 *"Russia grants Cuba deferral on loan to build power plants."* Interfax, August 2, 2023. https://interfax.com/newsroom/top-stories/93933/

91 *"Rusia suministrará 1,64 millones de barriles de petróleo anuales a Cuba." Diario de Cuba*, June 13, 2023. https://diariodecuba.com/economia/1585577142_47811.html

92 Korsunskaya, Darya. *"Putin, Maduro discuss Venezuela's debt to Russia last week."* Reuters, October 1, 2019. https://www.unav.edu/web/global-affairs/bolivia-avanza-en-su-reactor-nuclear-de-investigacion-de-la-mano-de-rusia

of the nuclear research center in 2025 and the aforementioned agreement for the exploitation of lithium deposits would be signed.[93]

Conclusions: The Risks of Belittling the Kremlin

Assessing the impact of Russia's strategy towards Latin America requires taking into consideration its objectives and also Moscow's means to achieve them. Following the debacle of the Soviet Union in the early 1990s, Russia's return to the region was conceived by the Kremlin's foreign policy establishment as part of a global exercise to regain great power status. This effort translated into three goals at the regional level. On the one hand, the construction of a network of alliances that would include former Cold War partners—Cuba and Nicaragua—and extend to new governments—Venezuela and Bolivia—if possible. On the other hand, the transformation of the region into a neutral space where US control would be reduced, and Russia would gain influence. Finally, the development of a privileged relationship with Brazil and Mexico—the two major regional players—that would contribute to building a multipolar world order more permeable to Russian interests.

This project collided with a very difficult strategic reality. During the Cold War, the defunct Soviet Union had failed in its attempt to penetrate the Western Hemisphere due to its reduced capacity to project force, the rejection of Latin American countries and the overwhelming presence of the US. In fact, its only visible success was to turn Cuba into a vassal state that it had to subsidize for three decades. With this background, Vladimir Putin's Latin American enterprise had little prospect of success, even less so if one takes into consideration that neither the productive structure nor the Russian Armed Forces were comparable to those wielded by the USSR at the time.

In this way, it is easy to understand the fiascos that have peppered Russia's Latin American strategy. There is the way in which the Kremlin has been trapped by partners like Cuba and Venezuela that have demanded permanent political, economic and security backing in order to survive. The same can be said of the inability of its defense industry to consolidate its presence in the Latin American market. Likewise, it is also worth highlighting Russia's scarce economic penetration in the region, beyond captive and unprofitable markets such as Venezuela and Cuba.

93 Cortes, Natalia. *"Bolivia avanza en su reactor nuclear de investigación de la mano de Rusia."* Global Affairs, University of Navarra, December 29, 2023. https://www.unav.edu/web/global-affairs/bolivia-avanza-en-su-reactor-nuclear-de-investigacion-de-la-mano-de-rusia

Despite all these problems, it should also be emphasized to what extent Moscow has been able to take advantage of the geopolitical gaps in the region to advance its objectives and transform the region into a more benign space for its interests. The Kremlin has consolidated a network of satellite states that includes not only the former Cuban and Nicaraguan vassals of the Soviet Union but also Chavista Venezuela. Certainly, these are corrupt, incompetent and impoverished regimes; but they provide Moscow with a bridgehead in the hemisphere and represent an example of survival from which other would-be dictators can draw inspiration.

In addition, the region has become a more competitive space over which Russia has no control, nor does the US. Many Latin American capitals have ignored U.S. reticence when it comes to initiating projects of high strategic value with Russia, be it the acquisition of military equipment or the exploitation of mineral resources. Likewise, no country in the region has accompanied Washington in taking practical measures against Moscow for its aggressions and massive human rights violations in Georgia, Syria, Ukraine, Libya, Central African Republic, Mali and so on. Moreover, the Kremlin has been able to develop channels of communication with Latin American political and economic elites that have given it a level of access and influence in the region that it has never enjoyed before. In particular, Moscow has built a privileged relationship with Mexico and Brasilia, which have condoned Russian international behavior in exchange for potential advantages in terms of political support, commercial exchanges and technological cooperation.

What has been most striking about these changes has been their resilience to attempts by Washington and its European allies to reverse them. U.S. and EU efforts to push for a democratic opening within Russia's satellite regimes in the region—Cuba, Nicaragua or Venezuela—have failed miserably. Similarly, U.S. and European efforts to get the region to join the coalition against Moscow for the aggression against Kyiv have been equally frustrating. In other words, Washington and its European allies have been ineffective in restoring the status quo that Russia's entry into the region has been instrumental in dislocating.

Of course, not all the credit for the evolution of Latin America in the direction of Russian interests goes to Vladimir Putin and his international advisors. The existence of an anti-American sentiment among part of the Latin American elites, the massive landing of the PRC in the region and an unjustified complacency in the US and Europe based on the assumption that the region was predestined to join the community of liberal democracies have substantially contributed to creating a favorable space for Moscow.

But it would be analytically wrong to ignore the Kremlin's successes in its approach to the region. Russian planners have constructed a good strategic design by taking into consideration their limited resources and distinguishing between the opportunities they could seize and the spaces that lay beyond their reach. They have been determined in their support for the Nicaraguan regime, for example, but more timid in gaining influence in other Central American countries. Moreover, they have demonstrated a remarkable ability to choose how best to apply their scarce resources. There is the way in which a marginal economic player like Russia has employed economic coercion on several occasions to bend the will of some Latin American governments. Moscow has also been willing to take risks when convenient to enlarge its weight in the region. Air naval deployments executed with very limited military means are an example of aggressive gestures that have relied on the lack of American response to enhance the Kremlin's credibility. Finally, Moscow's strategy has been remarkably consistent over time. Seemingly immune to failure and criticism, it has remained open to opportunities as they presented themselves. Rosatom's vicissitudes in Bolivia are a testament to this determination.

As it is, the time seems to have come to stop belittling Russia as a player in Latin America. Despite its limited resources, it has demonstrated the will and ability to alter the hemisphere's status quo. On this basis, Moscow promises to nurture two key challenges for the near future. On the one hand, it will continue to promote authoritarianism, seeking to replicate the criminal state model it has so painstakingly helped build in Venezuela and Nicaragua. On the other hand, it will strive to turn the region into a hostile space for the US and Europe, nurturing anti-Western actors and sentiments in a similar way as it does in the Middle East and Africa. If the US and Europe do not want that future for Latin America, they need a strategy to confront the Kremlin.

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RELATIONS BETWEEN THE MIDDLE EAST AND LATIN AMERICA

Eva Sáenz-Diez Jaccarini

Summary

At first glance, Arab and Muslim countries have little in common with those of Latin America. However, for several decades, bilateral relations have been forged in different areas. Latin America represents a region of great opportunities, and it therefore arouses the interest of important global players. Due to its geographical remoteness and cultural differences, it could be said that this region is ripe land for the countries of the Middle East. However, the presence of communities of Arab origin confers on Latin America a privileged position for the development of relations and the implementation of links.

Keywords: *Latin America, anti-imperialism, security, Middle East, terrorism.*

Introduction

It is rare that the Arab-Muslim world is related to Latin America. For this reason, this article highlights the different points that link both regions, with special emphasis on Iran, Turkey, Saudi Arabia and the United Arab Emirates. But, before addressing the current period, it is important to give a brief overview of what this relationship has meant.

Since the end of the 19th century, there has been an increase in the Arab and Muslim presence in Latin America. These were the Turks coming from the Ottoman Empire, mainly from Greater Syria (Syria and Lebanon) and Palestine. In some cases, entire villages made the journey to the other side of the pond. The first waves of Turks, in the late 19th and early 20th centuries, were mostly composed of Christians fleeing the Ottoman Empire and, to a lesser extent, Shiites who undertook the journey for the same reasons.

At that time, countries such as Brazil, Mexico and Argentina experienced a significant migratory movement, as more than a quarter of a million Syrian Ottomans and Syrians were migrating to the Americas, corresponding to 20% of the population of Greater

Syria,[1] giving rise to important Latin Arab or Arab Latin American communities, also known as *Mahjar*. Although it is true that in the mid-19th century Khedive Ismail sent a battalion of Sudanese to fight in Mexico,[2] it was not until the mid-20th century that bilateral relations between Muslim and Latin American countries were forged and developed, and a more significant Muslim emigration was observed in the region.

Nasser, leader of pan-Arabism and emblematic figure of the non-aligned cause (see anti-colonialist and anti-imperialist struggle), was the main driver and promoter of relations between the two regions. His influence can be seen in political leaders throughout the region, such as Omar Torrijos (Panama), Fidel Castro (Cuba), Juan Domingo Perón (Argentina) and, more recently, Hugo Chávez (Venezuela).

Historical Perspective

Nasser's Role. In the early 1950s, the image of Gamal Abdel Nasser became a reference for many intellectuals and political leaders in search of a revolutionary and supportive model. Although at that time, other leaders also emerged who aroused some enthusiasm, such as Mohamed Naguib in Egypt and Ahmed Ben Bella in Algeria.

In the late 1950s, Latin American revolutionaries declared (regardless of cultural differences, the complexity of regional and local politics, and realities or priorities) that they were united with the Arab (see African and Asian) world by a common colonialist experience and a firm determination to fight the injustices of the world order. In the case of Latin America, the relatively large Arab diaspora present played a key role in influencing public opinion regarding Middle East policy and rapprochement between the two regions.

The Cuban Revolution. At that time, the Cuban example was the most representative case of such rapprochement. Fidel Castro's ambition was for Cuba to be recognized as a nation within the nascent bloc of Afro-Asian nations, of which Egyptian President

1 Balloffet, Lily Pearl. "Argentine and Egyptian History Entangled: From Perón to Nasser." *Journal of Latin American Studies* 50, no. 3, 2017: 549–77 https://www.cambridge.org/core/services/aop-cambridge-core/content/view/418F5388A58D5D72E453111D53EFA705/S0022215X17001171a.pdf/div-class-title-argentine-and-egyptian-history-entangled-from-peron-to-nasser-div.pdf

2 Campos Cordero, José Roberto. "El batallón de Sudaneses de Egipto en México: una historia paralela." In *El combate de Camarón y otros episodios de la intervención francesa*, Héctor Strobel, Veracruz. Editora de Gobierno del Estado de Veracruz, 2023: 291–330. https://www.academia.edu/102553555/El_batall%C3%B3n_de_sudaneses_de_Egipto_en-Mexico_una_historia_paralela; Hill, Richard and Peter Hogg. *A Black Corps d'Élite. An Egyptian Sudanese Conscript Battalion with the French Army in Mexico, 1863-1867.* Michigan: Michigan State University Press, 1995. https://www.jstor.org/stable/10.14321/j.ctt7zt5nr

Nasser had become the undisputed leader. Undoubtedly, nationalist intellectuals were closely following the political events that took place in Egypt in the 1950s.

Cuba and the Afro-Asian Bloc. Cuban revolutionary leaders were aware of the importance that the new world emerging from the decolonization struggles in Africa, the Middle East and Asia could have on the development of international events. They therefore strove to make it possible to include their revolution in the nascent Afro-Asian bloc of newly independent anti-colonial nations and sought diplomatic recognition from Nasser. Inscribing Cuba in the growing Afro-Asian movement would be fundamental in defining the international character of the revolution. The country would later proudly proclaim itself *Afrolatino.*[3]

Egypt and Cuba. Six short months after Castro's seizure of power, a delegation headed by Ernesto Guevara arrived in Egypt in June 1959. The country had become an obligatory place of pilgrimage for all national liberation movements. The Cubans knew they needed Egyptian diplomatic support to give more visibility and recognition to their struggle.

The meeting with the *Raïs*[4] was not as successful as expected. The Castroist project was much more radical than the Nasserist one —which was described as *"mental attitude [...] eclectic, empiric, radical and also conservative"*[5]—; thus, Nasser had qualified the Cuban revolutionaries as *"theatrical bandits, but not true revolutionaries."*[6] Despite these discrepancies, the Egyptian leader recognized Cuba as the only anti-colonial and anti-imperialist nation in Latin America. This recognition allowed Cuba to achieve its goal and become a participant in the emerging Afro-Asian bloc. Proof of this was the invitation by the Egyptian government for Cuba to attend the next Afro-Asian Congress.[7]

The American-Afro-Asian Dream, and the UN's Role. A few months later, Cuban intellectual Walterio Carbonell called for the development of a Cuban foreign policy

3 Vélez, Federico. *Latin American Revolutionaries and the Arab World: From the Suez Canal to the Arab Spring.* London: Routledge, 2015: 28. https://www.routledge.com/Latin-American-Revolutionaries-and-the-Arab-World-From-the-Suez-Canal-to-the-Arab-Spring/Velez/p/book/9781032927787

4 In some Arab countries, head of state.

5 Khalidi, Walid. "Political Trends in the Fertile Crescent." *The Middle East in Transition*, Ed. Walter Z. Laqueur, 121–128. New York: F. A. Praeger, 1958: 125.

6 Heikal, Mohammed. *The Cairo Documents.* New York: Doubleday & Company, 1973: 343, quoted by Vélez, Federico. *Latin American Revolutionaries and the Arab World: From the Suez Canal to the Arab Spring.* London: Routledge, 2015: 29. https://www.routledge.com/Latin-American-Revolutionaries-and-the-Arab-World-From-the-Suez-Canal-to-the-Arab-Spring/Velez/p/book/9781032927787

7 Revolución. "Invitada Cuba al Congreso Islámico." (Havana) June 27, 1959: 10.

fully committed to the creation of an American-Afro-Asian bloc.[8] When in 1950 Castro decided to attend the inaugural session of the XV General Assembly of the United Nations (UN), his intention was not only to turn the UN into a forum to echo the Cuban revolution, but also to speak on behalf of *the people of all sub-developed nations*.[9]

The Cubans would fight for the success of that revolutionary ideal, starting with the aid and support they gave to the Algerian revolutionary brothers, as well as to other revolutionary struggles in various African countries. The role of Egypt, which had become an important center through which arms and fighters transited to reach their final destinations,[10] was strengthened. Later, in 1955, a *Tricontinental* conference was held in Havana, bringing together revolutionary movements from Africa, Asia and Latin America, from which the Organization of Solidarity of the Peoples of Asia, Africa and Latin America would emerge.

The Argentinian Case. Various Argentine social and political sectors saw parallels between the anti-imperialist struggles in the Arab world and in Latin America. Although with different and sometimes opposing agendas, these groups learned and deployed the language of nonalignment and South-South solidarity in the escalation of the Cold War. In the Argentine case, prominent members of the communities of Arab origin,[11] anti-imperialists, state actors and Perón himself, tried to mediate and foster these tricontinental solidarities.[12] Streams of public opinion and political positions were appearing among Latin Americans of all stripes who wanted to see an Arab reflection in their own situation. Argentina made clear efforts to cultivate strong diplomatic relations with many Middle Eastern nations, particularly Egypt.

The Argentine case is interesting because since the rise of the Turkish immigration in the nineteenth century, the country had a vibrant set of press organs, among others,

8 Carbonell, Walterio. "Congreso mundial de países subdesarrollados." *Revolución.* Havana, 5 diciembre 1959: 2, citado en Vélez, Federico. 2016. *Latin American Revolutionaries and the Arab World: From the Suez Canal to the Arab Spring.* London: Routledge, 36.

9 *New York Times.* "Havana Protests." September 15, 1950; Vélez, Federico. 2015. *Latin American Revolutionaries and the Arab World: From the Suez Canal to the Arab Spring.* London: Routledge, 38.

10 Vélez, Federico. *Latin American Revolutionaries and the Arab World: From the Suez Canal to the Arab Spring.* London: Routledge, 2015: 51. https://www.routledge.com/Latin-American-Revolutionaries-and-the-Arab-World-From-the-Suez-Canal-to-the-Arab-Spring/Velez/p/book/9781032927787

11 Balloffet, Lily Pearl. *Argentina in the Global Middle East.* Stanford, CA: Stanford University Press, 2020.

12 See Balloffet, Lily Pearl. "Argentine and Egyptian History Entangled: From Perón to Nasser." *Journal of Latin American Studies* 50, no. 3, 2017: 549–77. https://www.cambridge.org/core/services/aop-cambridge-core/content/view/418F5388A58D5D72E453111D53EFA705/S0022215X170011171a.pdf/div-class-title-argentine-and-egyptian-history-entangled-from-peron-to-nasser-div.pdf

of and for Middle Eastern collectives. Such publications usually focused on news about Argentine politics and current affairs, as well as the *Motherland*.[13] This identification with the Egyptian cause was shown in different ways in the press, such as the emphatic comparisons between Argentine and Egyptian leaders or the juxtaposition of Egyptian and Argentine events with titles like *Egypt already has its own Perón.*[14]

The Argentine community of Arab origin paid particular attention to the Egyptian revolution and its consequences. This was because they considered, like Cuba, that they were part of a broader movement of citizens and statesmen who recognized Latin America, Africa and Asia as regions of the world with a common history and destiny.

A few years earlier, there was an endorsement by the Arab-Argentine media of the Palestinian cause. The abstention of Buenos Aires in the UN vote on the partition of Palestine was perceived as a sign of pro-Arab inclination and a rapprochement of the Palestinian question with other anti-imperialist liberation struggles.[15] Almost a decade later, the Suez Canal crisis triggered a movement of sympathy and support in several countries of the region, and allowed the re-launching of the discourse on the common anti-imperialist struggle.[16]

Sandinistas and Palestinian Groups. In the early 1970s, the Sandinista National Liberation Front of Nicaragua found support within different Palestinian groups in Jordan and Lebanon, where they received military training. As a result, the Sandinista government became the strongest supporter of the Palestinian cause in Latin America.

The origin of relations between the Palestine Liberation Organization (PLO) and the Sandinistas dates back to 1955, when Fidel Castro organized the Tricontinental. 500 delegates from radical leftist groups, including representatives of the PLO,[17] met to formulate a global revolutionary strategy to combat American imperialism. An agreement was also signed between the PLO and the Sandinista guerrillas that provided for the training of Sandinista troops in Lebanon.[18]

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13 Ibid.

14 Baaclini, Najib. "Naguib, visto por un viejo amigo: 'Egipto tiene ya su Perón'." *El Eco de Oriente,* 2, February 24, 1953, quoted by Balloffet, Lily Pearl. 2017. "Argentine and Egyptian History Entangled: From Perón to Nasser." *Journal of Latin American Studies* 50, no. 3: 549–77.

15 Ibid., 559.

16 Ibid., 57.

17 *White House Digest.* "The PLO in Central America." July 20, 1983. https://www.cia.gov/readingroom/docs/CIA-RDP85M00353R001102530005-9.pdf

18 Hoffman, Bruce. "The PLO and Israel in Central America: The Geopolitical Dimension." *A Rand Note,* March 1988: v–vi. https://www.rand.org/content/dam/rand/pubs/notes/2009/N2585.pdf

In 1981, PLO leader Yasser Arafat declared that they had contacts with all the revolutionary movements in the world, mentioning El Salvador[19] and Nicaragua. In fact, in 1980, a group of Salvadoran leftist revolutionaries underwent combat training in a Fatah camp in Lebanon.[20]

Panama and the Canals. When news of the Suez crisis in 1955 reached the other side of the Atlantic, countries like Brazil expressed their support for the Arab country.[21] Soon, support for Egypt evolved into a general call for the emergence of a nationalist leader within the Latin American armed forces to follow in Nasser's footsteps and lead his country to political and economic independence, while setting his nation on a path of solid economic development and social progress. Obviously, the nationalization of the Suez Canal had an important echo in Panama.[22] However, it was not until 20 years later, that the Panamanian process culminated with General Omar Torrijos, who negotiated an agreement with the United States (U.S.) in 1977, restoring the sovereignty of the Panama Canal.

The Venezuelan Case

After having given an overview of the historical background of the relations between the two regions, the following is the most recent situation, being the Venezuelan case the clearest link for this chronological transition, as it is the Latin American country that best represents this rapprochement with the Arab and Muslim world.

At the beginning of the 21st century, the then president of Venezuela, Hugo Chávez, proclaimed himself another Arab and identified himself as part of a revolutionary continuum that emerged with Nasser in Egypt, followed by Fidel Castro in Cuba,

19 Ibid., 33.

20 Center for International Security. "The Salvadoran Communists and the PLO: An Unholy Alliance." *Spotlight on the Americas,* February 1984: 1, quoted in Hoffman, Bruce. 1988. "The PLO and Israel in Central America: The Geopolitical Dimension *A Rand Note,* March 1988: 31. https://apps.dtic.mil/sti/tr/pdf/ADA217000.pdf

21 Velez, Federico. *Latin American Revolutionaries and the Arab World: From the Suez Canal to the Arab Spring.* London: Routledge, 2015: 17–20. https://www.routledge.com/Latin-American-Revolutionaries-and-the-Arab-World-From-the-Suez-Canal-to-the-Arab-Spring/Velez/p/book/9781032927787

22 Vélez, Federico. "From the Suez to the Panama Canal and Beyond Gamal Abdel Nasser's influence in Latin America." *Varia Historia* 31, no. 55, 2015: 1–27. https://www.scielo.br/j/vh/a/vCybz9SLJGJ8RpFJfKfVP7j/?lang=en&format=pdf

Gaddafi in Libya and culminating with his Bolivarian revolution in Venezuela.[23] Chávez went so far as to say that every Venezuelan was a soldier of the PLO comparing Yasser Arafat, who died in 2004, to Jesus Christ.[24] In his own words, his government was a Nasserist regime insofar as it had "a social project, even socialist if you will, a Panamerican ideology, meaning Bolivarian, and an anti-imperialist stance."[25]

Committed to an alliance of Latin American and Arab nations, Chávez was an enthusiastic supporter of both the South American – Arab Countries Summit (ASPA) meetings and the reactivation of the Organization of Petroleum Exporting Countries. In 2005, during the first ASPA Summit held in Brazil, Chávez reminded his audience that the way to build a solid relationship between the two continents and a strong alliance between the peoples of the South would be to follow Nasser's path: "I am very Nasserist, I would've loved to be serving my Colonel Gamal Abdel Nasser."[26] Nasser's image would be a constant throughout his 14 years in power.

The Venezuelan leader generally opposed Israel and U.S. policy in the Middle East. During a visit to Syria, Chávez urged Arab peoples to "retake the flag of Pan Arabism, retake the flag of Arab unity, retake the flag of Arab dignity."[27]

Positions on the Israeli-Palestinian Conflict

Although the Israeli-Palestinian conflict is not part of the topic, it is important to mention it because, to a certain extent, it influences relations with some Latin American countries. In an effort to show their autonomy in foreign policy or in their anti-imperialist struggle, several left-wing Latin American countries show their counter-hegemonic positions, supporting Palestine and avoiding condemnation of

23 Velez, Federico. *Latin American Revolutionaries and the Arab World: From the Suez Canal to the Arab Spring.* London: Routledge, 2015: x. https://www.routledge.com/Latin-American-Revolutionaries-and-the-Arab-World-From-the-Suez-Canal-to-the-Arab-Spring/Velez/p/book/9781032927787

24 Cembrero, Ignacio. "Chávez perdió popularidad en el mundo árabe al arremeter contra la 'primavera'." *El País,* March 5, 2013. https://elpais.com/internacional/2013/03/05/actualidad/1352579480_238223.html?event_log=oklogin; Chesseron, Laetitia. "Hugo Chávez y el mundo árabe." *Revista de Ciencia Política* 24, March 2015. https://www.revcienciapolitica.com.ar/num24art4.php

25 Colotti, Geraldina. *Después de Chávez. Cómo nacen las banderas,* Caracas: Ed. Vadell Hnos, 2018: 53. https://albaciudad.org/wp-content/uploads/2021/05/despues_de_chavez_1.pdf

26 Chávez Frías, Hugo. "Selección de discursos del presidente de la República Bolivariana de Venezuela," *Hugo Chávez Frías: 2005, año del salto adelante: hacia la construcción del socialismo del siglo XXI:* 341. Ediciones de la Presidencia de la República.

27 Vélez, Federico. *Latin American Revolutionaries and the Arab World: From the Suez Canal to the Arab Spring.* London: Routledge, 2015: 148.

the Iranian and Syrian regimes.[28] This position contrasts with the policy adopted in previous decades, when —in 1948— the U.S. imposed an arms embargo on the nascent Hebrew state and Latin American states such as Argentina (which had abstained from voting in the UN for the partition of Palestine), Chile, Mexico, Guatemala, Nicaragua and Panama facilitated the shipment of arms to Israel.[29]

Since the Six-Day War in 1957, relations between Israel and several Latin American countries have been drifting apart and even deteriorating. This trend was accentuated after the Kippur War in 1973.[30] With the exception of a few countries, relations with Israel have been improving since the 1990s,[31] but the conflict in the Gaza Strip between 2008 and 2009 triggered a wave of condemnation of the Israeli military offensive in Latin America.[32] More recently, the vast majority of Latin American countries (with the notable exception of Cuba, Nicaragua and Venezuela) condemned the attack committed by Hamas on October 7, 2023. Subsequently, several Bolivarian countries have taken very critical positions towards Israel.[33]

Iranian Influence in the Region

Of the Muslim countries, Iran has undoubtedly had the strongest presence in Latin America. Due to political sympathies with several regimes in the region (whose geographical proximity to the U.S., the Great Satan, is an asset) or the presence of an important Shiite community, the Islamic Republic of Iran has managed to establish privileged relations and an important network of influence in Latin America. Moreover, it allows it, together with its policy of broader openness towards the *Global South*, to counter the consequences of the imposed sanctions.

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28 Baeza, Cecilia. "The Role of the Middle East in the New International Relations of Latin America." *Mouvements* 2013/4, no. 75: 25–35. https://www.cairn-int.info/journal-mouvements-2013-4-page-25.htm

29 Sberro, S. "América Latina e Israel: del apoyo a la hostilidad." In *El Conflicto en Gaza e Israel 2008-2009: una visión desde América Latina,* Dir. M. Ferez Gil, 41–77. México: Ed. del Senado de la República https://archivos.juridicas.unam.mx/www/bjv/libros/5/2949/5.pdf

30 Ibid.

31 Ibid.

32 Baeza, Cecilia. "The Role of the Middle East in the New International Relations of Latin America." *Mouvements* 2013/4, no. 75: 25–35. https://www.cairn-int.info/journal-mouvements-2013-4-page-25.htm

33 Malamud, Carlos and Núñez Castellano, Rogelio. "América Latina y la crisis de Gaza." *Real Instituto Elcano.* October 18, 2023. https://www.realinstitutoelcano.org/analisis/america-latina-y-la-crisis-de-gaza/

The recent integration of Iran into the BRICS (economic, political and social alliance initially composed of Brazil, Russia, India, China and South Africa) allows Tehran to acquire greater visibility and to get closer to Latin America, developing new ties with Brazil. In Latin America, Iran's area of influence extends mainly in countries with revolutionary and anti-imperialist tendencies, which are part of the Bolivarian Alliance for the Peoples of Our America (also known as the Bolivarian Alliance for the Americas or ALBA).

Iran's rapprochement and positioning in this region is strategically more important than ever, considering the current arm-wrestling match it is maintaining with the U.S. in the conflict resulting from the October 7, 2023, attack by Hamas on Israel. In addition, the fact that Iran has positioned itself as a defender of the Palestinian people gives it a very high sympathy in several Latin American countries and peoples. In this sense, the main countries with which Iran maintains a privileged relationship will be discussed below.

Brazil. Iran is not only satisfied with establishing and maintaining relations with the Bolivarian countries, but also with other countries in the region whose ideological sympathies have revolutionary anti-imperialism in common. Therefore, being based on ideological harmony, such alliances tend to evolve according to the profile of power. This is the case of Brazil, which after the return of President Lula da Silva, in 2023, authorized the mooring of two Iranian warships, the I.R.I.S. *Makran* and the I.R.I.S. *Dena*, in Brazilian ports after having announced its intention to transit the Panama Canal.[34]

Bolivia. One of the most recent examples of Iranian-Bolivian cooperation dates back to July 2023, when both nations signed a bilateral defense agreement.[35] In the official statements, mention is made of the fact that both countries are *revolutionaries*[36] and

34 Center for a Secure Free Society. "Latin America between war and peace." *Vric Monitor* n.° 29, March 3, 2023. https://www.securefreesociety.org/research/monitor29/; Dialogo Americas. "Presencia de buques de guerra iraníes en Latinoamérica despierta inquietud," April 18, 2023. https://dialogo-americas.com/en/articles/presencia-de-buques-de-guerra-iranies-en-latinoamerica-despierta-inquietud/; Lagrone, Sam. "Iranian Navy Surface Action Group Docked in South Africa." *USNI News,* April 5, 2023. https://news.usni.org/2023/04/05/iranian-navy-surface-action-group-docked-in-south-africa-satellite-photos-reveal

35 Humire, Joseph. "Iran's Weapons Now Reach the Western Hemisphere." *The Heritage Foundation,* August 10, 2023. https://www.heritage.org/middle-east/commentary/irans-weapons-now-reach-the-western-hemisphere

36 Tehran Times. "Iranian, Bolivian ministers ink defense MoU." July 21, 2023. https://www.tehrantimes.com/news/487081/Iranian-Bolivian-ministers-ink-defense-MOU

that the Andean country showed interest in obtaining Iranian drone technology.[37] This episode is the fruit of 15 years of rapprochement between the two countries, dating back to 2007 and 2008, when they signed a strategic agreement that would seal the beginning of privileged relations that have been developing in several areas,[38] among others, defense.

Cuba. Despite having revolutionary and anti-imperialist ideologies, cooperation between Cuba and Iran has always been very weak and limited to bilateral agreements. In mid-2023, several Iranian officials, including the President, Ebrahim Raisi, and the Minister of Defense, Mohammad-Reza Ashtiani, traveled to Havana and signed six cooperation agreements in various fields. In December of the same year, the Cuban Minister of Foreign Affairs traveled to Tehran, signing agreements in sectors such as agriculture, medicine, mining and energy.[39]

Venezuela. Undoubtedly, Venezuela is the main course of Persian presence and cooperation in the region, due to the importance of oil and logistical, military, agricultural, industrial, and energy support provided by Iran for more than a decade now. Support that has been extended for a period of 20 years, through the subscription of a roadmap of cooperation, in 2022.[40]

It is worth mentioning that, at the end of the Chávez era, besides the more than 50 joint ventures, almost a hundred Iranian companies were operating in Venezuela, all within the framework of the 270 memorandums of understanding signed between both countries.[41] The direct flights between Caracas, Damascus and Tehran, established in

37 Flores, Paola and Daniel Politi. "Bolivia says it is interested in obtaining Iranian drone technology to protect its borders." *AP News,* July 25, 2023. https://apnews.com/article/iran-argentina-novillo-tehran-drones-570b75c7ca51bb5bb5bbf5ca250ccb75

38 Ministerio de Relaciones Exteriores. Estado Plurinacional de Bolivia. August 25, 2015. https://www.cancilleria.gob.bo/webmre/node/1518

39 Perera, Alina and René Tamayo. "Cuba e Irán: resistencia, soberanía y más cooperación, o cómo el imperialismo no ha podido hacer retroceder dos revoluciones." *Presidencia y Gobierno de Cuba,* December 4, 2023. https://www.presidencia.gob.cu/es/noticias/cuba-e-iran-resistencia-soberania-y-mas-cooperacion-o-como-el-imperialismo-no-ha-no-podido-hacer-retroceder-dos-revoluciones/

40 Motamedi, Maziar. "Iran, Venezuela sign 20-year cooperation plan during Maduro visit." *Al Jazeera,* June 11, 2022. https://www.aljazeera.com/news/2022/5/11/iran-venezuela-sign-20-year-cooperation-plan-during-maduro-visit

41 Humire, Joseph. "Iran and Venezuela: A Strategic Partnership," *Diálogo Américas* June 10, 2021. https://dialogo-americas.com/articles/iran-and-venezuela-a-strategic-partnership, cited by Ellis, Evan. "Reanudación de las Relaciones de Irán con América Latina." *Revista Seguridad y Poder Terrestre* (vol. 2) no. 4, 2023: 30. https://revistas.ceeep.mil.pe/index.php/seguridad-y-poder-terrestre/article/view/43/80

the mid-2000s and later interrupted, were recently resumed.[42] In fact, in mid-2022, an event took place that did not go unnoticed internationally. A Boeing Cargo aircraft, formerly owned by the Iranian company Maham Air and sold to the Venezuelan company Emtrasur Cargo, was forced to land in Argentina for refueling. Argentine authorities blocked the plane to investigate whether the 17-person Iranian-Venezuelan crew members were traveling for commercial reasons or had any connection to international terrorism.[43] The aircraft remained on the ground until February 2024, when it was finally transferred to the U.S.[44] In retaliation, in mid-March 2024, the Venezuelan government decided to close its airspace to Argentina.[45]

In June 2023, the Iranian president toured Latin American countries. One of the main reasons for the trip was to increase trade between Venezuela and Iran.[46] The two leaders signed 25 agreements, in sectors ranging from education and healthcare to mining. Additionally, another priority is to develop technological cooperation between the two countries and, in general, to improve the economic, political, and scientific cooperation between Iran, Venezuela, Nicaragua and Cuba. At the agricultural level, the most recent example is the cession to Iran of one million hectares of arable land.[47]

But the two countries cooperate in other domains as well. Venezuela reached an agreement with Iran to import oil in exchange for gold, resulting in an active back-

42 Primera, Maye. "Caracas-Damasco-Teherán, un vuelo de lo más misterioso." *El País,* November 23, 2009. https://elpais.com/diario/2009/11/23/internacional/1258930803_850215.html; Gimenez Mazó, Edgardo. "Conviasa resumes regular flights between Venezuela and Syria." *Aviacion Line,* May 30, 2023. https://www.aviacionline.com/2023/05/conviasa-resumes-regular-flights-between-venezuela-and-syria/

43 Ottolenghi, Emanuele. "Mystery Cargo." *The Dispatch,* July 5, 2022. https://thedispatch.com/article/mystery-cargo/; Voz de América. "Venezuela exige devolución de avión retenido en Argentina." August 9, 2022. https://www.vozdeamerica.com/a/venezuela-exige-devolucion-de-avion-retenido-en-argentina/5594094.html

44 Niebieskikwiat, Natasha. "La historia del avión venezolano iraní llega a su fin." *Clarín,* February 10, 2024. https://www.clarin.com/politica/historia-avion-venezolano-irani-llega-fin-unidos-llevara-ezeiza-fin-semana_0_c1zpZRKJvw.html

45 Lambertucci, Constanza, Alonso Moleiro. "Ofensiva de Milei contra Maduro por el cierre del espacio aéreo de Venezuela a Argentina." *El País,* March 14, 2024. https://elpais.com/argentina/2024-03-14/ofensiva-de-milei-contra-maduro-por-el-cierre-el-cierre-del-espacio-aereo-de-venezuela-a-argentina.html

46 The New Arab. "Iran, Venezuela have 'common enemies', Raisi says in Caracas." June 13, 2023. https://www.newarab.com/news/iran-venezuela-have-common-enemies-raisi-says

47 *Infobae.* "El régimen de Maduro le cederá a Irán 1 millón de hectáreas de tierra de cultivo." July 25, 2022. https://www.infobae.com/america/america-latina/2022/07/25/el-regimen-de-maduro-le-cedera-a-iran-1-millon-de-hectareas-de-tierras-de-cultivo/; Alcalde, Carolina. "¿Podría Venezuela proporcionar tierras de cultivo a Irán?" *Voz de América,* August 3, 2022. https://www.vozdeamerica.com/a/venezuela-iran-farmland-iran-/5584993.html

and-forth between air (*Mahan Air* for gold transport) and sea (tankers of the National Iranian Oil Company).[48] It is estimated that approximately 1.5 million barrels of oil arrived in Venezuela, in exchange for nine tons of gold valued at almost 500 million dollars. However, Iran is not the only country to receive Venezuelan gold. In a program of gold for food, it is suspected that Turkey also received Venezuelan gold, officially to refine it, which it then sold to Emirati and Turkish companies.[49]

In September 2023, it was revealed that Venezuela, Syria and Iran signed a tripartite memorandum for the construction of a new refinery with a capacity of 140,000 barrels in the Syrian city of Homs.[50] In addition, Iran intervened in the repair of the Palito refinery in Venezuela[51] and, in general, in the supply of oil.

In 2021, the U.S. suspected that the two Iranian ships (*Makram* and *Sahand*) that sailed for the Atlantic might be carrying weapons for Venezuela.[52] However, after publicly denouncing it, these ships never arrived at their destination. Also, according to a Pentagon report, members of the Islamic Revolutionary Guards Corps–Quds Force were present in Venezuela. Without explicitly naming Venezuela, the report stated that members of the Quds Forces abroad were stationed in Iranian embassies, charities and Shiite religious and cultural institutions.[53] More recently, the U.S. Secretary of State stated that the Trump administration believed that Hezbollah maintained active

48 The New Arab. "Iran to build new oil refinery in Syria's Homs in tripartite deal with regime." September 27, 2023. https://www.newarab.com/news/iran-build-new-oil-refinery-syrias-homs

49 Humire, Joseph. "Iran, Turkey, and Venezuela's Super Facilitator: Who is Alex Saab?" Center for a Secure Free Society, June 30, 2020. https://www.securefreesociety.org/research/who-is-alex-saab/

50 The New Arab. "Iran to build new oil refinery in Syria's Homs in tripartite deal with regime." September 27, 2023. https://www.newarab.com/news/iran-build-new-oil-refinery-syrias-homs

51 García, Ariadna. "Irán y Pdvsa firman contrato por 110 millones de euros para reparar El Palito." *Crónica Uno,* May 13, 2022. https://cronica.uno/iran-y-pdvsa-firman-contrato-por-110-millones-de-euros-para-reparar-el-palito/

52 Nadimi, Farzin. "Iran's Atlantic Voyage: Implications of Naval Deployments to Venezuela or Syria." *The Washington Institute,* June 15, 2021. https://www.washingtoninstitute.org/policy-analysis/irans-atlantic-voyage-implications-naval-deployments-venezuela-or-syria; Lagrone, Sam. 2021. "Iranian Navy Flotilla Wraps up Four-Month Atlantic Deployment, Pledges More International Operations." *USNI News,* September 10, 2021. https://news.usni.org/2021/09/10/iranian-navy-flotilla-wraps-up-four-month-atlantic-deployment-pledges-more-international-operations; "El Pentágono vigila barcos de guerra iraníes que van rumbo a Venezuela." *Cambio 16,* January 25, 2023. https://www.cambio16.com/pentagono-vigila-barcos-de-guerra-iranies-rumbo-a-venezuela/

53 Carroll, Rory. "Iran's elite force expanding influence in Venezuela, claims Pentagon." *The Guardian,* April 27, 2010. https://www.theguardian.com/world/2010/apr/27/iran-venezuela-pentagon-report

cells in Venezuela.[54] In this regard, Venezuelan politician Juan Guaidó stated that Chávez had provided Venezuelan passports to Iranian citizens, Syrians and members of Hezbollah or other militias, facilitating their entry into Latin America.[55]

In the military field, Iran confirmed —in 2012— the supply of drones to Venezuela,[56] that this country has been progressively adapting and incorporating.[57] In 2013, a U.S. report assured that both countries were cooperating in intelligence matters,[58] and it is believed that also in training for the Venezuelan naval special forces.[59] During a naval parade in Venezuela in July 2023, the participation of Iranian-made missile boats of the Zolfaghar class, equipped with Nasr-1 anti-ship missiles, was observed.[60]

Based on soft power, since 2005, Iran has doubled its diplomatic presence in Latin America, both in terms of embassies and diplomatic personnel. As part of this strategy, Tehran has strengthened the presence of cultural attachés within their missions, cultural or religious centers, as has been the case of the attack against the Argentine Israelite Mutual Association (AMIA) in Buenos Aires, in 1994, in which the Iranian cultural attaché, Mohsen Rabbani, was accused of being the mastermind of the attack. Likewise, it is worth mentioning the will of indoctrination carried out by Tehran, which translates into a greater presence of schools, cultural centers (which offer scholarships to candidates who want to study in Iran) and mosques for preaching, as well as modern means of communication to influence Latin American

54 Clarke, Colin P. "Hezbollah is in Venezuela to Stay." *Foreign Policy,* February 9, 2019. https://foreignpolicy.com/2019/02/09/hezbollah-is-in-venezuela-to-stay/

55 Ellis, Evan. "Reanudación de las Relaciones de Irán con América Latina." *Revista Seguridad y Poder Terrestre* (vol. 2) no. 4: 31. https://revistas.ceeep.mil.pe/index.php/seguridad-y-poder-terrestre/article/view/43/80

56 Ibid.

57 Castro, Livia Drusila. "Venezuela ya tiene listos drones iraníes ensamblados y artillados por Eansa." *Info Dron,* July 11, 2022. https://www.infodron.es/texto-diario/mostrar/3819355/drones-iranies-ensamblados-venezuela-ven-luz

58 Rotella, Sebastian. "The Terror Threat and Iran's Inroads in Latin America." *ProPublica,* July 11, 2013. https://www.propublica.org/article/the-terror-threat-and-irans-inroads-in-latin-america, cited by Ellis, Evan. "Resuming Iran's Relations with Latin America." *Revista Seguridad y Poder Terrestre* (vol. 2) no. 4, 2023: 31. https://revistas.ceeep.mil.pe/index.php/seguridad-y-poder-terrestre/article/view/43/80

59 Ellis, Evan. "Reanudación de las Relaciones de Irán con América Latina." *Revista Seguridad y Poder Terrestre* (vol. 2) no. 4, 2023: 34. https://revistas.ceeep.mil.pe/index.php/seguridad-y-poder-terrestre/article/view/43/80

60 Egozi, Arie. "Iran delivers weapon systems to Venezuela." *Defence Industry Europe,* July 27, 2023. https://defence-industry.eu/iran-delivers-weapon-systems-to-venezuela/

public opinion (the television channel *HispanTV*, the YouTube Channel *Baiatullah*[61] or the news agency *Ahlul Bait*, available in 24 languages).[62]

Undoubtedly, one of the key figures in this presence is Tarek al-Aissami (of Syrian and Lebanese origin), who was Venezuela's Vice President and Minister of Petroleum until the purge that took place in March 2023 due to the disappearance of 3 billion dollars from Venezuelan oil,[63] and on whom the U.S. offered a reward of 10 million dollars to facilitate his capture.[64] In addition, as shown by the case of Lebanese-Venezuelan businessmen Majed and Khaled Khalil Majzoub (relatives of former Lebanese Finance Minister Ali Hassan Khalil, who was recently sanctioned by the U.S. Treasury's Office of Foreign Assets Control for his material support to Hezbollah and other corruption charges), this network also extends to Bolivia, benefiting from the preferential trade agreements that the Evo Morales regime granted them in Bolivia.[65]

Argentina. Everything points to the fact that it was the Lebanese Shiite militia supported by Tehran, Hezbollah, which was behind the attacks committed in Buenos Aires against the Israeli embassy in 1992 and the AMIA Jewish community center in 1994 (114 fatalities in total and hundreds of wounded), through a cell that operated from the region of the three borders (Paraguay, Brazil and Argentina) and is still active in that area.[66] This has significantly hindered, even for Peronist governments,

61 Baiatullah Channel. https://www.youtube.com/Baiatullah

62 AhlulBayt News Agency, ABNA World Services. https://abna24.com Brogiolo, Lucía Anahí. 2023. "Los tentáculos de Irán y Hezbolá en América Latina." *LISA News,* December 27, 2023. https://www.lisanews.org/geopolitica/tentaculos-iran-hezbola-america-latina/

63 Lozano, Daniel. "Guerra interna en el régimen chavista tras la desaparición de 3.000 millones de dólares del petróleo." *El Mundo,* March 19, 2023. https://www.elmundo.es/internacional/2023/03/19/54173ffofc5c83d5088b45ac.html

64 Ayuso, Silvia. "Tareck El Aissami es el funcionario venezolano de más alto nivel castigado hasta la fecha por Washington." *El País,* February 14, 2017. https://elpais.com/internacional/2017/02/13/estados_unidos/1487025972_977482.html

65 Humire, Joseph. "The Maduro-Hezbollah Nexus: How Iran-backed Networks Prop up the Venezuelan Regime." *The Atlantic Council,* October 7, 2020: 8–10. https://www.atlanticcouncil.org/wp-content/uploads/2020/10/The-Maduro-Hezbollah-Nexus-How-Iran-backed-Networks-Prop-up-the-Venezuelan-Regime.pdf; Humire. 2021. "El empresario Majed Khalil y sus vínculos con la corrupción en Venezuela." May 3, 2021. https://www.hable.se/2021/05/el-empresario-majed-khalil-y-sus.html

66 Nisman, Alberto. "Nisman Report (Dictamina) on Sleeper Cells." Project of Foundation for Defense of Democracies, March 4, 2015. http://albertonisman.org/nisman-report-dictamina-on-sleeper-cells-full-text/, cited by Humire, Joseph. "The Maduro-Hezbollah Nexus: How Iran-backed Networks Prop up the Venezuelan Regime." *The Atlantic Council,* October 7, 2020: 3. https://www.atlanticcouncil.org/wp-content/uploads/2020/10/The-Maduro-Hezbollah-Nexus-How-Iran-backed-Networks-Prop-up-the-Venezuelan-Regime.pdf

the relationship between Iran and Argentina. The death in suspicious circumstances of Alberto Nisman, the Argentine prosecutor in charge of the investigation (in which he pointed to Hezbollah), put another brake on an eventual rapprochement.[67]

Since the AMIA attack, Hezbollah's External Security Organization or Unit 910 responsible for its extraterritorial operations, has transformed itself into a terrorist network in Latin America, getting involved with drug trafficking.[68] It has successfully co-opted many families of Lebanese origin, mainly present in Brazil, Argentina, Colombia and Venezuela, which is a success considering that a high percentage of Lebanon's gross domestic product comes from remittances.[69] In fact, there are several clans that due to the nationalities of their leaders and some members (combination, on the one hand, of Lebanese or Syrian nationality, and on the other hand, of Venezuelan, Bolivian or Colombian in most cases), as well as by their actions (money laundering, drug and arms trafficking, through triangular operations with logistical air bridges between Venezuela, Syria and Iran, etc.) represent the links between the two regions. This is the case of the Saleh, Nassereddine and Rada clans.[70]

At the end of December 2023, coinciding with the Maccabees Games, a Pan-American sporting event that brings together some 4,000 Jewish athletes and was being held in the Argentine capital, three alleged Syrian and Lebanese terrorists were arrested in Buenos Aires, one of whom held Venezuelan and Colombian passports.[71] Hezbollah is

67 Smink, Veronica. "Alberto Nisman: los 4 misterios sobre la muerte del fiscal argentino que examina la serie de Netflix." *BBC Mundo,* January 17, 2020. https://www.bbc.com/mundo/noticias-america-latina-51059590

68 U.S. Department of Justice. "Attorney General Sessions Announces New Measures to Fight Transnational Organized Crime." October 15, 2018. https://www.justice.gov/opa/pr/attorney-general-sessions-announces-new-measures-fight-transnational-organized-crime

69 Humire, Joseph. "The Maduro-Hezbollah Nexus: How Iran-backed Networks Prop up the Venezuelan Regime." *The Atlantic Council,* October 7, 2020: 5. https://www.atlanticcouncil.org/wp-content/uploads/2020/10/The-Maduro-Hezbollah-Nexus-How-Iran-backed-Networks-Prop-up-the-Venezuelan-Regime.pdf

70 Counter Extremism Project. "Ali Mohamed Saleh." https://www.counterextremism.com/extremists/ali-mohamed-saleh; Counter Extremism Project. "Ghazi Nassereddine." https://www.counterextremism.com/extremists/ghazi-nassereddine; Counter Extremism Project. "Amer Akil Rada." https://www.counterextremism.com/extremists/amer-akil-rada; Humire, Joseph. "The Maduro-Hezbollah Nexus: How Iran-backed Networks Prop up the Venezuelan Regime." *The Atlantic Council,* October 7, 2020: 5–9. https://www.atlanticcouncil.org/wp-content/uploads/2020/10/The-Maduro-Hezbollah-Nexus-How-Iran-backed-Networks-Prop-up-the-Venezuelan-Regime.pdf

71 Voz de América. "Argentina detiene a tres presuntos yihadistas; uno con pasaportes de Venezuela y Colombia." January 3, 2024. https://www.vozdeamerica.com/a/argentina-detienen-a-tres-ciudadanos-sirios-sospechosos-de-integrar-celula-terrorista-uno-con-pasaporte-de-venezuela-y-colombia/7425045.html

also still very active in the Tri-Border region.[72] According to Paraguayan authorities, drug traffickers are linked —in one way or another— to Hezbollah.[73]

Latin America: New El Dorado for Investors from Gulf States

In parallel to geopolitical relations, the attractiveness of Latin American countries for investment from the Persian Gulf should be highlighted. In fact, the last Annual Investment Meeting 2023, which was held in Abu Dhabi, included a forum with a regional focus dedicated to Latin America and the Caribbean.[74] Likewise, in 2019, the Global Business Forum for Latin America took place in Panama, organized by the Dubai Chamber of Commerce and Industry and the Inter-American Development Bank (IDB). This event resulted in the publication of a report that reviews trade and investment trends between the two regions, identifying opportunities and recommending policies.[75]

The fourth and last ASPA Summit was held in Saudi Arabia to commemorate its tenth anniversary. As can be seen in the Riyadh Declaration, it is a forum not only with a strong political component[76] (strengthening diplomatic relations and facilitating the opening of new chancelleries), but also with a strong economic and commercial

72 Véase López de Miguel, Mariano. "Terrorismo transnacional en América Latina." In *Desafíos y Amenazas a la Seguridad en América Latina,* Coord. Eduardo Vera Delzo, 2022: 127–137. https://ceeep.mil.pe/wp-content/uploads/2023/01/5.-Terrorismo-transnacional-en-América-Latina-Mariano-Lopez-de-Miguel.pdf

73 Chaya, George. "Narcotráfico y terrorismo yihadista en América Latina: desmantelaron en la Triple Frontera una organización criminal estrechamente vinculada a Hezbollah." *Infobae,* January 23, 2021. https://www.infobae.com/america/america-latina/2021/01/23/narcotrafico-lavado-de-activos-y-terrorismoyihadista-en-america-latina-desmantelaron-en-la-triple-frontera-una-organizacion-criminal-estrechamentevinculada-a-hezbollah/

74 *El Correo del Golfo.* "América Latina y el Caribe presentan en Emiratos Árabes grandes oportunidades de inversión para los países del CCG." June 4, 2023. https://www.elcorreo.ae/articulo/economia/america-latina-caribe-presentan-emiratos-arabes-grandes-oportunidades-inversion-paises-ccg/20230604090626155939.html

75 Estrazulas, Francisco. "Nuevos horizontes para el comercio y la inversión: Estrategias para los países del Golfo y de América Latina y el Caribe." Banco Interamericano de Desarrollo, 2019. https://publications.iadb.org/publications/spanish/viewer/Nuevos_horizontes_para_el_comercio_y_la_inversi%C3%B3n_Estrategias_para_los_pa%C3%ADses_del_Golfo_y_y_de_Am%C3%A9rica_Latina_y_el_Caribe_en.pdf

76 IRI. "América del Sur – Países Árabes (ASPA). Riyadh Declaration." Instituto de Relaciones Internacionales, November 2015. https://www.iri.edu.ar/wp-content/uploads/2015/08/A-2015-d-ASPA-Riyadh-Declaration.pdf

component, facilitating exchanges between the two regions.[77] In order to gain more autonomy through diversification, Brazil has been one of the first to explore and develop new political partnerships[78] and new markets.[79]

For several reasons, in the economic relations between the two regions, the main investors are the Gulf countries. The first reason is financial (they have significant means to invest), the second is geopolitical (they are interested in settling in this region because of its proximity to the U.S. and diversifying their economic partners, opening and developing new markets) and the third is access to scarce resources in their own countries (minerals, agricultural, etc.). Although trade exchanges are relatively scarce, the main trading partner is undoubtedly the United Arab Emirates (UAE). Its exports to Latin American countries accounted for almost a third of total bilateral exports in 2019. Emirati imports from Latin America accounted for 46% (5 billion dollars) of the total imports of the Persian Gulf Cooperation Council (GCC), composed of Bahrain, Kuwait, Oman, UAE, Qatar and Saudi Arabia, from this region.[80] Brazil has become an important trading partner of Saudi Arabia, exporting poultry, corn and sugar, among others.[81]

The agri-food sector is of paramount importance for consolidating food security in the Gulf countries and has become a significant area of cooperation between the two regions. In fact, between the years 2005 and 2015, agricultural exports from Latin

77 Ali Khan, Ghazanfar. "World leaders descend on Riyadh for ASPA summit." *Arab News,* November 10, 2015. https://www.arabnews.com/featured/news/833355; Galindo Marines, Alejandra. "Mexico and Brazil's Approach Towards the GCC Countries: An Assessment of Economic Diplomacy." Arab Center for Research and Policy Studies, March 2018. https://www.dohainstitute.org/en/Lists/ACRPS-PDFDocumentLibrary/EconomicDiplomacyMexicoBrazilArgentinaGCC.pdf

78 Baeza, Cecilia. "The Role of the Middle East in the New International Relations of Latin America." *Mouvements* 2013/4, no. 75: 25–35. https://www.cairn-int.info/journal-mouvements-2013-4-page-25.htm

79 Vigevani, Tullo and Cepaluni, Gabriel. "A política externa de Lula da Silva: a estratégia da autonomia pela diversificação." *Contexto internacional* 29, no. 2, 2007: 273–335. https://www.scielo.br/j/cint/a/sWn5MtCXtMZdzdSm3CtzZmC/, cited by Baeza, Cecilia. "The Role of the Middle East in the New International Relations of Latin America." *Mouvements* 2013/4, no. 75: 25–35. https://www.cairn-int.info/journal-mouvements-2013-4-page-25.htm

80 Estrazulas, Francisco. "Nuevos horizontes para el comercio y la inversión: Estrategias para los países del Golfo y de América Latina y el Caribe." Banco Interamericano de Desarrollo, 2019: 15. https://publications.iadb.org/publications/spanish/viewer/New_horizons_for_trade_and_investment%C3%B3n_Strategies_for_the_pa%C3%ADses_del_Golfo_y_am%C3%A9rica_Latina_y_el_Caribe_en.pdf

81 *Arab News.* "Brazilian exports to Saudi Arabia hit $1.87bn, the highest among Arab countries." August 20, 2023. https://arab.news/4dpbw

America to GCC countries nearly doubled.[82] In 2013, Brazil supplied more than three-quarters of Saudi imports of poultry and sugar.[83]

Like Iran, several Gulf investment funds have invested in agri-food companies but have also shown increasing interest in acquiring agricultural land in Latin America. In 2011, Al Gharrafa Investment, an affiliate of the Qatari sovereign wealth fund and based in the Cayman Islands, increased its stake in Adecoagro, a George Soros-backed farmland company[84] and based in Argentina, Brazil and Uruguay, becoming —today— its largest shareholder.[85]

In the same year, the largest dairy company in the Gulf, Saudi Arabia's Almarai, acquired Luxembourg's Fondomonte, which at the time operated farms in Argentina. Starting in 2012, Fondomonte expanded significantly in the U.S., particularly in Arizona for alfalfa farming (requiring high water consumption as it is a highly arid area), which will later be used as a nutritious feed for livestock in Saudi Arabia.[86] Fondomonte has been able to take advantage of the somewhat lax laws on water usage by foreign companies in the state of Arizona (U.S. companies are subject to much stricter regulations) and an active lobbying campaign.

In 2006, DP World, an Emirati company and the world's third largest port operator, invested US$1 billion in the port of Callao, Peru's main port, whose capacity exceeded 1.5 million teu (Twenty Foot Equivalent Unit) in 2022. Additionally, DP World Callao is developing a port expansion project through a new US$350 million investment. This initiative, called *Bicentennial Port*,[87] aims to increase the port's annual transfer capacity to 2.7 million teu.[88]

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82 Pelayo, Joze. "Unir al Consejo de Cooperación para los Estados del Golfo y a Latinoamérica." *Foreign Affairs Latinoamérica,* April 17, 2020. https://revistafal.com/unir-al-consejo-de-cooperacion-para-los-estados-del-golfo-y-a-latinoamerica/

83 Baeza, Cecilia. "The Role of the Middle East in the New International Relations of Latin America." *Mouvements* 2013/4, no. 75: 25–35. https://www.cairn-int.info/journal-mouvements-2013-4-page-25.htm

84 *The New York Times.* "Soros Bets the Farm." January 13, 2011. https://archive.nytimes.com/dealbook.nytimes.com/2011/01/13/soros-bets-the-farm/

85 Baeza, Cecilia. "The Role of the Middle East in the New International Relations of Latin America." *Mouvements* 2013/4, no. 75: 25–35. https://www.cairn-int.info/journal-mouvements-2013-4-page-25.htm; CapEdge. 2023. "Adecoagro (AGRO) 20-F2022 FY Annual report (foreign)." April 25, 2023: 121. https://capedge.com/filing/1499505/0001528280-23-013277/AGRO-20F-2022FY

86 Stanley-Becker, Isaac, Joshua Partlow, and Yvonne Wingett Sanchez. "How a Saudi firm tapped a gusher of water in drought-stricken Arizona." *The Washington Post,* July 15, 2023. https://www.washingtonpost.com/politics/2023/07/15/fondomonte-arizona-drought-saudi-farm-water/

87 Proyecto Muelle Bicentenario. https://proyectomuellebicentenario.com

88 Labrut, Michele. "DP World Callao in Peru sets container volume record." *Sea Trade,* January 5, 2022. https://www.seatrade-maritime.com/ports-logistics/dp-world-callao-peru-sets-container-volume-record; DP World Callao. https://www.dpworld.com/en/peru/ports-and-terminals/callao

However, unlike China (which became a member of the IDB in 2009),[89] this type of foreign direct investment remains rare in Latin America from the Gulf countries. Undoubtedly, regional leaders would like to see Gulf sovereign wealth funds channeled into projects such as the one they concluded with China in early 2013, which contributes close to $2 billion to a new regional investment fund in partnership with the IDB, showing that infrastructure projects are one of China's foreign policy priorities.[90] Even if the amount were small, the participation of Gulf States in such a multilateral mechanism would be welcomed by Latin American countries. However, there is no indication that these countries are interested in this less profitable type of investment. Therefore, other Latin American countries such as Panama[91] and Paraguay[92] are seeking to develop trade with the countries of the Persian Gulf.

Turkey

We do not know whether, as Turkish President Recep Tayyip Erdoğan stated, Muslim navigators beat Christopher Columbus in his Atlantic crossing,[93] but we do know that President Erdoğan has initiated and developed important ties between Turkey and several Latin American countries. Applying his doctrine of strategic depth (driven by former Turkish Foreign Minister and Prime Minister Ahmet Davutoglu) and betting on a multidimensional foreign policy, diversification and expansion towards new markets and partners, Turkey has gone from being a regional power to becoming a global stakeholder. Thus, Latin America has become a priority for

89 Biblioteca del Congreso Nacional de Chile. "China se integra al Banco Interamericano del Desarrollo." January 14, 2009. https://www.bcn.cl/observatorio/asiapacifico/noticias/china-banco-interamericano-del-desarrollo

90 Bordazar, Bogado, Laura Lucía and Juan Cruz Margueliche. "Infraestructura latinoamericana e inversión china. Una cadena de cooperación mutua en la nueva alternativa de globalización." In *China y el nuevo mapa del poder mundial. Una perspectiva desde América Latina,* Ed. por Gabriel Esteban Merino, Lourdes Regueiro Bello y Wagner Tadeu Iglecias, 193–219. Consejo latinoamericano de Ciencias Sociales, 2022: 202. https://www.clacso.org/wp-content/uploads/2022/11/China-new-map.pdf

91 Rodríguez, Mirta. "Panamá explora nuevos nichos de inversión en Emiratos Árabes Unidos." *La Estrella de Panamá,* March 15, 2023. https://www.laestrella.com.pa/economia/230315/panama-explora-nuevos-nichos-inversion

92 Market Data. "Paraguay apunta al fortalecimiento de las relaciones comerciales con Arabia Saudita." May 23, 2023. https://marketdata.com.py/noticias/paraguay-apunta-al-fortalecimiento-de-las-relaciones-comerciales-con-arabia-saudita-108008/

93 BBC World. "'Los musulmanes llegaron a América tres siglos antes que Colón', según el presidente turco." November 15, 2014. https://www.bbc.com/mundo/ultimas_noticias/2014/11/141115_ultnot_musulmanes_america_colon_jgc_jgc; Taussig, Sylvie. 2018 (1). "Le mythe de l'islam précolombien: acteurs, discours et enjeux." *Les Cahiers de l'Orient* 2018/2 (N° 130): 157–185. Ed. Centre d'études et de recherches sur le Proche-Orient. https://www.cairn.info/revue-les-cahiers-de-l-orient-2018-2-page-157.htm

this country, which already has 17 embassies in this region, with 15 Latin American countries having embassies in Ankara. Turkey is an observer member of the Central American Integration System, the Pacific Alliance, the Latin American and Caribbean Parliament,[94] of the Organization of American States, the Caribbean Community and the Rio Group.[95] Between 2010 and 2018, Turkish imports increased from less than US$3.5 billion to US$8.5 billion, while exports doubled to US$3.2 billion.[96]

Turkey has not only expanded its influence but has also diversified its fields of production or exploitation, such as energy, new technologies, and defense. The development of the Turkish arms and defense industry has made an important quantitative leap[97] and has aroused the interest of Latin American countries.[98]

Because of his Palestinian origins, the Salvadoran president, Nayib Bukele (whose father converted to Islam and served as an imam), represents an interesting example to mention. In January 2022, taking advantage of his tour in the region, which would also take him to UAE, he signed with his counterpart Recep Tayyip Erdoğan a series of agreements in the fields of economy, defense and technology. This rapprochement with Ankara coincides with a significant growth of Turkish private investment in Latin America.[99]

Culture. It should be noted that the expansion of the Arab-Muslim culture responds to the interest of several Muslim countries in spreading certain cultural and religious values. However, in this field, as in the political one, the case of Latin America, as a

94 Parlamento Latinoamericano y Caribeño. https://parlatino.org

95 Suárez Saponaro, Alejandro. "Turquía: socio estratégico para la industria de defensa en Argentina." *Equilibrium Global,* December 2, 2023. https://equilibriumglobal.com/turquia-socio-estrategico-para-la-industria-de-defensa-en-argentina/

96 González Levaggi, Ariel. "Los lazos crecientes de Turquía con América Latina." Instituto de Relaciones Internacionales, 2023. https://www.iri.edu.ar/index.php/2023/10/02/los-lazos-crecientes-de-turquia-con-america-latina-por-ariel-gonzalez-levaggi/

97 Suárez Saponaro, Alejandro. "Turquía: socio estratégico para la industria de defensa en Argentina." *Equilibrium Global,* December 2, 2023. https://equilibriumglobal.com/turquia-socio-estrategico-para-la-industria-de-defensa-en-argentina/; Yaylali, Cem Devrim. 2024. "Turkey's defense, aerospace exports rose by 25% last year." *Defense News,* January 8, 2024. https://www.defensenews.com/industry/2024/01/08/turkeys-defense-aerospace-exports-rose-by-25-last-year/

98 Yıldırım, Göksel. "Turkish defense giants to showcase products in Latin America: Companies to participate in FIDAE, one of Latin America's leading defense fairs." *Anadolu Agency,* April 2, 2022. https://www.aa.com.tr/en/americas/turkish-defense-giants-to-showcase-products-in-latin-america/2553495A

99 González Levaggi, Ariel. "Los lazos crecientes de Turquía con América Latina." Instituto de Relaciones Internacionales, 2023. https://www.iri.edu.ar/index.php/2023/10/02/los-lazos-crecientes-de-turquia-con-america-latina-por-ariel-gonzalez-levaggi/

region, is particular due to the important presence of communities of Arab origin,[100] which makes it a privileged market. Recently, the presence in Latin America of the Anadolu News Agency, the Turkish Cooperation and Coordination Agency, the Turkish Maarif Foundation and the Yunus Emre Institute is developing.

Soap Operas and Their Habibis. Turkish audiovisual production is important and uses this soft power, exporting its television series. In fact, Turkey is already the world's second largest exporter of television series after the United States.[101]

On the one hand, Turkey develops series that could be described as *Ottomanist* (as is the case with the *Sultan* series on Suleiman the Magnificent), whose main objective is to enhance the grandeur of the era of Ottoman power. On the other hand, Turkey produces series set in the present day. One of the goals of these series is to transmit the vision of a conservative society in line with the ideology of the ruling Justice and Development Party.[102] In addition, these series are subject to strict censorship control by the Turkish High Council of Radio and Television.[103]

However, another important goal is to normalize the figure of the young Muslim, attractive prince charming, the *habibi* ("wanted" or "loved").[104] The desired effect is to promote, through these soap operas that spread cultural stereotypes widely accepted in a conservative culture such as Latin America, a cultural rapprochement between both regions and to give a positive vision of Turkish culture, of the Muslim religion and of the Muslim man. This propaganda, which is one more element of the Turkish strategy to position itself in the region, has contributed to rethink the country's image and has encouraged, for example, travel and relations with Turkish men and, therefore, conversions to Islam. For various reasons, women are the most sensitive to

100 Godoy de Campos, Geraldo Adriano. "Scope review on contemporary Arab culture in Latin America." Arab Latinos UNESCO, August 2022. https://www.unesco.org/sites/default/files/medias/fichiers/2022/08/Scope_review-%20ArabLatinos.pdf

101 Asamblea de Exportadores Turcos citado por Aguilar Pinto, Reyna Varinia. "La industria cultural turca en América Latina." NODAL, September 13, 2018. https://www.nodal.am/2018/09/la-industria-cultural-turca-en-america-latina-por-reyna-varinia-aguilar-pinto-especial-para-nodal/

102 Aguilar Pinto, Reyna Varinia. "La industria cultural turca en América Latina." NODAL, September 13, 2018. https://www.nodal.am/2018/09/la-industria-cultural-turca-en-america-latina-por-reyna-varinia-aguilar-pinto-especial-para-nodal/

103 Waked, Darine. "¿Por qué las novelas turcas han enganchado al público latino?" *La Estrella de Panamá,* November 14, 2022. https://www.laestrella.com.pa/vida-y-cultura/cultura/novelas-turcas-han-enganchado-publico-IFLE481119

104 Taussig, Sylvie. "Quand l'islam 2.0 fascine les Latino-américaines." *The Conversation,* November 14, 2018. https://theconversation.com/quand-lislam-2-0-fascine-les-latino-americaines-105452

such soap operas, being the most likely to convert to Islam.[105]

Trade. Trade relations between Latin America and Turkey have developed exponentially in the last two decades. This can be seen in the trade balances, the signing of free trade agreements between Turkey and several Latin American countries,[106] and the establishment of new air routes (Turkish Airlines, FTA, etc.). In order to diversify and increase their exports of agri-food products, countries such as Brazil and Mexico are developing the production of halal certified foods,[107] that comply with the dictates of the *Sharia.*

Venezuela. In 2019, following an increase in trade exchanges between the two countries, U.S. sources have warned that part of the Venezuelan gold received by Turkey to be refined (worth almost $900 million in 2018), could —in reality— be headed to Iran. Once refined, the gold is supposed to be returned to Venezuela, although there is no record of any re-export. For Western governments, Turkey has become the biggest cause for concern in this regard.[108]

Conclusions

From areas as diverse as the audiovisual sector, the agri-food sector (including the halal industry), mining and the arms industry, Latin America presents a myriad of opportunities that several countries have known how to use or have been doing so. Taking advantage of its geographic proximity to the U.S., as well as its high volatility and instability in the political and security fields, the region has become the target of groups and countries that perceive it as a place of opportunities to develop activities related to terrorism and/or drug trafficking.[109]

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105 Taussig, Sylvie and Yolotl Valadez. "Le mariage islamique en Amérique latine: développement et enjeux." *Les cahiers de l'Islam,* 2018. https://www.lescahiersdelislam.fr/Le-mariage-islamique-en-Amerique-latine-developpement-et-enjeux_a1755.html

106 González Levaggi, Ariel. "Los lazos crecientes de Turquía con América Latina." Instituto de Relaciones Internacionales, 2023. https://www.iri.edu.ar/index.php/2023/10/02/los-lazos-crecientes-de-turquia-con-america-latina-por-ariel-gonzalez-levaggi/

107 *Los Angeles Times.* "Halal, clave mexicana para conquistar mercado de 1.800 millones de musulmanes." April 9, 2017. https://www.latimes.com/espanol/mexico/articulo/2017-04-09/efe-3233557-12781024-20170409

108 Lowen, Mark. "Turkey warned over Venezuela gold trade." *BBC,* February 2, 2019. https://www.bbc.com/news/world-europe-47092784

109 Merlo, Milton. "El jihadismo busca en México nuevas vías de financiación." *ABC,* March 31, 2024. https://www.abc.es/internacional/yihadismo-busca-mexico-nuevas-vias-financiacion-20240330155527-nt.html; Brogiolo, Lucía Anahí. "Los tentáculos de Irán y Hezbolá en América Latina." *LISA News,* December 27, 2023. https://www.lisanews.org/geopolitica/tentaculos-iran-hezbola-america-latina/

At the level of international geopolitics, there is an acceleration of the game of alliances and positioning by actors who, from the West, can be considered as second-rate. We are also witnessing the creation of links between countries of the so-called Global South that might seem the most unlikely. These new links, which are often perceived as artificial, are largely reminiscent of the rapprochement that took place in the mid-20th century between Latin American countries and the so-called Afro-Asian bloc.

Paradoxically, one could say that Nasser's greatest posthumous success and the perennialization of his policy is being seen in Latin America. The *Raïs* was the first to perceive the important potential of an alliance with these countries, since the fact of obtaining votes from Latin American countries in the UN represented —for the export of his policy— a guarantee of easily achievable success. These were about twenty countries that were easy to convince and whose support, in many cases, had already been won.

Arab socialism has survived little after the demise of the Egyptian leader. After the 1973 war, the *Umma* —the community of believers in Islam (including non-Arab Muslims)— has gained greater advantages than Arab nationalism. Nasser was not only the forerunner and promoter of rapprochement with Latin America, but also the one who paved the way for the Muslim countries that currently maintain privileged relations with countries in that region. For some decades now, certain Arab-Muslim countries have been taking advantage of this dynamic to develop relations in Latin America, and it is very likely that these ties will continue to be strengthened.

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Egypt, Italy, Tunisia, India, Indonesia, Denmark, Guatemala, Hungary and the United States. One of her current research topics is *The invisible diaspora: Exodus of the economic and intellectual elites from Egypt during the second half of the 20th century*, which is based —to a large extent— on Latin America.

INTERNATIONAL GEOPOLITICS AND THE DEBATE ON THE EXISTENCE OF STRATEGIC SECTORS

Farid Kahhat Kahhat[1]

Summary

Various public policies in different states have historically been justified by alluding to the strategic nature of the economic sector they involve. Despite this, there is not always clarity regarding what criteria a sector of economic activity should meet in order to be considered strategic, nor is there a consensus definition of the term. Based on specific debates on public policies, this article seeks to discern the criteria underlying the designation of an economic sector as strategic and to elucidate its implications.

Keywords: *strategic sector, public policies, security, economy.*

Introduction

Strategic planning is a crucial phrase in the field of business management that, in the opinion of some gurus in the field, it would be better not to utter when talking about the State. A key author in this vein of business literature - no doubt - is Tsun Tzu. The implicit paradox becomes evident when we remember that the work for which Tsun Tzu is remembered is entitled "The Art of War", i.e., a state activity par excellence.

However, unlike - for example - game theory, where the word *strategic* has a precise meaning,[2] the use of the term in political discussions is often imprecise. In this context, the term suggests that the area of activity in question is of great importance to the state, whether for economic or security reasons. In other words, it becomes a surrogate for the perspective provided by realist international relations theory on state security.

1 The author has published a similar article through the Center for Strategic Studies of the Peruvian Army.

2 In game theory, an interaction between actors is *strategic* when the achievement of the ends pursued by each of them, through that interaction, depends in part on the actions that would be carried out by other actors who, it is presumed, are rational and act in their own interest. In this context, it is necessary to foresee or even induce the actions of these other actors so that they are compatible with the achievement of our ends.

That perspective is based on the conception of war contained in the above-quoted text of Tsun Tzu, according to which "*The art of war is of vital importance for the State. It is a matter of life or death, a road that leads to security or ruin.*"[3] From the realist perspective, security policies are intended either to prevent war or, should one have to be faced, to achieve through it the political objectives of the state itself (which, in decreasing order of importance, are usually to guarantee its existence, its territorial integrity and its ability to make decisions autonomously).

Analysis

Given that guaranteeing the existence of the State is presented as a necessary condition for achieving any other end (such as achieving material well-being), security is by nature important, so that safeguarding it justifies the use of costly and exceptional means (such as the restriction of rights, among others). By associating the debate on the existence of strategic sectors or resources with this security perspective, the aim is to give them the sense of urgency that this would imply, as well as to justify the use of such onerous and unusual means. For example, during the COVID- 19 pandemic, Donald Trump defined himself as a *war times president* to explain the exceptional measures he adopted to deal with it,[4] by invoking the Defense Production Act (adopted in the 1950s during the Korean War) with the purpose of forcing the General Motors Company (GM) to supply clinical ventilators to the U.S. federal government.

In other words, Trump required a private company to manufacture goods that it did not produce, obliging it to produce them in a time, quantity and price established by the federal government, which would be the only buyer of those goods; something that, under normal conditions, would be incompatible with a market economy. The issue was already being negotiated between the federal government and GM, but, as Trump himself said, "*Our negotiations with GM in terms of their ability to provide ventilators has been productive, but the fight against the virus is too urgent to allow the give and take of the procurement process to continue its natural course.*"[5]

3 Sun Tzu. "The Art of War." *Long River Press*, San Francisco, 2003: 3.

4 Smith, David. "Trump talks himself up as 'wartime president' to lead America through a crisis." *The Guardian*, 22 Mar. 2020, https://www.theguardian.com/us-news/2020/mar/22/trump-coronavirus-election-november-2020.

5 Vazquez, Maegan, Collins, Kaitlan, Sidner, Sara and Hoffman, Jason. "Trump invokes Defense Production Act to require GM to make ventilators." *CNN*, March 28, 2020. https://edition.cnn.com/2020/03/27/politics/general-motors-ventilators-defense-production-act/index.html.

As the above example suggests, even if there is no agreed definition of what defines a sector of the economy as strategic, it is not the case that this definition is entirely discretionary: even someone who does not accept the existence of strategic sectors, for example, could, at least in principle, agree that a pandemic poses a serious risk to the economy and public health of a State, and that this would merit the use of costly and exceptional means to deal with it.

Another similar example would be the argument used by another Republican government in the United States to justify state intervention in the economy to bail out private lenders with public funds during the 2008 financial crisis. In the words of then Treasury Secretary Henry Paulson, on the bailout of Fannie Mae and Freddie Mac, two entities dedicated to mortgage lending: *"Fannie Mae and Freddie Mac are so big and are so intertwined with our financial system, that the breakdown of any of them would cause a big commotion in the financial markets in the country and around the world. This commotion would directly and adversely impact the wealth of homes (...). And this break would be prejudicial for the economic growth and job creation. That is why we are taking these actions today."*[6]

In fact, the U.S. Treasury Secretary justified the bailout of private entities with public funds, arguing that the bankruptcy of these entities would have a systemic effect on both the U.S. and world economy. The systemic effect argument, however, ignored the problem of moral hazard. In that context, Lehman Brothers was allowed to fail because bailing it out would be tantamount to rewarding an investment bank whose conduct incurred in reckless risks, if not crime,[7] and would be tantamount to punishing investment banks that acted within the law and elementary standards of prudence.

The fact that it was then decided to bail out the major investment banks with public funds was then tantamount to rewarding the behaviors that made the bailout necessary, making it more likely that they would be repeated in the future.

Even if one accepts that state intervention is necessary to prevent the systemic effect of a bankruptcy, one might question whether a substantial effort was not made to avoid moral hazard (i.e., to prevent a government decision from encouraging undesirable behavior in the future). In the 1990s, for example, Sweden rescued private banks with

6 "US Government bails out Freddie Mac and Fannie Mae." *Money Marketing*, 8 September 2008. https://www.moneymarketing.co.uk/news/us-government-bails-out-freddie-mac-and-fannie- mae/

7 Malloy, Michael P. "Anatomy of a Meltdown: A Dual Financial Biography of the Subprime Mortgage Crisis." *Wolters Kluwer Law % Business*, 2010.

public funds, but at a cost to the shareholders and executives whose behavior led to their failure. At that time, the Swedish government acquired ownership of the banks at their market value, which - given their insolvency situation - was quite low; it then assumed the cost of the defaulted loans and recapitalized the banks with public funds in order to -once their finances have been cleaned up- privatize them, thus recovering as much as possible of the public funds used for the bailout.

The point is that, even if one accepts that the bailout of private companies with public funds in the United States did not adequately deal with the problem of moral hazard, the argument that the State should try to avoid the systemic risk of the bankruptcy of private companies would still be valid. It is only one step from there to arguing that those companies -whose bankruptcy could pose a systemic risk- constitute a strategic sector of the economy.

However, the controversy as to whether or not strategic sectors exist is not only due to the conceptual imprecision with which they are defined, but also to the role of the State in the economy, and there are four debates on the subject. The first of these debates is the one we have already outlined: should the State intervene to prevent, with public funds, the bankruptcy of private companies because of their allegedly *strategic* nature? To what has been said I would only add that there have been different answers to that question, as in the case of Iceland, which "*unlike other western economies, the Islandic government let its three main banks go bankrupt (...) and then went after the irresponsible bankers*."[8]

The second debate about the role of the state in the economy to which the controversy over the existence of *strategic* sectors is related is that of ownership. A common assumption is that, if a particular sector is particularly important to a country's economy or security, perhaps the state should exercise ownership on it.

It is no coincidence, for example, that in 2005 the three largest companies in the world hydrocarbon sector were owned by developing or post-communist states: Aramco (Saudi Arabia), Gasprom (Russia), and the National Iranian Oil Company (Iran).

However, it was Margaret Thatcher's conservative government in the United Kingdom that changed the nature of this debate by considering that a sector of the economy could be strategic without having to be owned by the State. On the one hand, she

8 BBC News. "How did Iceland clean up its banks?". *BBC*, February 10, 2015. https://www.bbc.com/news/business-35485875.

allowed foreign capital to participate in privatized companies, even in sectors of particular relevance to her country's economy or security. On the other hand, however, it created the so-called *golden actions* as a special regulatory mechanism. These actions endowed the British state with a veto right over certain corporate decisions (essentially in matters related to ownership, such as capital increase, acquisition or merger with other companies). In some cases, the purpose of these *golden actions* was clear: to prevent companies producing cutting-edge technology in the military field from being acquired by states considered hostile, or by companies from other countries competing with British companies.

The third debate on the role of the State in the economy related to the controversy surrounding the existence of strategic sectors has to do with the so-called industrial policies. That is, should the State have public policies that benefit a particular sector because of its importance (presumed or real) for the economy or security of a country? We are talking about policies such as granting preferential credits, subsidies, tax or tariff exemptions, or export and investment controls. For example, the South Korean government decided that the country's economic development should be based on the export of high value-added industrial products. This led to the implementation of industrial policies designed to achieve that end, but there was nothing *natural* about setting that goal, since it was an eminently political decision.

Nor was it natural to opt for such policies to achieve this; for example, while in South Korea the state first protected and then promoted private enterprises owned by Korean citizens, in other countries similar objectives were pursued through the expropriation of private enterprises, or by releasing - to a greater extent - the allocation of resources to market forces. The latter, however, did not prevent those states from choosing their own favorites. In the case of Peru, a supporter of the market economy such as Carlos Boloña, in his role as minister, had no problem in allocating public resources to prevent the bankruptcy of private banks, explaining his behavior based on the so-called systemic risk mentioned above.

Undoubtedly, this is a highly topical debate due to recent decisions by some of the world's leading states. For example, the supply chain of an iPhone involves companies from different countries, from those that provide inputs to those that design the product, including those that assemble it. Until a few years ago, these chains were established mainly -although not exclusively- on the basis of economic efficiency; in other words, whoever was able to offer a better product, or a lower price would

become a link in the chain. But because of the disruptions in supply chains due to the pandemic and the war in Ukraine, the governments of the world's major economies are increasingly subordinating efficiency as a criterion in favor of more resilient supply chains that are less dependent on political rivals.

Suddenly, for example, the fact that Taiwan accounts for around 90% of the world's production of advanced microprocessors (those of nine nanometers or less) becomes a political vulnerability in the event that these supplies are stopped as a result of the conflict between the People's Republic of China and the United States over Taiwan. Also of concern is the fact that, according to a report by the International Energy Agency,[9] China concentrates a large proportion of the international capacity to process and refine the so-called *rare lands* (a crucial input for the development of renewable energies).

What China, the United States and the states of the European Union do - more often than not - is to adopt industrial policies that achieve three ends: to produce domestically part of what was previously imported, to diversify the sources of supply of those components that are not feasible to produce domestically (so as not to depend on a single source), and to reduce dependence on rival states (as in the case of European imports of Russian gas and oil). As mentioned above, this implies the adoption of industrial policies in favor of national companies or States that are not considered to be a source of economic or political risk (for example, the main beneficiary of such policies in Latin America would be Mexico, which has borders and a free trade agreement with the United States, is integrated into supply chains that supply that country, and is not considered a political rival).

In other words, we are talking about policies that deliberately introduce distortions in international markets in order to make supply chains more resilient and less dependent on political rivals, but at the cost of being less efficient in economic terms.

Judging from past experience, such policies entail certain risks. The main one is that, when applied by all major economies simultaneously, they may fail to achieve their initial purpose or do so at an exorbitant economic cost. For example, during the Great Depression most major economies tried to compensate for weak domestic demand

9 Tae-yoon & Karpinski, Milosz. "Clean energy progress after the Covid-19 crisis will need reliable supplies of critical minerals." *International Energy Agency*, May 5, 2020. https://www. iea.org/articles/clean-energy-progress-after-the-covid-19-crisis-will-need-need-reliable-supplies-of-critical-minerals.

by exporting to their trading partners. To do so, they resorted to policies such as devaluing their currency (to make their exports more competitive) or adopting protectionist measures (to make their trading partners' exports less competitive). However, since they all adopted the same measures, they neutralized each other, which did not have the desired effect and worsened the international recession (an experience that explains the Bretton Woods agreements after World War II to promote cooperation even in times of crisis).

Currently, the Inflation Reduction Act passed by the U.S. government could have similar consequences.[10] In order to reduce the environmental impact of economic growth, the U.S. government provides incentives for its industry to transition to renewable energy and cleaner technologies through the Inflation Reduction Act. The Inflation Reduction Act contains two types of incentives that even countries allied with the United States see as a source of unfair competition. On the one hand, it provides subsidies and tax exemptions to producers and consumers (it contemplates, for example, a tax credit of up to US$7,500 for the purchase of an electric car). On the other hand, companies would only have access to these benefits if at least part of their production processes are carried out in the United States or in countries that have free trade agreements with the United States (which excludes the European Union, the United Kingdom and China, among others).

Evidence that these benefits are perceived as a source of unfair competition in the European Union, is the joint pronouncement of the German and French governments entitled *"For a European Green Industrial Policy, a French-German contribution."*[11] In this pronouncement, both governments maintain that "*the existing rules for state help may become more agile in the transformation technologies area*"[12] (i.e., those that would enable the transition to environmentally sustainable growth). Lest there be any doubt as to what this implies, they add that *"we propose permitting experimentation with focalized subsidies and tax exonerations."*[13] They further propose to use EU trade policy to *"preserve the common market of the distortions that come particularly from countries*

10 TWH. "Inflation Reduction Act Guidebook." *The White House*. https://www.whitehouse.gov/cleanenergy/inflation-reduction-act-guidebook/

11 "For a European Green Industrial Policy. A Franco-German contribution". *Bundesministerium für Wirtschaft und Klimaschutz*, 2024. https://www.bmwk.de/Redaktion/DE/Downloads/F/for-a-european-green-industrial-policy.pdf?__blob=publicationFile&v=4

12 Ibid.

13 Ibid.

that aren't market economies and ensure an equal playing field."[14] Although the emphasis is on the People's Republic of China (under the euphemism of *countries that are not market economies*), evidence that this proposal also targets the United States is the fact that, shortly after releasing that document, the finance ministers of Germany and France traveled to Washington to discuss the implications of the Inflation Reduction Act. Not for nothing did the German news agency DW headline its report on the subject, "France and Germany travel to the U.S. to avoid a trade war."[15]

In addition to the risk of initiating a trade conflict with its own allies, it prohibits any company in the world from exporting to China advanced microprocessors or the means and technology to produce them, if they contain intellectual property or components from U.S. companies.[16] In other words, in addition to implementing policies that provide U.S. companies with a competitive advantage over those of its allies, it requires the latter to stop doing business with a country whose imports represent about 50% of world trade in certain types of microprocessors (or the components to produce them).

Although in the short-term companies headquartered in these countries cannot but implement these sanctions, it is to be expected that, in the long term, they will try to produce the same goods without U.S. technology or components to circumvent the effect of the sanctions and continue to trade with China. In fact, there is a precedent in the satellite industry. After the United States introduced export controls to China in 1999, European companies began designing satellites free of U.S. components to evade the effect of those sanctions and continue to trade with China.

Finally, the fourth debate on the role of the State in the economy related to the controversy surrounding the existence of strategic sectors is related to the previous one, insofar as the presumption that the State should promote or protect these sectors could imply the adoption of protectionist trade policies. Self-sufficiency in qualified *strategic* resources has historically been considered a desirable goal from a geopolitical perspective. If this is not possible, at least dependence on potential rivals as sources

14 Ibid.

15 DW. "Francia y Alemania Viajan a Estados Unidos para evitar una guerra comercial". YouTube, July 2023. https://www.youtube.com/watch?v=iRAdiCROStw

16 Bureau of Industry and Security. "Commerce Implements New Export Controls on Advanced Computing and Semiconductor Manufacturing Items to the People's Republic of China (PRC)." *Bureau of Industry and Security*, October 7, 2022. https://www.bis.doc.gov/index.php/documents/about- bis/newsroom/press-releases/3158-2022-10-07-bis-press-release-advanced-computing-and-semiconductor-manufacturing-controls-final/file.

of supply should be avoided (this is the reason why Chile, during the government of Augusto Pinochet, preferred to import energy from East Asia rather than from Argentina, a neighboring state with which it had border disputes). In turn, the quest for self-sufficiency often had the counterpart of denying access to those resources to potential rivals, all of which increases the likelihood of armed conflict between two states. As early as 1939, Eugene Staley warned of the risks involved in protectionist trade policies. According to him, if the countries that control most of the resources in the world did not maintain economic relations with the rest, they would be *"sowing the seeds of unrest and war. Above all, they create a powerful imperialism dynamic. When the economic walls go up along the political borders, it forces the possession of the territory to coincide with the economic opportunities."*[17]

In other words, in an international economy with significant trade restrictions, those states whose growth depends on access to natural resources that they do not possess might seek them through military means. In contrast, in an open international economy such natural resources could be accessed through trade. The contrast between the expansionist behavior of the Japanese state before World War II and its peaceful conduct after the end of that war can serve as an example of this.

However, at the time of the COVID-19 pandemic, most international powers banned or restricted the export of medical equipment (such as mechanical ventilators) or medicinal products (such as diagnostic tests), and then monopolized the supply of vaccines in its initial stage. In addition, the vast majority of developed countries opposed in the World Trade Organization (WTO) the proposal by India and South Africa to temporarily exempt developing countries from complying with patent rights, given the health emergency; a proposal that was covered by changes made to the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).[18]

Likewise, when the outbreak of war in Ukraine temporarily restricted the world supply of food and fertilizers, states such as India restricted their own exports of such goods in anticipation of possible international shortages. In other words, the supply of the goods described, which under normal conditions is abundant and accessible

17 Staley, Eugene. "The World Economy in Transition, Council on Foreign Relations". New York: 1939. *Sage Journals.* https://journals.sagepub.com/doi/abs/10.1177/000271523920500181

18 WTO. "Amendment to the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)". *World Trade Organization*, 2024 https://www.wto.org/english/tratop_e/trips_e/tripsfacsheet_e.htm :~ ~:text=An%20amendment%20to%20the%20WTO's,health%20originally%20adopted%20in%202003

through international trade, was suddenly restricted by political decision under critical and exceptional conditions (such as a war or a pandemic). This is further proof that, whether or not they use the term, the States that act in this way consider the goods involved to be *strategic* (i.e., of superlative importance, at least during such conjunctures, for their security or their economy).

Conclusions

Although there is no objective and uncontroversial definition of the phrase *strategic sector*, this does not imply that, in the process of making decisions on specific public policies, essential criteria have not been put forward on the basis of which to justify those decisions; that is, it is possible to present more or less persuasive arguments in favor of certain decisions. However, insofar as these decisions seek to achieve certain policy objectives and these are by nature controversial (both because of their normative content and because they compete for resources with other possible political objectives), it is never licit under a democratic regime to subtract the designation of an economic sector as *strategic* from public debate.

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THE EUROPEAN UNION - LATIN AMERICA AND THE CARIBBEAN DIGITAL ALLIANCE: GEOPOLITICS IN THE ERA OF TECHNOLOGICAL GLOBAL GOVERNANCE

Mario Torres Jarrín

Summary

This article examines the European Union (EU)-Latin America and the Caribbean (LAC) Digital Alliance initiative, which is a geopolitical response by the EU to restore relations with LAC countries and address the challenges presented by the digital age. Likewise, the reconfiguration of the traditional international system and the global governance system, both altered by the emergence of new geopolitical actors, the Big Tech Companies (BTC), are studied. In addition, the different geopolitical dilemmas faced by both regions are analyzed in order to position themselves as global actors rather than global observers. Finally, potential areas of cooperation are pointed out, highlighting the regulation of cyberspace and the external action of BTC, for which Techplomacy can serve as an instrument of foreign policy, defense and security in order to create international norms and standards in the era of global technological governance.

Keywords: *European Union, Latin America and the Caribbean, digital alliance, techplomacy, geopolitics, big tech companies, global tech governance.*

New Territorial Spaces, New Geopolitical Actors: The Cyberspace and *Big Tech Companies*

When Halford John Mackinder, in 1904, presented his geopolitical theory of the *heartland,* he defended the relevance of the study of territorial space in terms of domination and the exercise of power. For Mackinder, whoever rules Eastern Europe will rule the *heartland;* whoever rules the *heartland* will rule the *World Island*, and whoever rules the *World Island* will rule the world. Since then, throughout history, empires and nation states have sought to dominate this geographical region of Europe. Today, however, there is a new, non-physical dimension, called *cyberspace*, which has become the new *heartland,* with new actors struggling to dominate and exert their power in this virtual environment that integrates numerous technologies that enable the development of communications, facilitates the exchange of information and generates multiple

activities through instruments such as the Internet, communication networks, data servers, operating systems and *software*, and *cloud computing*, among others.

The current international system is being reconfigured. On the one hand, we can see a – regional and global - dispute among the current powers, the emerging powers and the historical powers that claim a place on the international scene on the basis of their past as regional or hegemonic powers. If, today, a list of great powers were to be drawn up, the first group would undoubtedly include the United States (US), the People's Republic of China (PRC) and the European Union (EU), while the second group would include Russia, India, Japan, Turkey, Iran and Saudi Arabia. All these countries aspire not only to be regional hegemonic powers, but also to be global players. Likewise, among the powers that claim a place in the international arena from a historical perspective are the PRC (the Chinese Empire), Iran (the Persian Empire), Turkey (the Ottoman Empire) and Japan (the Empire of Japan).

It should be noted that the EU, in turn, integrates among its member states several countries that in the past were regional empires (at the European level) and others that were global empires, because their territories covered several continents, as is the case of the Spanish Empire, the Portuguese Empire or the French Empire. Another great empire was the British Empire, although this has not been included in the above list as it does not currently belong to the EU. Nevertheless, it is part of the sphere of great empires that had a transcendence as global players at a certain moment in history.

Another country claiming its place in the international arena is Russia, considering its historical past as the Russian Empire. It is interesting how, despite the fact that the Russian president, Vladimir Putin considers that the fall of the Soviet Union was the *biggest geopolitical tragedy of the 20th century*,[1] does not take the Soviet Union as an example of a successful period as a hegemonic power. Instead, he takes the empire of the tsars as a reference; something contradictory, since communism fought against the empire of the tsars and sought to eliminate all historical vestiges of that past.

Therefore, the word empire should not be a pejorative term. In fact, the history of mankind shows that all civilizational construction has been profoundly influenced by the formation and development of empires.

1 Swi. "Putin vuelve a calificar de tragedia la disolución de la URSS". *Swissinfo*, December 12, 2021. https://www.swissinfo.ch/spa/putin-vuelve-a-calificar-de-tragedia-la-disoluci%C3%B3n-de-la-urss/47185540

Etymologically, empire comes from the Latin *imperium,* which means the action of ruling, that is, of commanding. Consequently, the term empire refers to that political organization that seeks to rule over other political organizations, be they cities, city-states, nation-states or unions of states. In fact, thanks to empires there is an indelible mark in the legal, political, economic, social and cultural evolution of the regions they controlled, contributing positively to the construction and development of the multiple civilizations that have existed throughout the history of mankind.

When we think of the international system, we immediately think of a system composed of nation states. Its very name indicates that it is an inter-national system, i.e., a system between nations. There is usually a scholarly consensus that the beginning of this system originated with the signing of the peace treaties of Osnabrück and Münster in 1548, which put an end to the Thirty Years' War in the Holy Roman Empire and the Eighty Years' War between Spain and the United Provinces of the Netherlands. These treaties, also known as the Peace of Westphalia, are fundamental in European history, but also in the history of international relations and world order.

Since the concept of *State sovereignty* is developed in these treaties, the German princes of the Holy Roman Empire gained the right to govern their territories with greater autonomy, in that they were recognized sovereignty as individual states, establishing that no external power should intervene in the internal affairs of another state. This was the origin of the modern concept of the nation-state. The treaties, in addition to seeking peace, sought to reconfigure the world order established up to that time, creating a new balance of power with the emergence of new geopolitical actors, the nation-states. The aim was to establish a balance of power to prevent the hegemony of a single nation or coalition of nations, laying the foundations for the development of international law by defining relations between states based on sovereignty and legal equality.

The Westphalian international system operated between 1548 and 1951. During this period, nation-states were the only actors in the international arena that conducted development policies for their populations. However, the year 1951 marked a new milestone in the history of international relations, with the beginning of a new global order based on a world of regions,[2] since that year, with the signing of the Treaty of Paris, the European Coal and Steel Community (ECSC) was created. This treaty

2 Katzenstein, P.J. *A World of Regions: Asia and Europe in the American Imperium. Cornell University Press*, 2005: 21.

marked the beginning of the integration of European states into a regional union, the *region* being understood as a group of countries that share a political project[3] and that - with this type of political organization - seek to transcend the central state.[4]

European regional integration started with six states, but is now a regional union of 27 countries, called the EU. However, Europe was not the only continent to create integration bodies and forge a common system of rules and institutions. In fact, the American states were the first to integrate, when in 1889, they organized the First American International Conference, held in Washington from October 2, 1889 to April 19, 1890, with the aim of adopting an arbitration plan to peacefully resolve issues that might arise between them in the future, promote trade and expand markets, among others. During this continental conference, the International Union of American Republics was created, which was later renamed the Pan American Union and eventually became the Organization of American States (OAS). Thanks to this process, a network of institutions and provisions began to develop that would come to be known as the *Interamerican system*, the oldest international institutional system,[5] predating even the United Nations system. In this sense, it can be said that the American countries have contributed to the international system and the world order, creating two models: regional integration on a continental scale and a model of a system of international institutions.

These two historical references provide evidence that new political actors called *regional organisms* or *regional unions* emerged on both sides of the Atlantic. However, the process of American integration had a different evolution to European integration, by prioritizing an intergovernmental working method and claiming to be a forum for continental political consultation, rather than an integration process that promotes the transfer of national competencies in favor of the creation and development of supranational or community institutions. On the other hand, European integration allowed the creation of a common High Authority (the ECSC) to organize the free

3 Hettne, B., Inotai, A. and Sunkel, O. *Globalism and the New Regionalism*. Palgrave Macmillan, New York, 2002: 1. https://link.springer.com/book/10.1007/978-1-349-27258-5

4 Hettne, B. and Söderbaum: "Theorising the Rise of Regionness" in Breslin, S., Hughes, C., Philillips, N. and Rosamond, B. *New Regionalism in the Global Political Economy. Routledge, New York, 2002: 37 y 38. Ver también: Söderbaum, F. The Political Economy of Regionalism. The Case of Southern Africa.* Palgrave Macmillan, Hampshire, 2004.

5 Organization of American States. "About the OAS. Who we are." https://www.oas.org/en/about/about/who_we_are.asp.

movement of coal and steel, as well as free access to production sources.[6] Gradually, the European States ceded powers to this common authority. The ECSC's powers were extended by the 1957 Treaties of Rome, which established the European Economic Community and the European Atomic Energy Community. Subsequently, the Maastricht Treaty marked a new stage in European integration by considering not only the economic sphere but also the political integration of the European States as objectives, moving from a European Economic Community to a political union, which ended up being the current EU.

The 1980s and 1990s were characterized by the emergence of new actors in the international arena. Non-governmental organizations, associations and foundations began to develop external action, opening offices in different countries to influence policy and promote common interests and values, and interacting with governments at different levels (local, regional and national), as well as with regional integration and international organizations. Furthermore, during these decades, technological advances were made that ended up being disruptive technologies, affecting the traditional functioning of the world order. Disruptive technologies such as the Internet, web browsers and HTML language completely transformed communications and enabled unprecedented global interconnectivity, giving rise to a Fourth Industrial Revolution,[7] whose characteristic is the convergence of digital, physical and biological technologies,[8] which have an impact on all areas of society (legal, economic, commercial, cultural, social and environmental).

In business terms, there was a disruption in the processes of design, production, marketing and communication of goods and services, modifying international trade and the labor market. The largest companies in the technology sector, commonly known as *Big Tech Companies (BTC)*, are those that have not only created, but also manage, direct and control cyberspace. These *BTC* are playing a key role in the development and implementation of the so-called *Industry 4.0*.[9] The concept *Industry*

6 Treaty Establishing the European Coal and Steel Community, signed in Paris on April 18, 1951, entered into force on July 23, 1952. https://eur-lex.europa.eu/legal-content/ES/TXT/?uri=legissum:xy0022

7 Schawb, Klaus. *The Fourth Industrial Revolution. What it means and how to respond. Foreign Affairs*, December 2015, New York: Council on Foreign Relations.

8 Schawb, Klaus. *The Fourth Industrial Revolution*. Geneva: Worl Economic Forum.

9 The origin of the "Industry 4.0" concept was first used at the Hannover Messe industrial fair in 2011, and in 2013 the German government would elaborate based on this concept a strategic document called "Plattform Industrie 4.0", which was created under the innovation model called "Triple Helix", which consists of the interaction and collaboration between three sectors: industry, government and academia.

4.0 refers to the implementation of the Fourth Industrial Revolution, characterized by the integration of advanced digital technologies into manufacturing and production processes. Technologies such as the Internet of Things, Artificial Intelligence, *Machine Learning, Big Data* and data analysis, robotics, augmented reality and virtual reality, 3-D printing, among others, are once again modifying the functioning of the labor market and altering trade flows worldwide.

The most important *BTC* are mainly American and Chinese, including Amazon, Google, Microsoft, Apple, Nvidia, Meta, Tesla, Tencent, Alibaba, Xiaomi and Baidu. To exemplify their economic power, it can be mentioned that the capital of the first three *BTC* within the 10 Top Ranking worldwide (Microsoft, Apple and Nvidia) is equivalent to 7.771 trillion dollars,[10] while the Gross National Product of Germany and France totals 5.581 trillion dollars,[11] evidencing that their economic capacity and power is superior to most of the States.

The innovations produced by the *BTC* in artificial intelligence, data analytics, internet of things, cloud services, are some of the emerging technologies that are transforming sectors such as industry, agriculture, construction or service sectors such as education, health, banking, etc. On the other hand, companies engaged in social networks, data analytics, security and defense services, become systemic rivals for governments, who see the advantages of these *BTC*'s services, but also appreciate their power and influence in cyberspace. Through social networks, it is possible to develop not only information campaigns to promote values or raise awareness of a specific issue (such as the protection of the environment or the defense of human rights, among others), but also disinformation or counter-information campaigns to alter the political life of countries (overthrowing legitimately democratic regimes or authoritarian regimes) and to modify the voting intentions of a population in elections, be they local, national or regional in scope.

Suddenly, governments find themselves challenged by new economic actors beyond their control, because governments have neither the human nor the financial resources to cope with the economic power and influence wielded by the *BTCs*. These new companies intervene not only in the economic, commercial, political and cultural life

10 Data statistics portal. "Leading tech companies worldwide 2024 by market capitalization." *Statista,* June 5, 2024. https://www.statista.com/statistics/1350975/leading-tech-companies-worldwide-by- market-cap/

11 Eurostat. "Gross domestic product (GDP)." *Eurostat*, August 9, 2023. https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:Gross_domestic_product_(GDP).

of states, but also in the affairs of global governance, such as international economy and trade, defense, security and international peace. Therefore, the *BTC* are *de facto* new players on the international scene.

The events described above have reconfigured the traditional international system, since major global issues are no longer dealt with exclusively by States, nor are development policies. Consequently, we are witnessing global governance involving multiple actors at multiple levels: States, regional integration organizations (such as the EU), international organizations, institutions that exercise external action and participate in the political life of countries (non-governmental organizations, associations and foundations with a global scope), and the *BTC.*

While it is true that the major *BTCs* are private initiatives, many of them in their early days received government grants, and those that did not receive grants now have contracts with governments; that is, there is a relationship between the *BTCs* and governments. What is not clear, however, is which of them has the power in that relationship, who serves whom, and most importantly, who wields geopolitical power in today's world. In that sense, it could be said that the current global governance is primarily technological and those who wield power are the *BTC*, considered the new empires, which have created their own *heartland,* called *cyberspace*.

The EU does not own *BTC*, but through the creation of standards it exercises a role as a regulatory actor, which means that it can become a global actor within technological governance. Nevertheless, global governance, like technology governance, requires strategic partners to promote ideas, strengthen positions and exert influence in international forums and summits where decisions on global issues are made. This is where a strategic partnership between the countries of the EU and Latin America and the Caribbean (LAC) once again plays an important role, considering that in 2009 the European Commission - in an official document - described the EU-LAC strategic partnership as *an association of global actors.*[12] It should not be forgotten that interregional relations between European and Latin American countries were born in the 1960s, precisely to coordinate joint positions at the First United Nations Conference on Trade and Development, held in Geneva in 1964.

12 Commission of the European Communities. "La Unión Europea y América Latina: Una asociación estratégica de actores globales". Comunicación de la Comisión al Parlamento Europeo y al Consejo, Bruselas, September 30, 2009. COM (2009) 495 final. https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2009:0495:FIN:EN:PDF.

Since that Conference, 60 years of EU-LAC interregional relations have passed. It should be noted that among the greatest achievements of this bi-regional strategic partnership is the signing of the Paris Agreement on Climate Change, which was adopted by 195 parties in December 2015, but by the end of 2016 had only been ratified by 97 countries, of which 50 were European, Latin American and Caribbean countries. Today, more than ever, it is necessary for these countries to push, within the framework of the United Nations, for the convening of a world conference to create a binding treaty to regulate cyberspace and the external action of the *BTC*. In this sense, the EU and the Community of Latin American and Caribbean States (Celac) can promote a new interregionalism, an interregionalism 4.0 for a technological global governance 4.0.

EU-LAC *Digital Alliance* and Geopolitical Dilemmas

At present, relations between European, Latin American and Caribbean countries are conducted within the framework of the EU-Celac Summits, which represent an extension of the EU-LAC Summits, held since 1999. In 2010, at the summit held in Mexico, 33 LAC countries decided to merge the Rio Group and the LAC Summits on Development and Cooperation into a single forum, creating Celac, establishing it as the official counterpart for relations with the EU and the development of Euro-Latin American and Caribbean interregionalism.

The First EU-Celac Summit was held in Santiago de Chile in 2013, and the Second in Brussels, in 2015; since then, the summits have been suspended until July 2023, when the Third EU-Celac Summit was held in Brussels.

The reason for the suspension of the summits was the political crisis in Venezuela in 2015, which generated a division among the Celac members themselves, interrupting their own summits and causing the suspension of the EU-Celac bi- regional summits. The reestablishment of relations between the EU and Venezuela is framed within the New Agenda for EU-LAC Relations, concretized in the conclusions of the EU-Celac Summit of 2023. The EU advocates finding a peaceful, democratic and inclusive solution, led by Venezuelans, to end the political stalemate of recent years.[13] Now, as this article is being written, on July 28, 2024, general elections have been held in Venezuela, in which both the governing party and the opposition claim to be the

13 European Union. "Servicio de Acción Exterior de la Unión Europea: Delegación de la Unión Europea en Venezuela". Relaciones con la UE. La Unión Europea y Venezuela, March 15, 2024. https://www.eeas.europa.eu/venezuela/union-europea-y-venezuela_es?s=195

winners of the elections. Undoubtedly, this may aggravate the political crisis in Venezuela, divide the LAC countries once again, and stall the progress that had been made in restoring relations between the EU and Venezuela. The day after the elections, a group of countries including Paraguay, Argentina, Costa Rica, Ecuador, Guatemala, Panama, Peru, Dominican Republic and Uruguay requested an emergency meeting of the OAS to address the situation regarding the elections in Venezuela.[14]

In October 2022, under the *pro tempore* Presidency of Celac, a meeting at EU-Celac ministerial level was held in Argentina with the aim of re-establishing the EU-Celac Summit system, suspended in 2015. At this meeting, the EU-Celac 2022-2023 bi- regional roadmap *Renovation of the bioregional association to strengthen peace and sustainable development*,[15] of which four stages stand out. The first includes the Second D4D *(Digital for Development) Hub in Action* High Level Event for EU-LAC Digital Cooperation in December 2022, under the Czech EU presidency, introducing two topics to the bi-regional agenda:

(1) The creation of an inclusive digitization center on the human being with the support of digital technologies, and (2) The creation of a *digital investment package for a global link to LAC*. The second and third stages involve the launch of the *digital alliance* and *the first high level dialogue on digital policies* in 2023, during the Swedish presidency of the EU. Finally, the fourth stage comprises the reestablishment of the EU-Celac Summits in July 2023, under the Spanish EU Presidency.

Now, to maximize the potential of the *digital alliance*, both regions will have to overcome the following geopolitical dilemmas, posed in the form of a question:

How will the EU and Celac countries develop their relations faced with the commercial dispute between the US and the PRC?

Given that the two countries are the main trading partners of the EU and LAC countries, the trade dispute between the US and the PRC is not only economic-

14 The World. "Resultado de las elecciones en Venezuela 2024. Nueves países piden una reunión urgente de la OEA y al 'revisión completa' de los resultados". El Mundo, July 29, 2024. https://www.elmundo.es/internacional/2024/07/29/55a74c8e41c5010024f5cad5-directo.html.

15 European External Action Service. "CELAC-EU Bi-regional Roadmap 2022-2023. Renewing the bi-regional partnership to strengthen peace and sustainable development." *European External Action Service*, October 27, 2022. https://www.eeas.europa.eu/eeas/celac-eu-bi-regional- roadmap-2022-2023_en

financial, but mainly geopolitical.[16] The Americans see their leadership in the world order challenged by the Chinese government's foreign action. Also, within the context of the *BTC* era and disruptive technologies, such a dispute redefines concepts such as sovereignty and nationalism. Currently, there is talk about the importance of having and defending technological sovereignty to reduce dependence on foreign technologies. In the case of technological nationalism, this is defined as the strategies and policies implemented by a government to promote the development of national technologies. Therefore, it is likely that both EU member states and Celac member states will want to implement policies that promote technological nationalism, seeking to develop and protect their technological sovereignty.

Which will be the geopolitical priorities that the new American government's administration will adopt after the November 2024 elections?

It depends on which party wins the elections: Democrats or Republicans. In principle, according to the candidates' speeches, US support for Ukraine and Israel is expected to continue under the Democrats. However, regardless of the outcome of these conflicts, both affect EU foreign policy more directly than the US.

For LAC countries, the return of President Trump may bring uncertainty among Western democracies. The confrontation with the PRC could be even greater with the Republican candidate, a fact that will force the EU and LAC countries to position themselves, which would likely alter foreign policy, security and defense priorities for both regions.

The EU therefore needs reliable like-minded partners, such as the LAC countries, with whom it can address geopolitical challenges, promote multilateralism and defend democracy and the rule of law.[17]

What will be the future of NATO?

The war between Russia and Ukraine highlighted the EU's lack of strategic, military and defense and security autonomy. Therefore, the EU must move forward with its plans to develop a European defense and defense industry, because only then will it have the capacity to act independently.

16 Golub, P. "Entre Estados Unidos y China, una guerra más geopolítica que comercial". Le Monde Diplomatique, October 2019. https://mondiplo.com/entre-estados-unidos-y-china-una-guerra- mas

17 European Parliament. "European Parliament. Latin America outlook: Issues to watch in 2024." *Europarl*, February 2024. https://www.europarl.europa.eu/RegData/etudes/BRIE/2024/759591/EPRS_BRI(2024)759591_EN.pdf

NATO contemplates within its membership types the so-called *global partners*. Within this category are countries such as Australia, Iraq, Japan, South Korea, Mongolia, New Zealand and Pakistan. In LAC, Colombia is called a NATO partner and, although Brazil and Argentina have another denomination, this is only attributed to the US, which catalogs them as *extra-NATO principal allies*. However, it should be noted that on April 18, 2024, Argentina applied for *global NATO partner.* The difference between being a global partner and a NATO member is participation in military operations. The member country is obliged to be part of military operations in the event of a possible global crisis, while the global partner has no such obligation.

The inclusion in NATO of two new members, Sweden and Finland, which are themselves EU member states, is undoubtedly an event that will not only affect the political life of the EU but will also force a rethinking of the new global role of the alliance. For the time being, the incorporation of these two countries into NATO will represent major changes on the following fronts:

- Innovation and EU external relations: The levels of innovation on the part of the Nordic countries as a whole mean that their interests and relations with third countries are different from those of EU member states from central or southern Europe, which could lead to a change in the EU's agenda with respect to foreign policy, security and defense priorities.
- Security and defense: The Russia-Ukraine war primarily affects Europeans more than Americans, given that it is taking place in European territory.
- Washington's perspective is therefore not the same as that of Brussels. Even after the war is over, the Europeans will have to define how they will re-establish relations with Russia. Since this is a neighboring country, it cannot live eternally sanctioned and, at some point, the EU will have to re-establish political, economic, commercial and financial relations with it. Although, undoubtedly, Russia's invasion of Ukraine has generated such mistrust within the EU that it will be difficult to re-establish good neighborly ties.
- The new Arctic sea route could mean a change in international trade. Chinese and Russian ports will play an important role in this new route, but first the routes within the Arctic Council, where the Nordic countries have a great weight, will have to be well defined, which would probably lead to tensions between the Nordic countries and Russia or, perhaps, to the turning point required in relations with Russia.

- Reconfiguration of decision-making within the EU. With the developments described above, Sweden and Finland will have more political weight within the EU, and it is likely that Denmark will join the Baltic countries, which have been defining themselves as Nordic for years, which would make the Northern European countries gain more weight within the EU and seek to exert more influence on decision-making within the EU's geopolitical future.

What are the effects of Brexit's impact for the EU?

The repercussions of Brexit have not yet been calculated, nor has the economic and social impact of the UK's exit from the EU been measured, nor has the loss of the defensive and military power that the UK brought to the EU as a whole been assessed. The speed of today's world moved from Brexit to COVID-19, then to the Russian invasion of Ukraine, and then to the Israel-Hamas conflict, including its implications in the region. Therefore, the EU needs to move from being a reactive actor to being proactive, but with its own strategic thinking.

In addition, increased spending on armaments could have an impact on the spending of European governments, which will have less recovery funds available for their economies. In February 2024, the president of the European Commission, Ursula von der Leyen, announced that the EU would soon present a strategy for the European defense industry, designed to strengthen military production and arms supply.[18]

What will be the effects of the changes in six Latin American and Caribbean governments?

During 2024, presidential elections will be held in LAC in El Salvador, Panama, Dominican Republic, Mexico, Uruguay and Venezuela,[19] which will undoubtedly have repercussions on EU-Celac relations.

One Belt, One Road or Global Gateway?

Currently, in geopolitical terms there are two major interregional initiatives. On the one hand, the Chinese initiative of the Silk Road Economic Belt and *the Silk Maritime Route of the 21st century*, also known as *One Belt, One Road,* which goes beyond a mere

18 Ibid.

19 Malamud, C. and Núñez Castellano, R. " "Elecciones en América Latina (2024): ¿fin del voto de castigo al oficialismo? ARI 6/2024, *Real Instituto Elcano*- Madrid, January 17, 2024. https://media.realinstitutoelcano.org/wp-content/uploads/2024/01/ari5-2024-malamud-nunez-elecciones-en-america-latina-2024-fin-del-voto-de-castigo-al-oficialismo.pdf.

strategy of global infrastructure development to facilitate trade and connect the PRC with the rest of Asia, Europe, Africa and the Americas (mainly LAC). It is estimated that, within the framework of this initiative, the PRC has invested in 200 cooperation agreements with more than 150 countries (out of the 193 countries according to the United Nations) and 30 international organizations to develop physical infrastructure development projects (railways, roads, ports and even satellites).[20]

In 2023, Chinese President Xi Jinping, on the occasion of the tenth anniversary of the launch of the *One Belt, One Road,* mentioned that *covering land, ocean, sky, and internet, this network has driven flow of goods, capital, technologies and human resources among the participating countries* and highlighted that *the strategy has its roots in the long history of the PRC to facilitate trade through the old silk routes that connected Asia, Middle East and Europe.*[21]

On the other hand, the EU launched its own initiative called *Global Gateway,* which aims to mobilize up to €300 billion in investments by 2027 to boost global infrastructure and seek to strengthen connections between Europe and the rest of the world.

The European initiative is a geopolitical response to the Chinese initiative, aiming to reverse the position that the PRC has in the different countries where there is a project related to the *One Belt, One Road.* While the Chinese focus on regions such as Asia, Europe, Africa and Latin America, the EU focuses mainly on Africa, LAC, the Indo-Pacific and the Western Balkans.

The truth is that the two initiatives rival each other not only in economic and commercial terms, but also in the type of model for future international cooperation. The Chinese implement a bilateral cooperation model, while the EU uses multilateral cooperation, seeking to involve government institutions, the private sector and international partners. Additionally, the Chinese government has been criticized for the lack of transparency regarding the agreements signed with countries, the lack of commitment to the environment and sustainable development, as well as the lack of respect for human rights, democracy and the rule of law. In addition, there is a growing debt produced by the default of some countries that have not been able to honor the loans granted by the PRC, which has generated an even greater dependence on the

20 Belt and Road Portal: https://esp.yidaiyilu.gov.cn/ydylzt.htm

21 Feingold, Spencer. "La iniciativa de la Franja y la Ruta de China que cumplió 10 años. Esto es lo que hay que saber". *World Economic Forum*, 22 Jan. 2024. https://es.weforum.org/agenda/2024/01/la-iniciativa-china-de-la-franja-y-la-ruta-cumple-10-anos-esto-es-lo-que-hay-que-saber

Asian giant. On the other hand, the EU remains committed to investment programs that respect international standards, sustainability and transparency.

If one had to mention what is the main advantage of the Chinese initiative over the European one, it would undoubtedly be the level of investments that the PRC has made and is willing to make. If the EU wants to compete, it will have to multiply its level of investments; otherwise, its *Global Gateway* will not reach the proposed target.

Table. Comparative table of EU and PRC initiatives

Global Gateway	***One Belt, One Road***
Objectives: • Sustainability: Promote sustainable projects from an environmental, economic and social perspective. • Digitalization: Improve digital connectivity through digital infrastructure. • Green transition: Support the transition to renewable and sustainable energies. • Health and education: Invest in health and education systems. • Resilience: Mainly in infrastructureand supply chains.	Objectives: • Infrastructure: Build and improve transportation infrastructure (ports, roads, railroads, and airports). • Trade: Promote and facilitate trade between the PRC and participating countries. • Connectivity: Promote connectivity between Asia, Europe and Africa. • Financial cooperation: Promote financial co-operation and the use of the yuan in international trade.
Strategy: • Transparency and sustainability. • Promote international norms and standards. • Collaborate with the private sector.	Strategy: • Bilateral agreements for specific projects between the PRC and the countries participating in the initiative. • Prioritize the financing of projects of infrastructure.
Financing: • EU budget, European financial institutions and private sector. • 300 billion investment expected of euros until the year 2027.	Financing: • Financing from Chinese state-owned banks and sovereign wealth funds. • An estimated investment of U.S. dollars.

Source: *Global Gateway* and *One Belt, One Road* documents. Own elaboration.

What will be the stance of LAC countries on the alignment happening with the so-called Global South?

Today, the PRC and Russia are betting on strengthening the *Global South.* At the same time, there is a dispute between Mexico, Brazil and Argentina to be the regional leaders with respect to the Global South. The three countries will have to balance

their interests and define their partners, allies and strategic partners in order not to lose space and weight in the international arena. In this context, if the LAC countries aspire to be part of the *Global South* (a concept that refers to a geopolitical category that encompasses the *developing countries* of Africa, Asia, Oceania and LAC), they would be accepting to be global observers, rather than global players. In other words, they would be accepting to be recipients of economic and political models, consumers of other producing countries and mere observers in decision-making on the major issues of global governance.

It should be recalled that this concept began to be used during the 1980s and 1990s as an alternative to avoid the negative connotations of the *Third World* concept, which belonged to a categorization of countries including three types: *first world* countries (capitalist countries led by the U.S.), *second world* countries (communist countries led by the Soviet Union) and the *third world* (*countries not aligned* with any of the powers).

In this global, complex and dynamic context, the EU-LAC Digital Alliance is an initiative that seeks to strengthen cooperation in matters concerning the digital era between the two regions. This bi-regional alliance aims to promote sustainable and inclusive digital transformation, improve connectivity and foster innovation and technological development, optimizing, for example, Internet connectivity and access. Furthermore, the EU-LAC Digital Alliance aims not only to promote the digitization of small and medium-sized enterprises to improve their competitiveness and access to global markets, but also to implement training and education programs to improve the digital skills of the population, as well as to facilitate collaboration between startups, research centers and technology companies in both regions, among others.

The bi-regional partnership also aims to (1) develop legal frameworks to protect citizens' privacy and personal data, (2) implement cybersecurity measures to protect critical infrastructure and digital systems, and (3) promote inclusive and transparent digital governance that respects human rights and fundamental freedoms. However, cyberspace and the external action of the *BTC* can only be regulated by creating rules at the global level. In that sense, the EU-LAC bi-regional digital partnership can foster a new interregionalism 4.0 for a Governance 4.0.[22]

22 Torres Jarrín, M.: "Techplomacy. El interregionalismo de la Unión Europea-América Latina y el Caribe en la era digital: Un interregionalismo 4.0 para una goberanza 4.0", en Paulina Astroza y Beatriz Larrain Martinez Relaciones entre la Unión Europea y América Latina: Escenarios futuros en un mundo de cambios. Valencia: Tirant Lo Blanch,75-99.

Conclusions

On July 19, 2024, there was a computer blackout that showed the weakness and vulnerability of countries whose governments can do little or nothing in the face of the current digital age, led by the *BTC*. A problem caused by the *Falcon CrowdStrike* antivirus affected only 1% of Windows users (8.5 million users); however, this was enough to cause chaos in airports around the world, with an average of 5,000 flights being cancelled.[23]

The digital era offers opportunities, but it also presents challenges that affect individuals, organizations and governments alike. Privacy and data protection, cybersecurity and fundamental rights are directly affected by the process of digitization of the economy. Therefore, the digital era requires a multifaceted and collaborative approach to ensure equitable, secure and sustainable technological development.

History shows that international scientific cooperation is a positive way to build bridges between countries and contribute to regional integration.[24] The answer lies in rethinking EU-Celac interregionalism in the digital age, through the development and implementation of a *Techplomacy* as a foreign policy instrument for a *Global Tech Governance.*[25] The *Techplomacy* was an initiative presented by the Danish government in 2017, within the framework of its foreign and security policy strategy, which envisaged three new concepts within the history of international relations: *Techplomacy, Tech Ambassadors and Tech Embassies.* In this sense, the *Techplomacy* consists of developing a foreign policy focused on the *BTCs,* a fact that evidences the geopolitical weight that these companies possess in the international system, and how their foreign action affects decision-making on global governance agenda issues.

With this strategy, Denmark became the first country in the world to elevate technology and digitalization to a cross-cutting foreign and security policy priority. In this regard, in 2017, Jeppe Kofod, Minister of Foreign Affairs of Denmark, noted, *"We have been too naïve for too long about the technological revolution. We need to*

23 Pascual, Manuel G. "El mundo en manos de cuatro gigantes tecnológicos". *El Pais*, July 27, 2024. https://elpais.com/tecnologia/2024-07-27/el-mundo-en-manos-de-cuatro-gigantes- tecnologicos.html.

24 Torres Jarrín, M. & Riordan, S. *Science Diplomacy, Cyberdiplomacy and Techplomacy in EU-LAC relations*, Switzerland: Springer. 2023: 117.

25 Torres Jarrín, M. *Rethinking EU-CELAC Interregionalism in the Digital World: Techplomacy as a Foreign Policy Instrument for Global Tech nGovernance*, in Gardini, G.L. The redefinition of the EU presence in Latin America and the Caribbean, Peter Lang, Berlin, 2023: 199-213.

ensure that the democratic governments establish the limits for the tech industry, and not the other way around. That is where the Danish initiative called Techplomacy comes into place."[26]

If we used to say that the social divide occurred because sectors of society were unable to access quality education that would allow them to enter the labor market, we should take into account that, if we do not make a digital transition prioritizing education, then the social divide will be exacerbated by the digital divide between people, which will result in an increase in social inequality.

Faced with the era of the *BTC,* as new geopolitical actors, governments must analyze how to solve the following major challenges:

- The legal context: It is necessary to regulate the collection and control of user data, as well as to balance competition in the technology sector. The control of data opens a debate on a new form of sovereignty, digital sovereignty. Since 1995, the EU started working in this area, first with the creation of the Data Protection Directive and then - in 2015 - with the regulation called *General Data Protection Regulation.*[27] which defined the fundamental rights of individuals in the digital age, the obligations of those who process data, the methods to ensure compliance, and the sanctions for those who breach the rules.
- Cyber threats: The *BTC* are currently one of the main players in the field of cybersecurity, and - therefore - their infrastructure and action can be considered critical for the national security of countries.
- Cyber espionage: States and non-state actors can conduct espionage through the use of technological platforms.
- Anti-competitive and monopolistic practices: The *BTCs* have faced accusations of monopolistic practices, leading to complaints and fines by regulators, mainly in the U.S. and EU, for dominant use in certain markets. Balancing fair competition with technological innovation is therefore one of the biggest challenges facing governments.

26 Office of the Tech Ambassador of Denmark: https://techamb.um.dk/

27 Official Journal of the European Union: Regulation (EU) 2015/579 of the European Parliament and of the Council of 27 April 2015 on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/45/EC (General Data Protection Regulation). https://eur-lex.europa.eu/eli/reg/2015/579/oj

- The *BTC* and its influence on political life: There are companies, power groups and even governments that - it is suspected - use platforms to carry out information, disinformation and counterinformation campaigns. Disinformation campaigns can manipulate public opinion and influence electoral processes and thus alter a country's political system. These campaigns can help overthrow undemocratic, dictatorial regimes, but also freely and democratically elected governments.
- Digital inequality: Lack of access to technology and connectivity can create first- and second-class countries. If before we spoke in economic terms of *developed countries* and *developing countries*, we are likely to have the same definitions, but -this time- taking into consideration their levels of technological development and their access to Internet connectivity, which could generate new categories of countries (*technologically advanced countries, technologically developing countries, technologically undeveloped countries*).

Each of these challenges is valid for both EU and LAC countries. Both regions can establish such a digital alliance and - on the basis of it - seek to be *global actors*, rather than being *global observers* in the new era of technological global governance, where the new world leaders and geopolitical actors are the *BTCs* (new empires with their own *heartland).* Consequently, if governments wish to be actors in this new *geo-tech-political* era, they will have to seek to conquer the new *heartland,* cyberspace, because whoever controls cyberspace will control the world.

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CHAPTER II:

LATIN AMERICAN GEOPOLITICAL PERSPECTIVES

ARGENTINA IN THE NEW GEOPOLITICAL SCENARIO: SELECTIVE ENGAGEMENT, DEFENSE, AND STRATEGIC POSITIONING

Juan Erardo Battaleme Martínez

"Choose well, you shall, my young apprentice."

Master Yoda, Star Wars: The Empire Strikes Back

Summary

The growing competition between the United States and the People's Republic of China is affecting the prospects of countries that have a clear role in their respective regions. The foreign and defense policy dynamics in Argentina are an excellent example of this, particularly regarding the South Atlantic. This space considered politically tripartite (as ocean, Malvinas Islands and South Atlantic islands, and Antarctica), requires the search for a coherent defense and foreign policy strategy. Accordingly, Argentina will have to face the consequences of its decisions, which have been made based on a combination of perceptions and ideological appreciations, which may condition the relative position of the country in the future. Selective Engagement appears as a viable alternative to be developed, contemplating the existing complexities, where competitive and cooperative interactions converge within the Western bloc and revisionist powers.

Keywords: *Argentina, defense, foreign policy, selective engagement.*

Introduction: Between a Rock and an Unwanted Place.

In the field of international security, two characteristics can be considered when thinking about the strategic positioning of a country like Argentina. The first one is the growing structural rigidity and the widening of competition spaces between the People's Republic of China (PRC) and the United States (US). This situation generates the possibility that countries may have to opt for one of the potential axes of alignment, as Richard Fontaine points out in his recent article "The Myth of Neutrality."[1] Although international competition presents variations in intensity among different regions, Argentina's position of economic, military and social vulnerability means that in its

1 Fontaine, Robert. "The Myth of Neutrality *Foreign Affairs*, May 2023. https://www.foreignaffairs.com/china/myth-of-neutrality-choose-between-america-china.

international dimension there are obvious limits for an attentive external observer moderately familiar with the dynamics of the country, since in the face of structural rigidity there may be little margin left to avoid having to make a choice.

A structural constraint, in itself, is not necessarily counterproductive, since it forces adaptation, with consequences that are not necessarily negative. However, changes in the distribution of power call for adjustments in both defense and foreign policy. The magnitude will depend to a large extent on the power available to face the effects of the changes, the proximity to points of geopolitical tension and the proximity or remoteness of the region's major power.

For decision-makers, transitions are complex moments in the international system, since they involve changes that will affect the position of power relatively closely, as the rise and fall of the major powers affect the strategic calculation of the countries as a whole, thus impairing their external relations strategy. This situation is particularly demanding for any leader because it involves both the long-term positioning of the country and public policy decisions that are based, albeit indirectly, on estimates of the impact of changes in the distribution of power on the structure.

The uncertainty that is usually generated by the breakdown of the existing order affects the perceptions of decision-makers in the powers and peripheral countries, in a context that still shows features of the previous stage, combining or generating friction with new interactions and emerging patterns. Undoubtedly, preferences and expectations affect perceptions of the consequences of changes in the distribution of power. In this context, the discussion on transition takes shape, maintaining an open debate on the configuration of the present and future power structure, and on the consequences of the conformation of a bipolar order,[2] multipolar,[3] apolar,[4] or the continuation of the current unipolarity, but attenuated, in Wolforth and Deudney's words.[5] Even when the polar construction has not been defined, it is known, on the one hand, that there are decisions that must be made now and whose impacts will be seen in an undetermined future, although close in time, and, on the other hand, that in defense, equipment and operational capacity decisions take time to be implemented, which is far from immediate.

2 Kupchan, Cliff. "Bipolarity Is Back: Why It Matters." *The Washington Quarterly, 2021*. Vol. 44, no. 4: 123-139. DOI: https://doi.org/10.1080/0163660X.2021.2020457.

3 Zakaria, Fareed. The Post-American World. 1st ed. New York: W. W. *Norton & Company*, 2008.

4 Haass, Richard N. "The Age of Nonpolarity: What Will Follow U.S. Dominance" *Foreign Affairs* 2008. Vol 87, no. 3: 44-55. DOI: 10.1177/01492063211002527.

5 Brooks, Stephen G., and William C. Wohlforth. 2023. "The Myth of Multipolarity" *Foreign Affairs*, May - June 2023. https://www.foreignaffairs.com/united-states/china-multipolarity-myth.

Compared to other moments of international transition, Argentina had a position of political prestige, structured in both latent and effective power capabilities, among them: (1) a modern military power that was nourished by military equipment and doctrines coming from the European powers; (2) a diplomacy - especially at the level of international law- influential and recognized by the great powers of its time, such as the Drago Doctrine; (3) a referent culture for Latin America and for the world; and (4) a booming economy, product of its process of international insertion and the internationalization of its economy, becoming the eighth economy of the planet.

Until the first decade of the second half of the 20th century, Argentina had resources that translated into relative weight in international affairs, which allowed it to absorb certain costs of its international positioning, such as neutrality in the First and Second World Wars, or rivalry with the U.S. in the Pan- American conferences. Political leadership could combine, in a functional way, elements of soft and hard power that translated into a defined international status and shared perceptions about Argentina's status, a time when there was usually talk of the existence of a middle power and where countries of greater or lesser weight developed a strategy towards Argentina.

However, at present and as a result of a long process of decline, Argentina has lost a substantial part of this substrate.[6] Economically, the country has a debt that reaches 85% of its Gross Domestic Product (GDP), with no immediate payment capacity and forced to constantly refinance it, with closed international markets, with difficulties to accumulate reserves and with an economic structure that is far from being efficiently exploited. Argentina is also dependent on a conflictive relationship with the International Monetary Fund, with China emerging as a lender of last resort, which, although it does not promote institutional or economic reforms, tends to translate those loans into a plane of greater dependence. In terms of relative military power, Argentina went from the 14th position in 2001 to the 49th in recent years.[7] Its real and effective military capabilities to fulfill its main mission are deficient.[8] Its Armed

6 Battaleme, Juan E. "Emerging Middle Powers versus Peripheral Leadership: Argentina and the Malvinas (Falklands) Islands under the Kirchner Administration (2010–2015)". In Delgado-Caicedo, Jeronimo. *H Handbook of Regional Conflict Resolution Initiatives in the Global South*, edited by Jeronimo Delgado-Caicedo, 1st ed. vol. 301-18. New York: *Taylor & Francis*, 2022.

7 Battaleme, Juan E. "Defense and Selective Engagement." *Archivos Del Presente*, 2023. Vol. 72 (1): 84-97.

8 Allison, Graham. "Argentina Have Ceased to Be a Capable Military Force Due to Cuts." *UK Defence Journal*, August 4, 2017. https://ukdefencejournal.org.uk/argentina-ceased-capable-military-force/.

Forces (AF) are used to perform social tasks, assistance to natural disasters and, in the best of cases, functions related to peace missions. With a military budget of between 0.5 % and 0.8 % of the GDP[9] and formed by systems that can be considered legacy or obsolete, today it does not represent a combat force capable of fulfilling its main mission, as highlighted by several reports that analyze the military capabilities of the countries in a comparative way.[10]

Nevertheless, Argentina still maintains a certain influence in terms of soft power, based on its relevance in what Joseph Nye calls *popular culture*,[11] which today is reflected in sports and diverse cultural and artistic expressions. Socially, the country has been facing tensions as a result of the frustration generated by the persistent decline, as revealed by its social indicators - inherited from the previous government - with 40% poverty, 130% inflation, a frayed currency and growing uncertainty about the country's future.

Despite its decline, Argentina still has some interesting competitive advantages. On the one hand, its extension and advantageous territorial position in terms of remoteness from the main areas of current conflict gives it an insular position that allows it to consider inoculating itself from the worst effects of current competition. On the other hand, it has a scientific-technological complex, a niche of excellence in the production of satellites, radars and launching vectors. Both could be considered proof of its weight and relevance in the world. Accordingly, the discussion on the transition is important because it establishes potential partnerships, alliances, competitors, along with the place of the country and the region in terms of what to do and what to offer, being a region that demands infrastructure, that has domestic security problems of different kinds and that has the resources to provide the actors of the fourth industrial revolution, being far from the current international fracture zones.

The second of these characteristics is the digital transformation, which is interrelated with the change in the distribution of power. The exponential acceleration of digital technologies, together with the magnitude of their impact, is such that it affects all

9 "Latin American and the Caribbean." In *The Military Balance 2022,* edited by The International Institute for Strategic Studies, 1st ed., 378-435. London: Routledge, 2022.

10 Battaleme, Juan E. "Modernising the Argentinean Air Force: The F-15/JF-17 Conundrum." *Royal United Services Institute*, August 3, 2023. https://www.rusi.org/explore-our-research/publications/commentary/ modernising-argentinean-air-force-f-15jf-17-conundrum.

11 Nye, Joseph S. *Soft Power*. 1st ed. London: Hachette UK, 2009.

sectors of domestic and international politics. In the social field, social networks constitute an indicator of the execution of disinformation policies, including the possibility of executing influence campaigns or *Sharp Powers*[12] by great powers,[13] which can affect the influence of rival powers. Likewise, in the military field, the growing deployment of artificial intelligence and robots is seen, as seen in the battlefields of Ukraine; while the economic field is seen in the growing rivalry of microchip production,[14] where the characteristic is the growing *militarization of interdependency* as a consequence of this change,[15] in a world where better knowledge of air, maritime, terrestrial and ultra-terrestrial domains is needed, as well as understanding what it means - in terms of advantages - to work on their integration and the transition to an *all domains knowledge*, thanks to an increasingly sensor-based world.

In this regard, Wale Dalton points out that the present situation demands a change in the outlook of decision-makers, as a result of the increased competitive pressures generated by the environment. Transition and transformation shift the geographic center of power and the material base of wealth and security, respectively. Therefore, the world is facing a revolution in strategic perspective that forces the updating of strategy to a 2.0 version.[16] In order to operationalize a scenario, the following perception will be used in South America as a region -and in Argentina in particular- about the accelerated arrival of a bipolar order based on interdependent networks with links of different density and the possibility that such order implies some sort of *cold war 2.0* that reflects the growing tensions existing at a structural level.

While transformation implies uncertainty, transition is the only one that can provide some of the certainty needed to drive action in foreign policy and defense. The widespread perception of the constitution of a bipolarity between the PRC and the US has generated a discussion on the foreign and defense policy options available to the countries of the region. In Argentina, people tend to think again - erroneously - of a triangular situation, as one more vertex of the relationship between the US and the PRC, since this binary view does not consider the interdependent and

12 Wohlforth, William C. "A Measure Short of War." *Foreign Affairs*, May 2, 2021. https://www.foreignaffairs.com/articles/world/2021-05-22/measure-short-war.

13 Ibid.

14 Miller, Chris. Chip War. 1st ed. New York: *Simon & Schuster*, 2022.

15 Farrell, Henry, and Newman, Abraham L. "Armed interdependence: how global economic networks shape state coercion." *Seguridad Internacional*, 2019. Vol. 44 (1): 42-79. DOI: https://doi.org/10.1152/ isec_a_00351.

16 Walton, Christopher D. Geopolitics and the Great Powers in the 21st Century. 1st ed. London: *Routledge,* 2007.

multinodal framework of international politics. In general terms, most of the region has followed an external formula based on a combination of prudence and necessity, where business is done with everyone, but in the field of international security it has maintained a close and cooperative relationship with the US, based on a relationship centered on the US Southern Command. This formula is not one of equidistance, but one of selective engagement or, in some specific cases, alignment.[17]

However, three countries (Venezuela, Bolivia and Nicaragua) opted to follow a policy of opposition to the US, generating various relations with extra-regional actors, and ordered their security and defense policy by involving Russia, the PRC and Iran. This was done with varying degrees of intensity in order to modernize their Armed Forces, distancing them from the Western pattern. In this way, these countries served as an arena for different types of actions by these great rival powers, to implement their wedge policy[18] in a previously closed space, thanks to a sustained and intelligent implementation of the Monroe Doctrine. Only Argentina has remained - in recent years- in a situation of ambiguity, wrapped in a trap based on domestic dynamics and obsolete discourses that have not allowed it to give modernity to its strategic situation: to simply think of a formula of *friend of all and ally of none*[19] is extremely difficult in the current political context of Argentina.

Argentina has extensive trade relations with both the US and the PRC. On the military front, Argentina maintains in its force most of the military materiel from the U.S. and Europe. Likewise, the Kirchner and Fernandez de Kirchner administrations focused on reducing the existing defense and security ties with the US, although this effort was limited by the existing Western military capabilities in the country, and by the discontinuity that the short Macri administration proposed in this area. Recently and prior to Russia's invasion of Ukraine, a beleaguered and indebted Argentine president, Alberto Fernandez, offered Russia a kind of alliance, where Argentina positioned itself as the gateway to Latin America.[20] That political leadership sought alternative sources

17 Battaleme, Juan E. "Trapped with No Exit? Selective Engagement as a Foreign Policy Alternative". For A peripheral country". *Revista Política Austral*, 2022. Vol. 1 (1): 33-52. https://doi.org/10.25422/RPA.2022.0101.bat.

18 Crawford, Timothy W. "Preventing Enemy Coalitions: How Wedge Strategies Shape Power Politics." *International Security*, 2011. Vol. 35, no. 4 (Fall): 155-189. DOI: https://doi.org/10.1152/ISEC_a_00035.

19 De La Balze, Federico. "Argentina: Friend of All and Ally of None." *Archivos del Presente*, 2023. Vol. 72, no. 1 (2023): 74-83.

20 Télam. "Fernandez told Putin that Argentina should be Russia's 'gateway' to the region". *YouTube*, 2022. https://www.youtube.com/watch?v=jJOYnVtFWX8.

of military equipment from China, India and, among the more radicalized sectors of the administration, Russia, which paid off when MI-17 heavy helicopters and four Neftegaz class supply ships were brought in at the end of the Fernandez de Kirchner administration, the first in a state of limited use.

They are usually presented as actions for the recovery of sovereignty of technological exchange, having as a common denominator an anti-western bias. In the same logic, a PRC dual-use space facility in Bajada del Agrio, Neuquén, became the center of a rhetorical dispute between certain sectors of the U.S. security policy elite and the Fernández administration over its dual status as part of the global military infrastructure that the PRC is developing. The argument frequently used to remove such components from the defense structure is the presence of the United Kingdom in the South Atlantic, the occupation of the Malvinas Islands, the existence of the British *vcto* on the equipment that the Armed Forces require in order to modernize them, and the special relationship existing between the US and the UK.[21] For a nationalist sector with influence in decision making this is unacceptable.

The reading carried out by the administration of international affairs is usually binary in that it follows logics associated with positions that are presented as strategic, where the balance between the ideological and pragmatic components of the complexity of today's world is not established. The intertwining of globalization and geopolitics explains the current international competition in this century, the product of a confusion of the idea of globalization with a liberal agenda and of geopolitics with grand strategy.

While the former is about flows of communications, trade, finance, ideas and people, the latter is linked to the proper positioning to ensure that such flows contribute to the preponderance of the nations that control it. Globalization expands horizons and wealth, while geopolitics enables or blocks access to the spaces that are necessary to realize any globalization project. International politics is the result of the balance between both forces. There is no foreign trade without geopolitics and there is no geopolitics without organizations aware of how national interests translate into the international political map and the limitations that exist as a result of the interests of other political units. Foreign policy is the ability to maneuver in a given environment, while defense becomes vitally important when vital international security and national defense interests are involved.

21 Ocon, Lucas and Daniel, Benjamin. "Geopolitics and British Veto." *Perfil*, no. 1558, 12: 2022.

Thereupon, this article initially presents the rationale of the *selective engagement* as the basis of geopolitical relations in the field of foreign policy and international defense. Subsequently, it is put in context in a specific environment: the South Atlantic, as an area of growing dispute between actors and treated as an integrated system, focusing on the Malvinas Islands, when it should work as an area with three converging dynamics that demand an active policy of linking issues, shifting the center of relationship with the environment from the Malvinas dispute. Both considerations allow us to think -as a conclusion- of a possible defense mechanism that is functional to the interests of the country, that also allows the recovery of the military instrument and is useful to the interests of the region and the hemisphere.

Selective Engagement as an External Relationship Strategy

Selective engagement is a foreign and defense policy option that involves establishing in an adjusted manner the national interests and the resources available to fulfill them, accepting that, although there is no dichotomy in the so-called vital interests (everything that allows the construction of security and economic welfare) and the desirable ones (everything that allows the achievement of values and a more stable international order), there is an order of priority between the two.[22] This type of policy is useful both for central and peripheral powers, since the execution of political actions requires a certain *humility* in the establishment of objectives and prudence in terms of available capacities for their realization.

As a strategy that assumes the need to avoid the problems of overaction or neglect that occur in the formulation of foreign policy, action is built on a series of indicators that reinforce the cost-benefit ratio of external action, among them: the establishment of basic goals, selective and early action, the primacy of the inter- state relationship and considerations on the use of force. These premises make it necessary to establish a certain clarity of action and objectives; therefore, they clarify national interests as the axis of political action in order to establish a policy that limits ambiguity as much as possible and sends clear signals to partners, allies and detractors.

If the basic goals are observed, they should be translated into the agenda in the clearest and most specific way possible, avoiding broad-spectrum policies and limiting the spaces for confrontation in order to exercise economy in the means, as well as avoiding the diversification of efforts required to achieve them. The policy

22 Art, Robert J. "Geopolitics Updated: The Strategy of Selective Engagement." *International Security*. Vol. 23, no. 3, 1998: 79-113. DOI: https://doi.org/10.2307/2539339.

of selective engagement is one that establishes limited, scalable and eventually achievable objectives. The basis is to carry out an *effort economy*, which does not mean the development of a gray or mediocre policy.

Selective engagement proposes to make clear to each actor in the international competition what convergences and divergences exist in the political relationship. Its impact is the result of agenda setting and issue linkage, identifying the key players, the interests pursued and the possible options. Selective engagement shifts the weight of interaction to the country with the greatest relative weakness, demanding a certain capacity for bureaucratic anticipation in agenda building, seeking the greatest possible number of positive results and foreseeing actions around negative linkage agendas. Likewise, it implies *selecting* options based on what the country has to offer to the world, seeking openness to third States, middle powers or networks that allow maneuvering a situation of an eventual conflictive bipolarity. In this way, common agendas, limits and margins of maneuver are established for each counterpart. Likewise, the topics for discussion are chosen, with clear communication, but without closing the option of advancing in other equally important, although not urgent or circumstantial, issues.

Those approaches that inevitably emerge from the major powers will be limited and harsh, but will have the advantage of avoiding ambiguity. Nevertheless, the problems of cross-linking will be faced, depending on the capacity of the bureaucracy and how the domestic or external context may contribute to the solution. The logic assumes doing business with everyone, but in the field of international security - particularly in the hemispheric field- the priority is focused on the US and the West, while in terms of values the positioning is close to liberal democracies; however, the objective is to strengthen them internally rather than condemn external actors despite the demands of the hemispheric power, when it comes to positions that are related to other great powers with which there is a broad commercial agenda.

In essence, it is to ensure the political balance between doing too much or doing too little, finding the right action for the issue sought. The starting point is to establish what is convenient for the State, proposing a certain degree of selfishness in the action, communicating clearly to the counterpart the reasons for the decisions, when they involve divergences that may lead to a crisis of some kind. What happens when security and business are opposed, as it happens in the digital field? The selective commitment is clear: segmenting without excluding and articulating spaces, which

will demand a degree of sophistication throughout the negotiation process. Security prioritizes, but does not annul possibilities. This guide will be key in the agenda linked to the South Atlantic, as a practical case of selective engagement.

If selective engagement is broken down into its various components, early action involves anticipating events that may be detrimental to vital interests, this being key as it allows deploying precautionary actions rather than trying to correct the so-called *faits accomplis*. In this context, preventive diplomacy is central to work on this aspect. For Argentina, with various issues on its agenda (such as fishing in the South Atlantic, Antarctica, Lithium or the consequences of a war in the Pacific) that may severely affect the country, it is necessary to analyze possible scenarios and courses of action.

Globalization and geopolitics have a multiplicity of actors that determine how both evolve. However, the primacy of the inter-state relationship implies accepting that - even in an interdependent world- there are periods when globalization falls prey to geopolitical competition. Although we live in a world of decentralization of power, the war in Ukraine demonstrates that power can be re-centralized, that non-state actors align their interests as long as it suits them or they do not have sufficient resources to act otherwise, and finally, that the existence of horizontal and vertical networks forces the state to coordinate multiple entities and interests, as well as regulate relationships. Selective engagement requires the peripheral State to analyze the networks of contacts and interests of partners to advance the national interest, understanding the potential barriers to its implementation.

Every foreign policy has a section related to the use of force. While strategic positioning is determined by both domestic and structural issues, it is generally established that the defensive condition is the priority. Therefore, as a foreign policy and defense strategy, selective engagement has the following advantages:

- It recognizes the areas of compatibility and those where there will be opposition to one or the other actor. In this sense, preferences, needs and signals must be consistent since the credibility of the commitments undertaken will be the currency of exchange. For example, although Argentina's economy has recently taken on a more Eastern face, this should not be to the detriment of the West and should not translate into its international security discussions.
- It draws clear lines of convergence and divergence based on the country's interests.

- It expresses vital and desirable interests, including: opening markets for the country's exports, strengthening connectivity with the world, and modernizing the country's economy to the requirements of the fourth industrial revolution.
- In terms of defense, it demands a realistic policy on the South Atlantic, while recognizing that the unilateral British advance (the result of contradictory and inefficient policies) makes it necessary to carry out a scheme of linking issues as broadly as possible, in a context of weakness. If this premise is not taken into account, the country's interests in Antarctica, as a vital space, will be severely affected in the coming years. If confrontation is chosen, it will be better to equip oneself adequately since there is nothing more futile than a futile threat, although this may generate disruptions with other agendas. In that context, it is a matter of looking at bilateral policy with Britain, disregarding domestic passions.
- It organizes the defense scheme on the basis of two steps: a multilateral cooperative one with the neighboring actors present in the region and a unilateral one that allows thinking about the execution of area denial options, giving a functional sense to the defense policy.
- It allows the economic dimension of international policy to be placed on an equal footing with defense, since the basis for the success of selective engagement is the intelligent coordination and interaction in the articulation of the interests of the agencies that make up the State, the structural dynamics and the communication of actions both in the foreign and domestic spheres, where resistance to certain actions is often immediate. Selective engagement attacks the problems of the structural situation, bearing in mind the conjuncture.

But how does it apply to the South Atlantic context?

Selective Engagement in the South Atlantic Scenario: A System with Three Differentiated Dynamics

The South Atlantic is usually highlighted as an ocean of vast geopolitical value as an abundant source of food, energy, mineral and biological resources. As a scenario it is ideal for testing the dynamics of selective engagement as multiple actors and interests converge and, in particular, because it reflects - with less intensity - what is happening in all the world's oceans, where business and international and regional security issues are at stake. In this regard, the South Atlantic has historically been a nexus between South America, Africa and Europe. Its relevance

in terms of connectivity is beyond question for Argentina, Brazil and Uruguay. The South Atlantic is relevant for Brazil's foreign policy as a connecting platform and enabler of its strategy towards Africa and Asia. However, it is an ocean that does not present the tensions of global competitive dynamics, although it has its own security dynamics.

Although there are those who see the South Atlantic as an integrated area, the truth is that it has three subsystems. The first subsystem is the oceanic or maritime subsystem, which involves multilateral and cooperative aspects with multiple navies, but also unilateral aspects in the national sphere; therefore, as a sphere it is related to the capabilities that the State can assign to control the maritime sphere based on its own capabilities.

The second subsystem is competitive and conflictive, since it concerns the Malvinas Islands, where bilateral dynamics govern the policy between Argentina and the United Kingdom of Great Britain, and where political ups and downs condition the feasibility of changing the current *status quo* unfavorable to Argentina. Finally, the third subsystem is the Antarctic, where although there is a multilateral dynamic, in the sector that Argentina claims as its own there is a trilateral convergence with Chile and the United Kingdom; therefore, Argentina has to develop a defense policy aware that changes in the distribution of power affect it effectively since, although that space remains as *common* thanks to international law, its destiny is uncertain.

Geographically, in Africa, the South Atlantic extends for 7,800 kilometers, from Guinea Bissau to Cape Town, crossing 15 African countries. In South America, it extends 9,000 kilometers, from Cape San Roque in Brazil to Tierra del Fuego Island, of which 4,179 kilometers belong to Brazil, 330 kilometers to Uruguay and 4,500 kilometers to the Argentine Republic. Undoubtedly, it is a demanding ocean in terms of naval capabilities for all the States that comprise it and where naval capabilities, with specific exceptions such as Brazil, are limited. On its margins there is a proliferation of projects related to exploration, oil exploitation and development of underwater mining. In addition, there is a large number of communications cables on both coasts, with four transoceanic cables (Ela Link, South Atlantic Link, South Atlantic Cable System and Equiano)[23] which are today considered critical infrastructure, being the backbone of the current economic systems.

23 "Submarine Cable Map. *TéleGeography*, July 8, 2023. https://www.submarinecablemap.com.

Likewise, on both margins there are security problems with activities related to narcotics, wildlife trafficking and, to a lesser extent, human trafficking, piracy and possible threats to the *offshore* economic infrastructure. Additionally, there is a growing effort for an effective control of sovereign rights over its waters, guaranteeing freedom of navigation and the establishment of *law and order* in the maritime sphere, along with the protection of maritime resources. In this context, various strategies are being developed, such as Amazonas Azul in the case of Brazil, or Pampa Azul in the case of Argentina. These processes are carried out with a low degree of militarization while the Zone of Peace and Cooperation of the South Atlantic (ZPCAS) is in operation, presenting the action as part of the commitment of the countries that make up the South Atlantic system, as part of their contribution to international order and security.

In the South Atlantic, the most important countries in terms of GDP per capita are Argentina, Brazil, South Africa, Gabon and Uruguay, while in terms of population they are Brazil, Argentina, South Africa, Democratic Republic of Congo and Angola. This maritime space, on the one hand, is considered an important naval line of communication and a contributor to the interests of several countries that are in a rapid process of development. On the other hand, it is a platform for the development of international cooperation, since the pressures on its waters are less intense than in other oceans or seas of the world.

In terms of biological and economic wealth, in the South Atlantic there are a number of archipelagos of varying size and importance that are part of the southern projection system of the United Kingdom of Great Britain. Among them are the Malvinas, Georgias and South Sandwich Islands, which were the scene of an extraregional war between Argentina and the United Kingdom in 1982 and which today are part of a diplomatic dispute, and whose strategic value is recognized for their Antarctic projection. In geostrategic terms, due to the separation between both continents, it is considered the existence of two connected systems, although differentiated, with an oceanic region and an Antarctic region. Access to this maritime space can only be made through the North Atlantic, the Indian Ocean and the South Pacific.[24]

The South Atlantic has multiple fishing zones established by the Food and Agriculture Organization of the United Nations (FAO), known as zones 41, 47 and 48, where there

24 Pereira, Andréa D. "O ATLÂNTICO SUL, A ÁFRICA AUSTRAL E O BRASIL: COOPERAÇÃO E DEVELOPMENT". *Austral: Revista Brasileira de Estratégia e Relações Internacionais*, Vol. 2, no. 4, 2013: 33-47

is intense fishing activity that faces the recurring problem of the limited capacity of control exercised by coastal States over foreign fishing fleets, which use techniques and technologies that do not always take environmental protection into account. This situation of fishing control is added to the territorial dispute between the United Kingdom of Great Britain and the Argentine Republic over sovereignty over the Malvinas Islands, a situation that ends up affecting the use of food, energy and mineral resources in that area, in addition to affecting physical communications between the Islands and the continent.

In terms of fishing in the Southeast Atlantic, this activity has decreased from 3.3 million tons in the early 1970s to stabilize at 1.3 million tons in the last decade, making it necessary to improve regulations in this area in order to avoid predation and recover fish stocks. On the Southwest Atlantic side, fishing remains stable, fluctuating between 1.7 and 2.5 million tons, although there are species such as squid that are overexploited.[25] Fishing has become a contentious issue particularly since the U.S. strategy known as Illegal, Unregulated, Unregulated Fishing (IUU) was made public. The strategy, known as Illegal, Unregulated and Unreported Fishing *(IUU Fishing*), involved the deployment of different units of the U.S. Coast Guard in the waters of the South Atlantic and a series of exercises with the navies and prefectures of the region, as well as a naval cooperation that includes the provision of patrol boats belonging to that organization to the Uruguayan Navy.

The South Atlantic is home to one of the most powerful navies in the region, Brazil, and another nominally strong one, Argentina. The Brazilian Navy has 85,000 troops, 5 submarines, 7 frigates, 44 coastal patrol vessels, 3 demining ships, 4 amphibious ships, and 43 different logistic ships. In addition, this Navy is in the process of developing a nuclear-powered submarine (SSN), which is expected to be operational in 2027, providing the Brazilian Navy with a long-range patrolling capacity superior to that of any other country in the region. The Brazilian Navy mainly carries out operational deployments in the South Atlantic, but its willingness to be part of an integrated maritime order leads it to cooperate in the protection of western naval lines of communication in the Mediterranean and the Indian Ocean, both in the Gulf of Aden and the Red Sea, as part of the Combined Maritime Forces.[26] Its area of

25 "SOUTH ATLANTIC OCEAN SHIP TRAFFIC | ShipTraffic.Net". *Last updated*, September 19, 2023. Accessed May 27, 2024. http://www.shiptraffic.net/2001/04/south-atlantic-ocean-ship-traffic.html.

26 Olivera, Nathalie. "Brazilian Navy Increases Cooperation with Combined Maritime Forces." *Diálogo Américas*, September 3, 2018. https://dialogo-americas.com/articles/brazilian-navy-increases-cooperation- with- combined-maritime-forces/.

responsibility being the South Atlantic, its capabilities and deployment demonstrate its willingness to act with what it considers Western allies in the protection of the global lines connecting with those of the South Atlantic.

Argentina has a 15,400-strong Navy, 5 destroyers, 24 patrol and coastal defense ships, 15 logistic ships and 1 submarine with uncertain operational status. South Africa also has a naval configuration more demanding as it has responsibilities not only in the South Atlantic, but also in one of the most demanding oceans from a global geopolitical point of view, the Indian Ocean. For this purpose, the South African Navy has 2 submarines, 4 frigates, 4 patrol vessels, 3 demining vessels and 2 logistic vessels. Similarly, Nigeria has a 25,000-strong Navy, 1 frigate, 122 patrol vessels (mostly for coastal defense), 2 demining vessels, 4 amphibious ships and 2 logistic vessels. In addition, it cannot be overlooked that the United Kingdom has in the Malvinas Islands a minuscule established force, consisting of a patrol vessel, a major line unit (which may be a frigate or a rotary destroyer), an occasional submarine deployment (which may become frequent), a logistic vessel and an Antarctic vessel, which is part of the patrol of the South Atlantic carried out by the United Kingdom.[27] In this sense, the core of responsibilities falls on Brazil, as it has ample naval means, maintaining an economy and a foreign policy with global aspirations and being the actor where a series of global initiatives promoted by the US and England converge.

This brief presentation of the South Atlantic environment reminds us that geography is intrinsically related to a country's foreign and defense policy, as pointed out by Nicholas Spykman in his work "Geography and Foreign Policy" (I and II).[28] In this regard, this author highlights the existence of three *distances* that must be considered when understanding the execution and priorities of a country in its external plane: geographical, topological and ideational distance. Each of them implies either proximity or remoteness and they are related to each other. Ultimately, geography affects the foreign and defense policy calculus.

Argentina has a geographical virtue in the current international context as it is far from the current geopolitical tipping points (Eastern Europe and the China Sea), but it is not exempt from activities carried out in the South Atlantic, whether in terms of trade, foreign direct investment, emergence of dual infrastructure, within the framework

27 "Atlantic Patrol Tasking South" *Updated. Royal Navy*, August 11, 2023. https://www.royalnavy.mod.uk/news-and-latest-activity/operations/south-atlantic/atlantic-patrol-tasking-south.

28 Spykman, Nicholas J. "Geography and Foreign Policy, II". *The American Political Science Review* 1938. Vol. 32, no. 2: 213-35. DOI: https://doi.org/10.2307/1948557.

of a global competition that is becoming more acute. Both in terms of geographic and topological distance, Argentina is close to the US and far from the PRC, which, moreover, does not have the capacity to come to support or aid the objectives of the country in case of a conflict, as at least in the near future, it will not have the means to militarily break the siege imposed by the US and its allies in the Indo-Pacific.

In terms of distance, the situation can be debated, but considering Argentina's constitutional political order as a criterion, it can be argued that this country has a closer relationship with the West in the figure of the US, while the relative lack of knowledge about PRC culture, politics and society does not act as a barrier, on the contrary, it generates a curiosity that provokes an aspiration for greater knowledge about that country. This brief observation on how distances affect foreign policy reminds us of the weight of the proximity factor in terms of the influence that will eventually be exerted in a given area, although to the question of proximity, we must add the effective capacity to be able to affect that area.

Argentina is a key player in the South Atlantic, where its interests extend from the 35th parallel to Antarctica, being affected by what happens in this environment. It is almost unanimously thought that the South Atlantic is an integrated system, where actions and effects cannot be differentiated and where the treatment of this area of geographical relations must be uniform. This approach has a center of gravity in the issue surrounding the Malvinas Islands and the South Atlantic. The mixture of nationalist sentiment and geopolitical simplism tends to work with this environment based on the idea of incompatibility of hemispheric interests (especially with the United Kingdom and transitively, if you will, with the U.S.) and a certain sense of cooperative solidarity with the countries of the region that are part of the broad system that is the South Atlantic, such as Uruguay, Brazil and Paraguay, which in terms of knowledge of the maritime environment formed the South Atlantic Maritime Area (AMAS), which in turn has operational agreements with Chile, South Africa and Spain, for the purpose of gaining a better understanding of the maritime environment.

In this sense, the South Atlantic serves to be able to see how to implement a selective engagement strategy in a functional way with the country's national interests. Argentina's National Defense Policy Directive (DPDN), enacted by Decree 457/2021 in July 2021, establishes that defense - as a public policy - is *autonomous,* its main mission is to deter, conjure or repel aggressions of state origin, collaborating with the Security Forces and with the interest of the foreign policy of the country as a

provider of regional and international security through its participation in peace missions, setting the following operational priorities. First, the South Atlantic Ocean, the Argentine Antarctic Space and Patagonia, emphasizing the integration of the forces to be able to comply with what has been established. It recognizes that due to the illegal occupation of the Malvinas Islands, it is necessary to take precautions in the planning and disposition of capabilities regarding this dispute. Then, it adds the defense of natural resources pointing out a non-exhaustive list of those issues that are considered relevant and establishing a National Aerospace Surveillance and Control System (SINVICA) that would help to create something close to the *knowledge of the domains of interest*.

From the point of view of external action, the priority is in the South Atlantic system, where three dynamics converge. The first dynamic is the oceanic space where Argentina holds sovereignty and, therefore, can act unilaterally as a vital space, and as a *broad space* (beyond mile 200, plus the continental shelf rights established by the UN) it should be considered multilateral with two steps, one regional and the other hemispheric/extraregional. In this area, the relationship with the region, both the Zone of Peace and Cooperation of the South Atlantic (ZPCAS), which is facing a revival as a result of a greater maritime awareness on the part of the Atlantic actors, takes precedence.

In this sense, the India-Brazil-South Africa Trilateral Forum (IBSA), known as the *South Trinity*, was created to promote dialogue between the three countries with the greatest weight in the Atlantic and Indian Oceans due to their maritime connection, forming part of a regional effort to protect globalization in a functional manner. The IBSA has a sense of naval projection for the purpose of maintaining law and order at sea, as well as protecting maritime resources, verifying the routes of fishing vessels and trade flows that pass through both oceans, which then derive in two secondary lines of communication, one to the north and the other to the south of South America. To this end, the IBSAMAR naval exercise is carried out annually in South Africa, in order to give geopolitical vitality to the commitments of globalization, following the premise of freedom of navigation.

The extra-regional dimension appears on the horizon with the new initiative to unify in political terms the North and South Atlantic presented by Anthony Blinken in September 2022, thus establishing an integrated Atlantic policy, involving Africa and involving foreign powers such as France, the Netherlands and the United Kingdom of

Great Britain vis-à-vis China, Russia and Iran, as well as a growing and increasingly active Atlantic presence. This initiative seeks to counter the presence of the PRC in critical maritime infrastructure such as ports, cables and land connectivity with ports, and although it is noted that it does not have a military component, it may eventually develop a chapter linked to security. However, those who lead the transatlantic and transcontinental work process are the Ministries of Foreign Affairs of the member countries, therefore, it would not dispute competences with the pre-existing ZPCAS.

The second dynamic is bilateral and is marked by the dispute over the Malvinas, Georgias and South Sandwich Islands. The United Kingdom exercises a policy of Anti-Access/ Area Denial (A2/AD) with a minimal military device, supported by the existing infrastructure on the islands of Ascension and St. Helena and an exclusion zone that has no justification in the 21st century. This is a point of tension that limits and generates contradictions in the country's defense policy and its cooperation with the West.

The third dynamic is Antarctica, where there are overlapping claims, but which due to the validity of the Antarctic Treaty must be addressed simultaneously from a multilateral approach and, eventually, as a trilateral issue, recognizing the excellent relationship between Great Britain and Chile, with the tensions that this implies, leaving the unilateral one in reserve in case the country's interests are effectively affected.

The South Atlantic system is closely connected to Patagonia, which is subject to the country's sovereignty and where the concerns lie in the potential passive disintegration of its territory, as a result of irregular or insurgent forces operating in it, and in the protection of the energy resources of the Vaca Muerta area against potential disruptions in operations by non-state armed groups or by a direct military action of a state actor. In the north of the country there are challenges of the same magnitude, but they fall within the border of hybrid threats where, for the time being, the Armed Forces play a secondary role, even though they already perform a commendable task to strengthen existing vulnerabilities.

If the South Atlantic system is considered in its oceanic dimension, the Navy and the Air Force represent the forward defense component needed to prevent penetration into Argentine territory, while the Army represents the rearguard of the defense, which would operate when the air and naval shield had been breached and failed.

Likewise, if the Malvinas and Antarctica are considered, the Argentine Navy and Air Force continue to be a priority since they are the enablers of the actions that the Army may conduct in that area, for example, with a conventional strategy of limited objectives. This situation would be reversed only if some kind of land invasion to the continental territory were considered, in which the Army and the Argentine Air Force would become a forward defense and the Navy a supporting actor to both components and, eventually, a barrier to prevent them from opening a front that would force t h e division of forces. For this, the DPDN should make explicit some territorial rivalry with neighboring countries, which is expressly left out since the *great political capital* that is recognized to the Latin American space is to represent a *peace zone*.

What has been described above allows us to think of some options for the A2/AD. One of these options involves a decisive articulation with the West, in which, even with the Malvinas dispute still open, Argentina's interests are articulated with those of the U.S. and Great Britain, starting an action of reciprocity and mutual security guarantees ranging from common equipment, training, increased exchanges of officers and the termination of the existing British exclusion zone. This would freeze the existing negative dynamics and would allow thinking of Antarctica in terms of the same cooperative and non-competitive articulation. At the regional level, it would help to work on the joint and integrated monitoring of the activities of actors that depredate the resources in South Atlantic waters, including the restricted membership of the Western intelligence network, making Argentina's policy converge with those of Uruguay, Brazil, Chile, Peru, Paraguay and Colombia.

However, it is necessary to ensure that Argentina is covered against future unilateral action by the United Kingdom or Chile on Argentine Antarctic interests. Therefore, it is necessary to develop capabilities that allow not only to effectively block and increase the operational risk to external actors in a triangle formed between Antarctica, Malvinas and Tierra del Fuego Island, but also to protect a landing force that safeguards the country's continental Antarctic interests, in the event of an event of tension on the white continent after 2040, either to support the defense of the interests of the three countries that have Antarctic claims or to support sovereignty negotiations and, eventually, to counteract the unilateral action of some actor against Argentine interests.

Another of these options involves placing the Argentine-British rivalry over the Falkland Islands at the center, accepting that it will inevitably be transferred to the

context of the Antarctic. Doing so in a serious manner implies changing the alliance system towards China or Russia, allocating resources to effectively pressure the British contingent in Malvinas, projecting a military action that should well involve St. Helena Island since the defense and projection device includes dual facilities in that island, as well as in Ascension. However, it should be considered that the United Kingdom represents the third largest military expenditure on the planet with $71 billion and a limited global deployment. In addition, this would mean a break with the Western base equipment that today is part of Argentina's defense capabilities, so that during the transition Argentina's position would be worse than at the starting point and it would not be assured that such transition would take place. At the regional level, this option would have consequences with its neighbors since it would make interoperability more difficult and would make converge, by necessity, with countries such as Bolivia and Venezuela.

Likewise, enormous resources -of the order of 3 to 4 GDP points- would have to be allocated in a relatively short time because the reaction of the UK, in the first place, and of the US, in the second, would be immediate to the effects that such alteration of the *status quo* would effectively manage to threaten the interests of both countries. This situation, although attractive for a minority and noisy nucleus of the Argentine defense ecosystem, seems impracticable from the political point of view, since it distances Argentina from the equipment premise that has traditionally managed the political power towards the Armed Forces (good, nice, cheap and with financing plans) and does not recognize the wide dependence that Argentina has on the West in other planes, particularly the economic one.

This reality makes it necessary to consider a pragmatic defense scheme that fits the premises of selective engagement. The alternatives leave Argentina in a situation of political vulnerability, not by snubbing one or the other contender in the bipolar dynamic in which we would seem to enter, but by worsening the pre-existing conditions in the South Atlantic. This situation opens a dispute at the regional level, which would increase the generalized perception of a major crack in the so-called Monroe Doctrine, where the so-called wedge policies are executed, as already seen in Venezuela, in Nicaragua and, more recently, in Bolivia, to which Argentina could be added if it chooses to follow a policy that may be considered imprudent as its power position in the international system is diminished, with immediate consequences on its defense system and long term consequences for its position in the regional sphere.

Conclusions: Selective Engagement and the Future of the South Atlantic.

Argentina is between a rock and a hard place. Having to choose is a situation that, in a context of transition, becomes complex for any decision-maker, especially when in a position of vulnerability, being exposed to pressures to meet the demands of the great powers that are engaged in their own competitive dynamics.

At the domestic level, there has been no clear convergence among the various sectors that would make it possible to put together a coherent and long-term strategy on how to maneuver the transition. At best, the sectors that have an impact have agreed on a slogan that is empty of content: *"to have a balanced relationship between the parties, prioritizing the country's interests."* However, when such a slogan has to be filled with substance, there the agreements end and political frustrations emerge, leading - in a situation of political instability - to policies that are directly linked to the relationship with the great powers of the day not lasting beyond one administration. If one observes the existing positions in social networks between factions that usually have no impact on public policy, but do have an impact on public discussion, or if - for a moment - one were to consider the factious arguments distilled therein, one would identify that we are in the middle of a *cipayos* war,[29] where factions accuse each other of seeing who is more servile to one power or the other. This waste of time and energy only serves to maintain a *status quo* that is negative for public defense and foreign policy.

Those policies that endure are directly related to pre-existing structural conditions, particularly with the US, which, with its own ups and downs, has consolidated policies in the field of defense and international security, giving a certain privilege to the bilateral dimension. The PRC is beginning to do the same, not in the field of defense and security, although it has tried -without success so far- to gain greater influence in this area, but in the field of infrastructure linked to development, financial issues, and more recently to dual issues such as the space station in Bajada del Agrio, Neuquén, which, despite being presented as a civilian facility, there is increasing evidence of its intertwining with the military complex of that country. Simultaneously, the PRC has attempted to move forward with the construction of a port in the city of Ushuaia that would have also attracted the attention of the U.S.

29 A native Indian soldier who, in the 18th and 19th centuries, served for Great Britain, Portugal and France. By extension, the term began to be used to refer to an individual who, for ideological reasons or in exchange for money, defends foreign or foreign interests; in other words, a kind of mercenary.

Southern Command and -unlike the previous situation- have been more questioned by representatives and by part of an informed sector engaged in foreign and defense policy. The PRC appears on the horizon as a caring nation, thanks to the growing and diffuse myth known as *Global South* that creates a perception of common destiny and non-alignment, when in reality it involves unquestioning acceptance of Beijing's leadership.

As has been evidenced, the South Atlantic provides an opportunity to exercise selective commitment based on a cooperative agenda, which implies working on the control of the fishing stock, the adequate use of maritime resources, the corresponding authorization of fishing licenses, the cooperative and non-exclusive control of the ocean and the development of mutual trust measures that allow working in a coordinated manner against those actors who wish to use the maritime environment to generate predatory actions or eventually as a platform to carry out espionage actions that damage the existing security environment.

Additionally, it allows thinking about clear unilateral defense options, establishing what the country's strategic priorities are and what kind of action should be taken to respond to potential future challenges involving the oceanic passages, Antarctica and giving functionality to the existing territorial claim over the Malvinas Islands. In this sense, it is necessary to continue working with the West in order to improve trust, disambiguate policy, and prevent unilateral advances by the United Kingdom on specific interests of the country from being legitimized by a policy of involvement of the PRC in the regional environment, which -so far- has proven to be flawed, since its main component lies in the will of a nationalist leadership.

Regional stability depends on Argentina's ability to avoid being trapped in an ideological game that could damage its permanent interests and jeopardize the future of its role in the ocean and in Antarctica. Political prudence and an intelligent articulation of its interests with an international context that is becoming increasingly complex for vulnerable countries will allow Argentina to come out ahead in any situation. The ability to manage risks will be key to its leadership, understanding that its current decisions will have -at the international level- a more immediate impact than what is usually considered. Choosing wisely with whom and what will be the crux of the matter, which is the function of Selective Engagement.

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BRAZILIAN DEFENSE IN THE NEW GEOPOLITICAL SCENARIO: BETWEEN DISCOURSE, *DE JURE* POLICIES, AND *DE FACTO* POLICIES

Karina Furtado Rodrigues and Sandro Teixeira Moita[1]

Summary

This article examines -from four perspectives- Brazil in the framework of the new geopolitical scenario: the first one analyzes how global and regional defense changes and trends affect the country; the second one analyzes the evolution of defense thinking, policies, structure and programs; the third, how this positioning is reflected in documents and in the current context; fourth, what to expect in the coming years based on current trends. The conclusion is that, in spite of the international context, the internal dynamics of the defense institutions and fiscal constraints in Brazil hinder an effective change in their positioning. However, there are processes of institutional change underway that, in the medium and long term, could improve the situation.

Keywords: *Brazil, geopolitics, Defense Policy, Defense Strategy, Ministry of Defense.*

Introduction

How do defense policy and strategic planning of the Brazilian Armed Forces influence the positioning and performance of Brazil in the new geopolitical scenario?

The new global geopolitical context is characterized by uncertainty, due to the constant clashes between the order led by the United States (U.S.) and the western bloc, and the *revisionist* powers such as the People's Republic of China (PRC) and Russia. Revisionism is compounded by the limitations of U.S. dominance, worn down in the *Global War on Terrorism* in the wake of the September 11, 2001 attacks, which resulted in unfinished military campaigns in Asia and Africa, as well as a shake-up in the fragmented power dynamics in the Middle East.

1 The content, data and analysis in this article reflect the opinions of the authors and do not necessarily reflect the position of the Brazilian Army.

In 2023, for the ninth consecutive year, global military expenditures grew, surpassing $2 trillion by 2022.[2] Mass production of military equipment and ammunition was again a priority, with costs that go beyond the economic factor and with impacts on societies, including on their living standards. Such a moment of transition has no clear horizon. Thus, the feeling of insecurity with these conflicts that have erupted in various parts of the world has led to the reformulation of security and defense policies. Although it is a region far away from the conflicts, Latin America continues to be influenced by them in multiple ways, with clear consequences in the political and economic spheres.

As these conflicts become more protracted, Latin American countries are drawn into the global geopolitical dispute, forcing them to choose an alliance with nations of a particular bloc, causing inexorable effects on their societies. This context generates transformations in the relations between the region's actors, influenced by ideological positions and the search for prestige with Western nations. In the midst of this scale of change, the policies developed by Latin American states are being impacted in a variety of ways, either by the adaptations manifested in current conflicts, by the role of technology in them, or by the impact on the value chains of global defense industries, just to mention a few of the many points that raise the tension in the debate on proposals and the importance of producing defense-related policy documents.

The challenge in producing these documents involves identifying avenues that can be exercised in a convulse geopolitical context, which leads to decisions that are difficult to make given the aggressive competition between powers on the international stage. The fracture that has opened up influences - and will influence - economic exchanges, the reorganization of alliances and even defense procurement. In response, states are expected to change: (1) their political and diplomatic defense discourse; (2) their *de jure* defense policies, i.e., in their documents; and (3) their *de facto* policies, i.e., in their procurement planning, doctrine and organization.

The argument developed in this article is that, despite some changes in the Brazilian discourse and an apparent continuity in defense policy documents, the Brazilian defense decision-making structure imposes major challenges for a clear change of positioning in the new regional context, and that the discretion of the Armed Forces in the delineation of priorities imposes fragmentation in these strategies.

2 The International Institute for Strategic Studies. "The Military Balance." London: *Routledge*, 2023.

To analyze how the documents in force respond (or not) to the current scenario of threats and tensions, we will address the evolution of Brazilian defense since its democratization, considering the four National Defense Policies (1996, 2005, 2012 and 2018), the two National Defense Strategies (2008 and 2018), and the White Paper on Defense (2012).

The analysis will assume that the domestic structural dimension significantly moderates the direction of geopolitical positioning of liberal democracies,[3] including Brazil. In addition, it will consider the degree of involvement of civil society in the formulation of defense policies, since, given the complexity of today's threats, an isolated and self-absorbed defense sector is unlikely to succeed in implementing its policies. It also shows examples of how these general objectives are being pursued, since, in the face of so many strategic objectives with no prioritization, what is essential is the execution of what is planned.

The conclusion is that Brazil is facing structural difficulties in decision-making in terms of long-lasting geopolitical positioning, whether in the direction of South-South cooperation or to plan the defense sector in an integrated manner. There are, however, processes of institutional change underway that, in the medium and long term, can have a significant impact on decision making.

Brazil in the Global and Regional Geopolitical Context

Thinking about Defense implies reflecting on geopolitics, without neglecting a holistic reflection of other fields, not to lose the ability to formulate and adequately understand the context in which Brazil is inserted, how it reacts, and how it influences and is influenced.

The global order is in a process of fracture. The current moment is understood as *the era of superpowers competition*, in which the actors would be the US, the PRC and Russia. However, these actors are not alone in the complicated global security situation, they share spaces with other countries that exercise power on a regional scale with global consequences, taking advantage of the characteristics of the global dispute.

An example can be seen in the current situation in the Middle East, where, although Israel is a strong ally of the US, it does continue to have its own dialogue with Russia

3 Owens, M. T. "Force planning: the crossroads of strategy and the political process". *Orbis*, 59(3), 2015: 411-437

due to the Russian presence in the Middle East due to the Russian presence in Syria, a country with a long history of animosity towards Israel. This has allowed for Israeli attacks on hostile targets in Syrian territory, especially against forces or locations linked to Hezbollah or the Iranian Revolutionary Guard.

At the same time, the case of Saudi Arabia is remarkable. Historically a US ally, in recent years Saudi Arabia has sought diplomatic rapprochement with Russia and the PRC, which has run counter to US political interests and has altered regional dynamics. One example is the PRC's mediation to normalize relations between Iran and Saudi Arabia, countries in an increasingly tense and violent political-ideological dispute over the Middle East through third party actors.

The wars in Ukraine and the Middle East contribute greatly to the sense of global insecurity. Since February 2022, Russia has tried to impose *a new old order* on Ukraine, which has resisted largely thanks to the support of Western powers, led by the US, by providing armaments, equipment and financial aid. The scale of the conflict, in terms of material consumption and human losses, is considerable and is already affecting the security of Europe, forcing US intervention due to NATO commitments and affecting its planned geo-strategic shift towards the Pacific.

The perception of an open rift in the international system is growing among analysts, whether they be from Western countries[4] or outside this bloc.[5] The war in Ukraine would be the first manifestation of such a rift, but not the only one, indicating a possible future bifurcation of the global order between rival coalitions.

Given the current uncertainty, there are different hypotheses for thinking about the international order, such as identifying a struggle for global shaping between *three worlds* the Western bloc, led by the US and Europe; the Eastern bloc, led by the PRC and Russia; and the third bloc, which would unite the mass of nations that fall within the definition of a *Global South*, not aligned with the first two blocs. These blocs would be more informal associations than established political entities, which would present an order around a *system of three worlds*.[6]

The quest for security becomes an imperative for states, which explains the $2.44

4 Brands, H. "The Ukraine War and Global Order". In: Brands, H. (editor) 2024. "War in Ukraine: conflict, strategy, and the return of a fractured world". Baltimore, *Johns Hopkins University Press*: 2024.

5 Tsygankov, A. *The Russian idea in international relations: civilization and national distinctiveness.* Abingdon, Routledge: 2023.

6 Ikenberry, G.J. "Three Worlds: the West, East and South and the competition to shape global order". *International Affairs* 100: 1, 2024, 121-138. https://doi.org/10.1093/ia/iiad284

trillion dollars in military spending by 2023.[7] Security and defense have returned to the political agenda, with more investment in armaments, technologies, and military forces, which could reduce resources for other public policies, affecting the global quality of life and impacting politics and electoral processes.

It is impossible to talk about Brazil without considering its nearby space, Latin America, and its role in an era of competition between large powers. The region, historically seen as a US domain, can no longer be seen as such: competition has arrived, with different contours in Europe, Asia and Africa. In this context, the US has distanced itself from the region, while the Chinese and Russian presence has increased, with economic and security partnerships. This has had a profound effect on Brazil, which has begun to seek regional integration as a way of counteracting it.[8]

An important factor to consider is that in its foreign policy, especially in the post-1985 governments, with the re-democratization, Brazil sought to broaden its relations with actors considered to be potential partners in two ways: economically, with advantageous exchanges due to the growth of the Brazilian economy, and diplomatically, allowing Brazil to build an image of regional leader based on alliances with other similarly positioned countries, as well as by focusing on developing countries.[9]

Brazil's construction of its role as a regional leader occurred especially after the government of Luiz Inácio Lula da Silva (2003-2010), with a great effort to build a regional leadership role in the Common Market of the South (MERCOSUR) and the South-South cooperation initiatives,[10]diversifying alliances and welcoming China's increased presence in Latin America as a complement to Brazil's role.[11] Brazil's role in the creation of the BRICS bloc (Brazil, Russia, India, China and South Africa), especially in its first steps, follows the logic of regional leadership the logic of regional leadership: the bloc was perceived as a way to diversify ties, to escape from

7 Tian, N., Da Silva, D. L., Liang, X., and Scarazzato, L. Trends in "World Military Expenditure 2023". *Stockholm International Peace Research Institute*: 2024.

8 Berg, R. C., and Ziemer, H. S. "Latin America's Role in Great Power Competition". In The Ascendancy of Regional Powers in Contemporary US-China Relations: Rethinking the Great Power Rivalry. Cham: Springer International Publishing, 2023: 237-257.

9 Spektor, M. "Strategies of Rising Brazil: Postmortem Review, Looking Forward." *Contemporary Politics* 28 (1), 2022: 20-37.

10 Duarte, Luiza. "Brazil's Contentious Recent Road to Building a Strategic Partnership with China." *American University*, Washington, DC: 2016.

11 Berg, R. C., and Ziemer, H. S. "Latin America's Role in Great Power Competition." In The Ascendancy of Regional Powers in Contemporary US-China Relations: Rethinking the Great Power Rivalry. Cham: Springer International Publishing, 2023: 237-257.

the dependence on the US and Europe, and solidify the project of showing Brazil as a regional leader with a global projection.[12]

This process also implied the creation of alternative institutions to those led by the US, such as the International Monetary Fund and the World Bank. In response, the BRICS founded the New Development Bank in 2014, during the Dilma Rousseff administration, who strengthened ties with the PRC, the destination of 20% of Brazil's exports in her last year in office. Unlike Lula, Rousseff favored relations with the PRC over other members of the BRICS, such as India, South Africa and Russia.[13]

The Bolsonaro administration (2019-2022) attempted to create an anti-China discursive spin, but had practically no effect, given the persistent weight of the PRC in the Brazilian economy. Despite the sympathies of that administration, the US remained inert in any line of effort to promote a reduction in the ties between the PRC and Brazil.[14] The administration's moves were often blocked by the influence of congressmen and productive sectors whose activities were closely linked to trade with the PRC. Even with public protests of the president and other figures linked to him, Sino-Brazilian economic relations advanced, reaching 33% of Brazilian exports by the year 2020.[15]

What is patent is that Brazil's investment in South-South cooperation links has brought advantages for the country, especially in terms of international prestige; however, the increase in relations of strong dependence with the PRC leaves Brazil at risk from economic volatility resulting from competition from the great powers in the international arena.

Gerson Moura, in a well-known work, coined the term pragmatic equidistance to describe the Brazilian position in the years prior to World War II,[16] when Brazil sought to balance itself against the growing rivalry between the US and Germany by

12 Duarte, L., Albro, R., and Hershberg, E. "Communicating influence: China's messaging in Latin America and the Caribbean". *Center for Latin American & Latino Studies*, 2022.

13 Berg, R. C., and Ziemer, H. S. 2023. "Latin America's Role in Great Power Competition." In The Ascendancy of Regional Powers in Contemporary US-China Relations: Rethinking the Great Power Rivalry. Cham: Springer International Publishing, 2023: 237-257.

14 Duarte, L., Albro, R., and Hershberg, E. "Communicating influence: China's messaging in Latin America and the Caribbean". *Center for Latin American & Latino Studies*, 2022.

15 Berg, R. C., and Ziemer, H. S. 2023. "Latin America's Role in Great Power Competition." In The Ascendancy of Regional Powers in Contemporary US-China Relations: Rethinking the Great Power Rivalry. Cham: SpringerInternational Publishing, 2023: 237-257.

16 Moura, G. "Autonomia na Dependência: A Política Externa Brasileira de 1935 a 1942". *Editora Nova Fronteira*, Rio de Janeiro: 1980.

postponing its participation in the war to achieve the maximum rewards from both sides. Today, there is a parallel in the positioning of Brazil in the context of the rivalry between the US and the PRC.

The Evolution of Brazilian Defense: Documents and Actions

Brazilian legislation establishes that the defense policy must be updated every four years, with the preparation in charge of the Executive, represented by the Ministry of Defense, reviewed and ratified by the legislative chambers.[17] However, the approval process for the proposals is worryingly slow and has failed to involve much of society.

Brazil's first National Defense Policy (PND) was launched in 1996, during the presidency of Fernando Henrique Cardoso. This policy emerged in a context of a delicate democratization process, after more than 20 years of military rule. The 1996 PND was not - in itself - a policy, but rather an effort to balance and harmonize the various visions of the country's different military forces and organizations.[18]

It was the first time in Brazilian democracy that a document was prepared between civilians and the military, setting out part of the Brazilian vision on defense, and symbolically representing the opening of the Brazilian defense to civilians.[19] This openness was consolidated with the creation of the Ministry of Defense in Brazil, which eliminated the military ministries and inaugurated the possibility of assigning to a civilian the ministerial responsibility for defense and, thus, of the armed forces.[20]

The document focused on external threats and pointed to risks such as the resurgence of ethnic, nationalist and religious extremism, and areas of instability in neighboring countries that might encourage transnational crime. In budgetary terms, the time was a time of fiscal and economic crisis, which imposed large cuts on the Armed Forces and a stagnation of troops.

17 Dias, L. L. L. G. S., dos Santos, A. C., and Ramos, C. E. D. F. "A nova estratégia nacional de defesa e o alinhamento do programa estratégico do exército guarani". *Revista da Escola Superior de Guerra*, 33(69), 2018, 174-197.

18 Alsina Jr, J. P. S. "A síntese imperfeita: articulação entre política externa e política de defesa na era Cardoso." *Revista Brasileira de Política Internacional*, 46(2), 2003: 53-86.

19 Ibid.

20 Rodrigues, K. F. "Transparency and Civil-Military Relations: assessing civilian access to military records in Brazil and Mexico (1981-2012)". Amorim Neto (Org). New studies on civil-military relations and defense policy in Brazil. Rio de Janeiro: *Editora FGV*, 2022.

However, important actions were launched, such as the Strengthening of the Calha Norte Program in the Amazon region at the initiative of the Ministry of Defense, and the start of the SIVAM (Amazon Surveillance System) and SIPAM (Amazon Protection System) programs in 1997. In addition, the main use of the Armed Forces was Law and Order Guarantee Operations (GLO) and other subsidiary missions.[21]

The 2005 edition of the National Defense Policy, since its processing at the beginning of 2000, incorporated several civilian groups such as academia, media, industry and Congress.[22] In 2003, during Luiz Inácio Lula da Silva's administration, the Minister of Defense, José Viegas, decided to continue the inclusive discussion of civilians on defense. Between 2003 and 2004, several seminars and meetings were held, known as the *Itaipava meetings*, which generated four volumes of studies, published by the Ministry of Defense. However, the meetings were simply to comment on already prepared policy texts in a consultative manner on the policy, with no deliberative capacity.[23] Little was done with these volumes after their publication.[24]

In the same year, Brazil initiated actions aimed at achieving greater international influence, assuming the leadership of the Peace Operation (MINUSTAH) in Haiti, where they remained until 2014 with military forces, and leading until the end of the mission in 2017. Added to this is the implementation of SIVAM and SIPAM, previously incipient.

In terms of bringing the Defense sector closer to civil society, Brazil launched the Programa de *Apoio ao Ensino e à Pesquisa Científica e Tecnológica em Defesa Nacional* (Pró-Defesa) for the induction of a field of defense studies in Brazil. The first edition of Pró-Defesa took place in 2005, with an investment of R$4 million for 12 projects involving 37 scholarship holders. In the second edition, in 2008, the amount allocated to the program surpassed the previous stage, reaching R$7 million for 16 proposals, awarding 45 scholarships. In the third edition, the budget was R$3 million, earmarked for 12 projects and the awarding of 82 scholarships. The fourth edition

21 Dos Santos, L. W. "Política de defesa nacional do Brasil: uma política de Estado ou de governo?" *Revista Brasileira de Estudos de Defesa*, 5(2), 2018.

22 Vasconcellos, C. A. R. "A sociedade brasileira e a Defesa Nacional: uma aproximação após a criação do Ministério da Defesa." In *Desafios Gerenciais de Defesa*, Rio de Janeiro: 2012: 1-23.

23 Amorim Neto, O. "The Impact of Civilians on Defense Policy in New Democracies: The Case of Brazil". Latin American Politics and Society 61, no. 3: 2019: 1-28; Duarte, Rubens de S. "Trajetória Sinuosa: Surgimento De Uma Dimensão Pública Na Formulação Da Política De Defesa No Brasil?". *Dados* 65 (4): e20210075, 2022.

24 Vasconcellos, C. A. R. "A sociedade brasileira e a Defesa Nacional: uma aproximação após a criação do Ministério da Defesa." In *Desafios Gerenciais de Defesa*, Rio de Janeiro, 2012: 1-23.

saw investments of R$6.6 million and the fifth, R$6.6 million, with R$3.3 million earmarked for scholarships and resources for operational and capital expenses.[25]

This initiative has been promoting the training of civilians in this area and fostering the creation of research networks that include both military organizations and institutions of higher education, as well as the integration of institutions from different regions of Brazil's vast territory.

The 2008 National Defense Strategy (END) highlights the revitalization of the Brazilian industrial-military complex and the continuity of official geopolitical thinking, emphasizes the importance of the security and defense of the Amazonian borders and the coastline. Over the centuries, Brazil's containment strategies have focused on land borders, significantly shaping regional economic development policies.[26]

Criticisms of the Strategy focus on the lack of an economic vision of defense that has not considered economic costs and resource availability; the absence of definition and support for peacekeeping operations; the lack of clarity on enemies and threat scenarios; the absence of a discussion with the military, who considered the document a governmental strategy and not a state strategy; and finally, the neglect of the defense industry as an important actor in the development of the defense objectives.[27]

The PDN and the END were disconnected. Many important objectives present in the PDN did not appear in the END, which focused almost exclusively on a new mindset to Brazil's greater role as a regional power and in the area of defense. Moreover, in that document, "each of the Armed Forces was responsible for elaborating its Equipment and Defense Plans, redefine their territorial structures and develop new programs for the acquisition of materials, equipment and armaments ".[28] Based on the Strategy, Brazil formalizes its position in three important fields for defense, establishing

25 InfoCAPES. "Pró-Defesa entra na quarta edição com investimento de R$ 6,6 milhões". *InfoCAPES*, 5 March 2019. https://www.gov.br/capes/pt-br/centrais-de-conteudo/publicacoes/infocapes/infocapes-edicao-mar-5-2019; Agência Gov. "Abertas as inscrições para projetos sobre Defesa Nacional." *Agência Gov*, 3 January 2024. https://agenciagov.ebc.com.br/noticias/202401/abertas-as-inscricoes-para-projetos-sobre-defesanacional

26 Albuquerque, E. S. "A (geo) política de defesa brasileira." *Revista de geopolítica*, 1(1), 2016: 46-59.

27 Barcelos, M. A. dos S. "A implementação da estratégia nacional de defesa, 2008-2013." *FGV*, 2014. Retrieved from http://bibliotecadigital.fgv.br/dspace/handle/10438/11829

28 Marques, Adriana A. and Jacintho Maia Neto. "Brazil's National Defence Strategy, Defence Diplomacyand Management of Strategic Resources." *Defence Diplomacy & National Security National Security Strategy Strategy*, April 2020: 17. https://af77305b-83ae-4652-be9e-daa5e1e5aec2.usrfiles.com/ugd/.https://af77305b-83ae-4652-be9e-daa5e1e5aec2.usrfiles.com/ugd/.af7730_2800b5337bc2406186ae22741d0e1e9a.pdf

responsibilities for the development of nuclear technologies for the Navy; cybernetic capabilities for the Army; and aerospace capabilities for the Air Force.

As a follow up to this positioning, the Submarine Development Program was created, with the intent of developing nuclear propulsion technology.[29] The rationale for the program was based on the strategic environment concept of the defense documents, which included the South Atlantic to East African countries as an area of interest.[30]

During Dilma Rousseff's administration, the Defense White Paper (LBD) was published in 2012, defining clearly the role of the armed forces in the country, Brazil's regional function, and its strategic position vis-à-vis other countries. In the same year, a law was enacted to promote the Defense Industrial Base (Law 12,598/2012),[31] which introduced crucial concepts and actions, such as Defense Product, Defense System, Strategic Defense Product, Strategic Defense Company, Compensation Agreement, and the Special Tax Regime for the Defense Industry.

In 2013, the Brazilian Army created the Northern Military Command[32] in order to develop better capabilities to achieve the goal of protecting the Amazon. The Amazon protection goal is not new, but it was intensified with the threats related to the emergence of the climate crisis and transboundary crimes, which is highlighted in the documents of 2005.[33] That same year, Snowden's leaks revealed information focused on Brazilian authorities.[34] Following this, cyber defense policies were accelerated with the creation of the Center for Cyber Defense (CDCiber) in the Army, and a Cyber Defense Policy by the Ministry, both in 2012.

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29 Brick, E. S., and Fonseca Junior, P. "PROSUB: uma política pública de defesa voltada para a criação de instrumentos de dissuasão". *Revista Escola Guerra Naval*, Rio de Janeiro 24.1, 2018: 178-207. https://defesa.uff.br/. https://defesa.uff.br/wp-content/uploads/sites/342/2020/11/649-1587-1-SM-Prosub_-Brick_Fonseca.pdf

30 Dos Santos, L. W. "Política de defesa nacional do Brasil: uma política de Estado ou de governo?" *Revista Brasileira de Estudos de Defesa*, 5(2), 2018. https://doi.org/10.26792/rbed.v5n2.2018.75114

31 Law 12.598. "Establishes special rules for procurement, contracting and the development of defense products and systems"; provides for incentive rules for the strategic defense area; amends Law No. 12,249, of June 11, 2010; and enacts other provisions. Brazil: March 21, 2012. https://www.planalto.gov.br/ccivil_03/_ato2011-2014/2012/lei/l12598.htm

32 Gonçalves, H. L. M. B. L. "A criação do Comando Militar do Norte na Amazônia Oriental: uma questão geoestratégica." *Doutrina Militar Terrestre em revista*, v4(9), 2016.

33 Dos Santos, L. W. "Política de defesa nacional do Brasil: uma política de Estado ou de governo?" *Revista Brasileira de Estudos de Defesa*, 5(2), 2018.

34 Balza, G. "Brasil é o grande alvo dos EUA", diz jornalista que obteve documentos de Snowden. *Uol Notícias*, September 4, 2013. https://noticias.uol.com.br/internacional/ultimas-noticias/2013/09/04/brasil-eo-grande-alvo-dos-eua-diz-jornalista-que-obteve-documentos-de-snowden.htm.

In 2015, Wikileaks revealed political and economic espionage actions of the U.S. government on Brazil.[35] Subsequent governmental actions sought to strengthen Brazilian capabilities in this area, transforming the CDCiber into the Joint Cyber Defense Command in 2016, launching the National Policy of Information Security by the Cabinet of Institutional Security of the Presidency in 2018, and including the cyber component in the Doctrine of Joint Operations of the Ministry of Defense, among other measures.

During the government of Michel Temer, between 2017 and 2018, groundwork was laid for a greater presence of military personnel in management positions in public policy sectors unrelated to Defense. The milestone of this process was the Federal Intervention in the Public Security of the state of Rio de Janeiro, which placed a general in charge of the Federal Intervention Cabinet and another at the head of the Secretariat of Public Security. These generals focused on improving the management of the police forces and training in public procurement, achieving reductions in most crime rates, except for the number of deaths due to police intervention.[36]

The 2016 NDP began to take effect in 2018. In this regard, international policy analyst Rubens de Siqueira Duarte points out that the document sent to Congress in 2016 did not undergo any modifications during its processing.[37] The policy came into force shortly before the election of Jair Bolsonaro and maintained a position of autonomy and respect for the great powers, although this did not coincide with the vision of the new government.[38] In the military sphere, there were no drastic changes, but there was greater attention to military demands; for example, during this government no GLO operations were carried out, as the military is notoriously reluctant to use its forces in public security.[39] Between 2016 and 2019, defense investments fluctuated considerably, following the trend of declining federal budgets since 2015. However, during this period, investment targets were mostly met for investments in strategic

35 Press Release. "Bugging Brazil." *WikiLeaks*, July 4, 2015. https://wikileaks.org/nsabrazil/press.br-pt.html.

36 Ramos, M. "Intervenção federal no Rio de Janeiro: reflexões." *Revista brasileira de segurança pública*, 15(2),2021: 262-275.

37 Duarte, Rubens de S. "Trajetória Sinuosa: Surgimento de uma Dimensão Pública na Formulação da Política de Defesa no Brasil?". *Dados* 65 (4): e20210075, 2022.

38 Agência Senado. "Novas diretrizes para a defesa nacional já estão em vigor." *Agência Senado*, December 20, 2018. https://www12.senado.leg.br/noticias/materias/2018/12/20/novas-diretrizes-para-a-defesanacional-ja-estao-em-vigor

39 Acácio, Igor. "The Politics of Military Deployments for Public Security." Thesis (Ph.D. in Political Science), *Riverside,* CA: University of California, Riverside: 2022.

defense projects related to the development of technologies (72.6% compliance), despite the shortage of investment, especially in comparison to the Defense Articulation and Equipment Plan (PAED). Many programs achieved good results, although only 15% of what was needed to achieve the PAED goals was available. However, there was low execution in important projects, such as the Science and Technology pole in Guaratiba, FX-2, Astros, Sisfron and Link-BR2.[40]

Another role to consider for the Armed Forces was the coordination of Operation Acolhida, in response to the large migration of Venezuelans entering Brazil through the state of Roraima. Since 2018, the Logistical Task Force *Acolhida* uses the State's military structure to coordinate the process of entry of migrants. This operation has put so much pressure on the Army's capacity, that it is sustained through a system of rotation of personnel from various parts of the country, as well as local governments, which suffer economic and public services impacts.[41]

The Current Defense Policy and Positions

The process of preparing the current documents has not been as inclusive as in other cases, based on the following mechanism: the Joint Staff of the Armed Forces writes the drafts of the PND and the END, and the Planning Advisory of the Ministry of Defense drafts the LBD. The drafts are sent for evaluation to the other ministries of the Federal Executive. Once the suggestions are added, the drafts are sent to the Civil House of the presidency to be evaluated by the Chamber of Deputies and the Senate. The proposals are received by the Foreign Relations and National Defense of both legislative chambers.[42]

In 2019, a revised version of the PND, the END and the LBD was launched, submitted as Proposed Legislative Decree 1127/21. These documents were sent to the Senate on July 22, 2020 and approved on June 3, 2022, with very few modifications. Subsequently, they were sent to the Chamber of Deputies and, in spite of having been included in the voting agenda on fifteen occasions during the years 2022 and 2023, were only approved

40 Giesteira, L. F., Matos, P. D. O., and Ferreira, T. B. "A defesa nacional e os programas estratégicos de defesa no PPA 2016-2019." *IPEA*: Textos Para Discussão, 2021.

41 Simoes, Gustavo de Frota, and Guimarães, Luísa Vaz. "O PREPARO E EMPREGO MILITAR NA CRISE MIGRATÓRIA VENEZUELANA NO BRASIL". *Boletim De Conjuntura* (BOCA) 15 (45). Boa Vista, 2023: 749-74.

42 Maia Neto, J. 2024. A dinâmica dos documentos de Defesa brasileiros. In: Panel 11 - Políticas e Governança de Defesa. Brasília: XI Encontro Brasileiro de Administração Pública. https://www.youtube.com/watch?v=e7hKsMpw4cg

on May 15, 2024, in the midst of the process of formulating a new version of the policy. Several authors have pointed out that the lack of continuity in the participation in the formulation of defense documents could call into question future advances in civil-military integration (towards *civilianización*), as well as in the updates of positioning in the face of changes and crises in world geopolitics.[43]

Moreover, the disconnection between the Defense Policy and the country's Foreign Policy persists. A clear example is the recent negotiation between the Army and Ukraine, interested in buying 450 Guaraní armored ambulance vehicles. However, the Ministry of Foreign Affairs vetoed the sale of 3.4 billion reais and had to pronounce itself through a request for information in the Chamber of Deputies.[44] Lula's final decision was to uphold the veto of the of the purchase so as not to strain the relationship with Russia, given his attempt to create an environment for peace negotiations between the two countries.

But the policy presents great stability. The following is a comparison of Defense objectives, based on a comparison made by Marques and Maia Neto,[45] to which we add the data from the 2020 documents, approved in 2024:

43 Amorim Neto, O. "The Impact of Civilians on Defense Policy in New Democracies: The Case of Brazil". Latin American Politics and Society 61, no. 3 :2019, 1-28; Lima, R. C., Silva, P. F., and Rudzit, G. No power vacuum: national security neglect and the defence sector in Brazil. *Defence Studies*, 21(1): 2020, 84-106; Duarte, Rubens de S. "Trajetória Sinuosa: Surgimento de uma Dimensão Pública na Formulação da Política de Defesa no Brasil?". *Dados* 65 (4): e20210075, 2022.

44 Brazilian Chamber of Deputies. "Itamaraty terá de explicar recusa em vender ambulâncias blindadas à Ucrânia." *Portal de la Camara de Diputados do Brasil*, August 9, 2023. https://www2.camara.leg.br/atividadelegislativa/comissoes/comissoes-permanentes/credn/noticias/itamaraty-tera-de-explicar-recusa-em-vender-ambulancias-blindadas-a-ucrania

45 Marques, Adriana A and Maia Neto, Jacintho. "Brazil's National Defence Strategy, Defence Diplomacy and Management of Strategic Resources". Defence Diplomacy & National Security Strategy, April 20, 2020. https://scholar.google.com.br/citations?view_op=view_citation&hl=en&user=J_kxgtIAAAAAJ&citation_for_view=J_kxgtIAAAAJ:W7OEmFMy1HYC

Table 1 - Comparison of national defense objectives in Brazilian Defense Policies

1996	2005	2012	2016	2020
Guarantee sovereignty, preserve territorial integrity, patrimony, interests	Guarantee sovereignty, national treasures, territorial integrity	Guarantee sovereignty, national treasures, territorial integrity	Guarantee sovereignty, national treasures, territorial integrity	Guarantee sovereignty, national treasures, territorial integrity
Guarantee the rule of law and democratic institutions				
Maintaining cohesion and national unity	Contribute to the preservation of cohesion and national unity	Contribute to the preservation of cohesion and national unity	Contribute to the preservation of cohesion and national unity	Preserving cohesion and national unity
Contribute to the maintenance of peace and international security	Promote regional stability	Contribute to regional stability	Contribute to regional stability, international peace and security	Contribute to regional stability, international peace and security
	Contribute to the maintenance of international peace and security	Contribute to the international peace and security		
Protect individuals, property and resources be it Brazilian or under Brazilian jurisdiction	Defend national interests, assets and resources of Brazilian citizens abroad	Defend national interests, assets and resources of Brazilian citizens abroad	Protect national interests, assets and resources of Brazilian citizens abroad	Protect national interests, assets and resources of Brazilian citizens abroad
Achieving and maintaining Brazilian interests abroad				
Giving Brazil a significant role in international affairs, greater participation in international decision making	Participation of Brazil in the community of nations, and increase its role in the international decision-making process	Increase the participation of Brazil in the community of nations and its role in international decision making	Enhance the participation of Brazil in the community of nations and in the process of international decision-making	Increase the participation of Brazil in the community of nations and its role in international decision making

		Maintain modern, joint, well-trained balanced, professional and adequately deployed Armed Forces throughout the national territory	Ensure the defense capabilities for the fulfillment of constitutional missions of the Armed Forces	Ensure the defense capabilities for the fulfillment of constitutional missions of the Armed Forces
		Structure the Armed Forces around capabilities, provide personnel and material in accordance with strategic and operational planning		
		Develop the Industrial Defense Base to ensure autonomy in vital technologies	Promote productive and technological autonomy in the Defense sector	Promote productive and technological autonomy in the Defense sector
		Develop the potential for defense logistics and national mobilization		
		Raise the awareness of the Brazilian people about the importance of defense for the country	Enhance the participation of Brazilian society in matters of National Defense	Enhance the participation of Brazilian society in matters of National Defense

Source: Marques and Maia Neto,[46] and authors.

The 2020 NDP repeats the defense objectives of the 2016 NDP. Under other labels, the document adds important and similar ideas to the previous documents, namely: the focus on the protection of the Amazon, national mobilization, the protection of the South Atlantic, and the connection between Defense and Development, using the concept of the strategic environment.[47]

46 Marques, Adriana A. and Jacintho Maia Neto. "Brazil's National Defence Strategy, Defence Diplomacy and Management of Strategic Resources." *Defence Diplomacy & National Security National Security Strategy Strategy*, April 2020, 18-19. https://af77305b-83ae-4652-be9e-daa5e1e5aec2.usrfiles.com/ugd/af7730_2800b5337bc2406186ae22741d0e1e9a.pdf

47 Brazil. "Política Nacional de Defesa." *Governo do Brasil*, 2020. https://www.gov.br/defesa/pt-br/assuntos/. https://www.gov.br/defesa/pt-br/assuntos/copy_of_estado-e-defesa/pnd_end_congressonacional_22_07_2020.pdf

For the first time, budgetary and financial stability is also present in defense policy, and not only in the defense strategy, as in the 2016 NDP. This is also because Brazil has experienced constant and drastic fiscal constraints before[48] and after the Constitutional Amendment No. 95/2016, which established a spending ceiling for the three branches of government and the Public Ministry. The impacts of such ceiling, together with the slow growth of the Brazilian GDP and the public debt caused by the response to the COVID-19 pandemic, have resulted in the contingency of public funds.

This, coupled with the fact that most of Brazil's defense expenditures are earmarked for personnel,[49] has affected the country's ability to carry out all of its projects with the desired speed. This is especially worrisome because the 2020 version of the documents does not update the PAED, disseminated for the first and only time in the 2012 LBD. Thus, it does not provide parameters to evaluate the objectives and the execution of the plan. Relying only on the assumption that defense expenditures should increase and without a prioritization of strategic objectives, the current Policy repeats the vice of the previous ones of considering everything as important, without prioritizing.[50]

The Ministry of Defense has tried to unify the planning of each one of the Armed Institutions through its Planning Advisory (ASPLAN/MD). In 2020, this office launched the document Portfolio of Strategic Defense Projects of the Ministry of Defense 2020-2031, which was the result of alignment meetings with the representatives of each of the forces,[51] which meant a great effort of this advisory to have each institution choose only four projects, instead of the previous multiple ones. But on the Army's official web page,13 projects have the title of strategic. In the Navy, on the other hand, there are seven. The current Strategic Programs of each of the Brazilian Armed Forces, according to the Ministry of Defense, are presented in Table 2.

48 Teixeira Júnior, Augusto W. M. "Priorização, Capacidades Militares e Defesa no Brasil: uma análise à luz da guerra russo-ucrania". *Revista Geopolitica* v. 14, nº 2, p. 1-15, April - June 2020. http://www.revistageopolitica.com.br/index.php/revistageopolitica/article/viewFile/459/342.

49 Giesteira, L. F., Matos, P. D. O., and Ferreira, T. B. "A defesa nacional e os programas estratégicos de defesa no PPA 2016-2019." *IPEA*: Textos Para Discussão, 2021. https://repositorio.cepal.org/server/api/core/bitstreams/cd65c823-cb5c-4e34-b2a0-e0c6c1cac941/content

50 Brick, E. S. "Análise crítica dos documentos de alto nível da defesa do Brasil". *PND, END e LBDN*, 2020. https://defesa.uff.br/2020/08/17/analise-critica-da-pnd-end-e-lbdn-versao-2020/

51 As mentioned by ASPLAN/MD representatives in an interview conducted in conjunction with Professor Karina Furtado Rodrigues and Professor Ana Luiza de Bravo e Paiva in November 2022, in Brasilia.

Table 2 - Portfolio of Strategic Defense Projects of the Ministry of Defense

Sub-portfolio National Defense			
Ministry of Defense	**Army**	**Navy**	**Air Force**
Strategic Command and Defense Control Program	Cybernetic Defense Program in National Defense - PDCDN	Navy Nuclear Program -NMP	Strategic Space Systems Program – PESE
HX-BR Project	Integrated Border Monitoring System - SISFRON	Submarine Development Program - PROSUB	SISDABRA Program
TH-X Project	Strategic Program ASTROS	Blue Amazon Management Program - SisGAAz	KC-390 Program
Program to Support Teaching and Scientific and Technological Research in National Defense - PRÓ-DEFESA	Armored Forces Strategic Program	Development of Patrol Vessels - PRONAPA	F-39 Program
Subportfolio Cooperation with National Development		**Subportfolio Environment, Oceans and Seas**	
Forces in Sports Program - PROFESP / Project João do Pulo - PJP		Brazilian Antarctic Program – PROANTAR	
Rondon Project			
Calha Norte Program – PCN			
Soldier-Citizen Project – PSC			
Amazon Project – SAR			
SipamHidro Project			

Source: Adapted from Teixeira Junior.[52]

It remains uncertain whether the Ministry of Defense's efforts to reduce the number of such projects have become a better *de facto* prioritization. Thus, each force ends up competing for resources and ideas, without having a complementary view of the defense apparatus needed against the threats identified in the defense documents. And all this in a context of reduced defense expenditures, which, in 2010 accounted for 57% of defense spending in Latin America and, by 2022, will account for 45%.[53]

Another challenge of the current defense policy is that its document is the only one in the Brazilian norms that conceptualizes *national security*. No other state entity,

52 Teixeira Júnior, Augusto W. M. "Priorização, Capacidades Militares e Defesa no Brasil: uma análise à luz da guerra russo-ucrania". *Revista Geopolitica* v. 14, nº 2, p. 1-15, April - June 2020. http://www.revistageopolitica. com.br/index.php/revistageopolitica/article/viewFile/459/342

53 Ibid.

not even the Institutional Security Cabinet, addresses the issue in depth, treating it superficially, as in the case of cyber security.[54] This is due to the concept still being considered taboo, as per its extensive use during the military regime to justify a doctrine centered on the internal enemy.[55]

The absence of the concept is a consequence of the militarization of politics during the military regime and can be seen as a cause of even greater alienation. Given that basic issues of critical infrastructure security, which would typically be handled by the very civilian sectors that execute them, are seen as the *business of the military*. This reinforces the need for *civilianización* of national security and defense, rather than the militarization of civilian affairs.[56]

Conclusions: Prospects for the Future

Considering the stability of Brazilian defense objectives, what can be expected from the next Ministry of Defense document and what should be included? Likewise, what positioning decisions should have already been modified in the recently approved document and in current programs and actions?

The Ministry of Defense has been carrying out consultations and working groups to update the recently approved defense documents, already obsolete when they were approved. They do so by means of virtual wiretaps,[57] about whose results there is no news, and by working groups in two different schools, the War College and the Defense College. Such calls seem more to comply with institutional regulations than to facilitate effective reflection on the field and the influences of global geopolitics.

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54 Goldoni, L. R. F. F., Rodrigues, K. F., and Medeiros, B. P. "What is the Future of Brazil's Cybersecurity Governance?" *Cadernos Gestão Pública e Cidadania*, 29, e90972, 2024. https://doi.org/10.12660/cgpc.v29.90972.85588

55 Lima, R. C., Silva, P. F., and Rudzit, G. "No power vacuum: national security neglect and the defence sector in Brazil." *Defence Studies*, 21(1), 2020, 2020, 84-106; Maia Neto, J. "A dinâmica dos documentos de Defesa brasileiros." In: Panel 11 - Políticas e Governança de Defesa. Brasília: XI Encontro Brasileiro de Administração Pública, 2024. https://www.youtube.com/watch?v=e7hKsMpw4cg; Figueiredo, E. L. "Estudos Estratégicos como área de conhecimento científico." *Revista Brasileira de Estudos de Defesa*, 2(2), 2015.

56 Lima, R. C., Silva, P. F., and Rudzit, G. "No power vacuum: national security neglect and the defense sector in Brazil." *Defence Studies*, 21(1), 2020: 84-106. https://doi.org/10.1080/14702436.2020.1848425; Rodrigues, K. F. 2022. Transparency and Civil-Military Relations: assessing civilian access to military records in Brazil and Mexico (1981-2012). *Amorim Neto* (Org). New studies on civil-military relations and defense policy in Brazil. Rio de Janeiro: Editora FGV.

57 Ministry of Defense of Brazil. "Ministério da Defesa convoca sociedade para contribuir com a Política Nacional de Defesa e Estratégia Nacional de Defesa". *Ministério da Defesa do Brasil*, March 5, 2024. https://www.gov.br/defesa/pt-br/centrais-de-conteudo/noticias/ministerio-da-defesa-convoca-sociedade-paracontribuir-com-a-politica-nacional-de-defesa-e-estrategia-nacional-de-defesa

Different measures such as action on the development of national science and technology are positive examples, but the tensions raised in civil-military relations during the Bolsonaro administration are still unresolved, with an atmosphere of mistrust regarding the role of the Armed Forces in national life.[58] Thus, to overcome this, one of the important ways came from the current Minister of Defense himself, José Múcio Monteiro, who aimed at rescuing a project already present in the 2008 END: the civilian career in the Ministry of Defense.[59] If the creation of such a career were to be approved, in addition to reducing dependence on military personnel in the three Forces, it would increase civilian presence in the Defense bureaucracy, with capacities for planning, direction and functional stability.[60]

However, this ends up touching on critical points that contribute to the inadequacy of the Ministry of Defense: the (still) timid civilian control, the great autonomy of the Forces, and the budgetary issue. These points are linked and cannot be treated separately. If, on the one hand, civilian control is a matter of little political interest to establish control mechanisms of the Armed Forces, given the low perception of threats in the region historically,[61] on the other hand, the country has no shortage of defense specialists. This, given that, since 2005, Pró-Defesa has not only been training civilians in the area, but also creating research and regional integration networks to think about Defense. However, at the moment, there is no space in the market or in the State for this type of defense professionals beyond academia.

Therefore, the historical-institutional reality that is imposing itself at the present time, and which will also impose itself on these new civilian defense experts and on the changes they wish to introduce in the sector, is that of military autonomy in planning, procurement, project management and other processes, where the actions of the Armed Forces themselves end up undermining the ability of the Ministry of Defense to centralize authority and, therefore, decisions on the field

58 Duarte, Rubens de S. "Trajetória Sinuosa: Surgimento de uma Dimensão Pública na Formulação daPolítica de Defesa no Brasil?". *Dados* 65 (4): e20210075, 2022.

59 Rodrigues, L., Ribbeiro, L. "Defesa quer criar carreira própria para diminuir dependência de militares na estrutura do ministerio". *CNN* Brasil, 2023. https://www.cnnbrasil.com.br/politica/defesa-quer-criar-carreirapropria-para-diminuir-dependência-de-militares-na-estrutura-do-ministerio/

60 Lima, R. C., Silva, P. F., and Rudzit, G. "No power vacuum: national security neglect and the defense sector in Brazil". *Defence Studies*, 21(1), 2020: 84-106. https://doi.org/10.1080/14702436.2020.1848425

61 Bruneau, T. C. "Civilians and the military in Latin America: The absence of incentives". *Latin American Politics and Society*, 55(4), 2013:143-160. https://www.jstor.org/stable/43286489

in Brazil. While similar structures exist in the Ministry of Defense, they ended up being meager due to this autonomy.[62]

The budgetary issue reveals another debilitating characteristic of the Ministry of Defense: about 85% of the budget allocated to the Ministry of Defense is spent on personnel, while only 5 percent is spent on investments and 10% on financing. Such figures indicate a difficulty promoting the debate on the need to adapt the Armed Forces to future challenges involving reorganization and definition of priorities for defense.[63]

The disconnection between Brazilian foreign policy and defense policy is evident, with few supplementary initiatives. Although the diversification of alliances is clear in foreign policy and defense documents, the lack of action in the strategic environment weakens the discourse on Brazil's regional leadership. One example is the lack of ability to challenge the actions of great powers in the South Atlantic, due to the lack of means to portray power.[64]

Cooperation with South-South countries, although desired, is not highlighted in foreign exchanges, since most of the Brazilian military personnel are sent to the US and to institutions such as the Inter-American Defense Board and the Inter-American Defense College. Although actions with countries in the strategic environment, such as Sao Tome and Principe, Namibia, Paraguay and Bolivia, are on the rise, they still do not match the presence in the US and Western Europe, reflecting a practice that is not adjusted to the global context of change.[65]

In the long term, it is difficult to foresee Brazil's future in the field. It is necessary to wait and observe the development of the defense *civilianización* processes, which could lead Brazil to overcome disputes and achieve convergence between foreign policy, defense policy and infrastructure policies, consolidating its global leadership

62 Lima, R. C., Silva, P. F., and Rudzit, G. "No power vacuum: national security neglect and the defence sector in Brazil". *Defence Studies*, 21(1), 2020: 84-106. https://doi.org/10.1080/14702436.2020.1848425

63 Feitoza, C. "Forças Armadas do Brasil destoam da Otan ao manter perfil gastador com pessoal". *Folha de São Paulo*, 2024. https://www1.folha.uol.com.br/poder/2024/01/forcas-armadas-do-brasil-destoam-da-otan-aomanter-perfil-gastador-com-pessoal.shtml

64 De Oliveira, A. C. G., and Dawood, L. I. A. "Reflexões sobre a liderança na política de defesa do Brasil para o Atlântico Sul." 2024. https://doi.org/10.51308/continentes.v1i23.470

65 Barros, P. S., Lima, R. C., and Barros, P. M. "O Setor de defesa brasileiro no exterior: desafios, oportunidades e subsídios para a revisão dos documentos de defesa" (Express Publication). *Brasília: Instituto de Pesquisa Econômica Aplicada*, 2024. https://repositorio.ipea.gov.br/handle/11058/13002

position. In the worst-case scenario, if these processes are not effective, Brazil could be misaligned with geopolitical circumstances, focused on its own problems.

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CHILE IN THE CURRENT GEOPOLITICAL SCENARIO: INDO-PACIFIC DESTINY

Juan Pablo Toro Vargas

Summary

In an international scenario marked by the polarization of security, the fragmentation of globalization and the impact of climate change, Chile must seek to position itself advantageously in the Indo-Pacific to promote its national interests, wherever they may be. To do this, Chile must take advantage of its status as a tricontinental country (America, Antarctica and Oceania), the deep economic networks that connect it with East Asia, the possession of vast reserves of minerals critical for the energy transition and cooperation in security and defense matters with like-minded countries, starting with the United States, but without forgetting partners such as Australia, France, Japan and the United Kingdom. In its South American regional environment, the key seems to be to achieve greater coordination to face common challenges such as drug trafficking and irregular migration, which is not easy given the internal and neighboring political situation.

***Keywords**: Chile, tricontinental, maritime, national interest, Indo-Pacific.*

Introduction

Although there seems to be agreement that we are at a time of reconfiguration of the international system,[1] when the expected outcome is projected, visions diverge and concepts such as *multipolar order* or *new cold war* begin to emerge. Nevertheless, in the current geopolitical scenario, at least three major factors that are operating as structuring factors can be identified without fear of being mistaken.

First, there is the *polarization in security*, marked by the competitive interaction of major military powers,[2] such as the United States (US), the People's Republic of China (PRC) and Russia. Added to this is the emergence of medium-sized powers that are increasingly assertive in promoting their national interests and delimiting their

1 Kissinger, Henry. "Orden mundial". Barcelona: Penguin Random House. *Debate*, 2015: 371.

2 Medeiros E. ed. "Cold rivals: The New era of US-China strategic competition". Washington DC: *Georgetown University Press*, 2023:4.

spheres of influence,[3] either through warlike actions, military agreements or defense or through support to subsidiary forces.

Secondly, the *fragmentation of economic globalization or deglobalization*[4] manifests itself through unilateral tariff hikes to correct trade imbalances, securing supply chains between like-minded countries (critical minerals, for example), legal protections against foreign investment in strategic sectors (telecommunications), blocking third parties from accessing cutting-edge technology (artificial intelligence, semiconductors and space equipment), and the application of financial sanctions as a tool for diplomatic pressure.

Thirdly, *climate change* has begun to manifest itself through extreme events,[5] such as droughts, floods and heat waves, which make it necessary to implement adaptation and mitigation actions, including the decarbonization of economies through the introduction of clean energies.

In this context, Latin America does not appear to be high on the agendas of the major powers, although there is a greater presence of some extra-continental nations motivated by their interest in critical raw materials or to demonstrate greater diplomatic reach.[6] The truth is that the region is highly fragmented politically, which translates into the ineffectiveness of multilateral organizations. The economies, mainly exporters of raw materials, continue to be hit by the effects of the COVID-19 pandemic, with high levels of indebtedness and inflation. The polarization affecting many societies is reflected in the frequent alternation of governments, generating short political cycles that make it difficult for parties to be reelected or remain in power for more than one term. Finally, the major threats to security are rooted in the power achieved by criminal organizations, especially those dedicated to drug trafficking.

In particular, the Republic of Chile presents itself as a tricontinental nation with territories in America, Antarctica and Oceania and immense marine areas.

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3 Allison, Graham T. "The new spheres of influence." *Foreign Affairs*, no. 99, March - April 2020: 30 - 40.

4 Roubini, N. "Megaamenazas: Las diez tendencias globales que ponen en peligro nuestro futuro y cómo sobrevivir a ellas". Santiago: Ediciones Deusto 2023: 194.

5 Wallace-Wells, D. "The Uninhabitable Earth: A Story of the Future." London, *Penguin Random House*, 2019: 23.5

6 Toro, Juan P. "Las potencias extracontinentales en América Latina", Vol. XXXVII. *Política Exterior* n.° 214, July - August 2023: 50.

A country where its population of more than 17.5 million people[7] and organized in the form of a presidential democracy is projected to the world through a vast network of trade agreements and security arrangements with Western countries. Although geographically the nucleus of the population is within Latin America, and this is part of its identity, at the same time it shows an accentuated and singular projection towards the Indo-Pacific, which is a product of the relative confinement generated by the deserts to the north, the Andes mountain range to the east and the southern ice fields to the south, and the decision to overcome these barriers by occupying the ocean as a privileged platform of connection. In this sense, we can affirm that it is a nation far from the centers of political and economic power, but at the same time very globalized and with a marked maritime profile.[8]

Now, the way in which Chile develops in the face of this geopolitical scenario described above is what will be explained below. However, it must be admitted at the outset that there is no such thing as a national security structure or strategy[9] or comprehensive policy[10] to serve as a compass for a coordinated and coherent action of the State in the promotion and defense of national interests, which is incomprehensible for a country with such levels of development and capabilities.[11] Therefore, we will proceed to briefly explain the evolution of the country, in order to understand from where its national interests are built, and then we will suggest how Chile should position itself in the current geopolitical scenario, understanding geopolitics[12] as the interrelation between national interests, state power and geographic environments.

7 Ine. "Resumen de censos de población y vivienda". *Instituto Nacional de Estadísticas.* . https://www.ine.gob.cl/estadisticas/sociales/censos-de-poblacion-y-vivienda#:~:text=Resumen%20de%20censos%20de%20poblaci%C3%B3n%20y%20vivienda&text=Sus%20resultados%20indican%20que%20la,51%2C1%25)%2C%20mujeres

8 Green, C. "¿Es Chile una potencia marítima?". Valparaíso: *Imprenta de la Armada*, 2023: 114.

9 En el Congreso Nacional descansa la "Estrategia Nacional de Seguridad y Defensa" sent by the Ministry of Defense on June 28, 2012. https://www.bcn.cl/obtienearchivo?id=repositorio/10221/15344/1/La%20Estrategia%20Nacional%20de%20Seguridad%20y%20Defensa_v5.doc

10 The Ministry of Foreign Affairs published in 2015 and 2018, respectively, the books "Vocación de Paz: La Política Exterior de Chile" and "Política Exterior de Chile 2030", which are of a non-binding nature and rather respond to the needs of dissemination and academic reflection.

11 The Henry Jackson Society-AthenaLab, "Auditoría de capacidad geopolítica: Sudamérica" y "Auditoría de capacidad geopolítica: Cooperación Asia-Pacífico". *Athena Lab*, August 2019. https://athenalab.org/auditorias- de- capacidad-geopolitica-geopolitica-sudamerica-y-apec/

12 Dodds, K. "Geopolitics: a very short introduction". Oxford: *Oxford University Press*, 2019: 4.

From *Finis Terrae* to the World

Chile's unique configuration is the product of a gradual cycle of expansion, which began with the process of independence from the Spanish Empire. After a rocky start in 1810, which included a brief period of reconquest, the nascent State of Chile found it necessary to create a permanent national army to protect the territory against possible invasions, and a navy to break the supply system from the metropolis, which included destroying the Spanish naval power from Baja California to the Isla Grande de Chiloé, to which the nascent navy successfully devoted itself.[13] Liberator Bernardo O'Higgins had already warned early on after defeating the royalists in 1818 in the outskirts of Santiago: *"This triumph and a hundred more will be insignificant if we don't dominate the sea."*

In the period of institutional construction of the State, an event will take place that, together with the Independence, will help to galvanize the incipient Chilean nation. In a clear geopolitical reading, the influential minister Diego Portales sensed that the emergence of the Peruvian-Bolivian Confederation, in the north, would make the existence of the Chilean State impossible, if it were to consolidate. Therefore, it was decided to wage a war (1835-1839) against it, more motivated by the calculation of power than by the delimitation of borders and under the understanding that there were internally confronted sides. *"Chile must dominate the Pacific forever,"* was Portales' conclusion.[14]

This period of construction and consolidation of the Nation-State between 1833 and 1879 ended with the beginning of another war against the same actors. The lack of definition of borders in the north, the ignorance of administrative management agreements due to the instability in Bolivia and Peru, and a secret pact between those countries (1873) generated a sort of defensive reflex in Chile, where the events of the War of the Triple Alliance (Argentina, Brazil and Uruguay versus Paraguay, between 1854 and 1870) and the Franco-Prussian War (rupture of the balance of power between France and Prussia, between 1870 and 1871) were in mind.

Once again the conflict was taken to enemy territory, by means of a strategy that considered seeking battle, attacking supply lines, transporting troops by sea and launching amphibious operations.

13 The Spanish threat did not disappear until the end of the 19th century, as a brief naval war was fought between 1855 and 1855.

14 History of Chile XIX Century. "Diego Portales a Manuel Blanco Encalada, 10 de septiembre de 1836". *Universidad de Las Américas*, 2024. https://historiachilexixudla.wordpress.com/2008/09/03/epistolario-de-diego- portales

The final result of this conflict is fundamental to understand the Chile of today with its international projection. The country managed to expand with the annexation of Peruvian territories and others with Bolivian presence, which would turn out to be fundamental for its economic future and, at the same time, generated a permanent trauma for its neighbors. In the midst of the war, a southern delimitation was also negotiated with Argentina, which implied the loss of eastern Patagonia and the recognition of the control of the Strait of Magellan for Chile (occupied since 1843), thus establishing the Atlantic-Pacific principle. For all of the above, this war is considered as the last act of territorial consolidation of the Nation-State,[15] but also in part for the three countries directly involved, as well as for Argentina. The current borders, with some specific modifications, are a product of it.

Having become the Pacific power, even over the U.S., Chile deepened its presence in this ocean with the annexation of Easter Island/Rapa Nui in 1888, thus gaining greater strategic depth and presence in Polynesia. There would also be a significant change in the way borders were protected and defined, which would eventually become the preferred mode of foreign policy to manage the neighborhood. In the period between 1879 and 1929, border agreements were signed with Argentina (1902), Bolivia (1904) and Peru (1929).

However, Chile's relationship with its most direct geopolitical environment was not exempt from serious neighboring crises - with Peru in 1974 and Argentina in 1978 -, but they did not turn into wars. During the decades between 1929 and 1990, the idea that borders are stabilized through respect for international treaties and protected with deterrent actions, which includes managing the hypothesis of a conflict on three simultaneous fronts, took hold. Also in this period, with ups and downs, there is an increasingly close alignment with USA; in particular, after World War II.

The country expanded, once again, with the delimitation of the Chilean Antarctic Territory between meridians 53° and 90° west and the South Pole, which was set forth in Presidential Decree 1747 of 1940. Contiguity, effective presence and historical rights inherited from the Spanish Crown will be used as arguments for this claim,[16] which precedes the signing of the Antarctic Treaty in 1959.

The end of the Cold War in Chile coincided with the beginning of the transition to democracy in 1990. The new governing coalition, ranging from Socialists to Christian

15 Fermandois, J. "Mundo y fin de mundo: Chile en la política mundial 1900-2004". Santiago de Chile: *Ediciones Pontifica Universidad Católica de Chile*, 2008: 37.

16 Pinochet de la Barra, O. "La Antártica chilena". Santiago: *AthenaLab*, 2023. Fifth edition.

Democrats, will opt to maintain a strategy of economic insertion that includes open regionalism and the deepening of links with global markets - especially Asian - through the signing of free trade agreements.[17] In security matters, the hypothesis of neighboring conflicts will be complemented by commitments to United Nations peace missions in places such as Cambodia, East Timor, Cyprus, Bosnia and Haiti. At the same time, the relationship with the U.S. will be further deepened by the participation of the Armed Forces in military exercises, where they will be able to make use of their renewed weapons systems and exchange officers for training.

In the period between 1990 and 2021, the country will no longer grow territorially, but will even lose surface area, by resolving pending disputes with Argentina and Peru, voluntarily resorting to arbitration tribunals and international courts. However, the strategic culture developed over two centuries, which practically forces Chile to overcome its relative confinement, comparative size and remoteness from the centers of power by using the ocean, will now lead it to expand its economy by signing free trade agreements with the main countries of the Pacific Rim and reinforcing its security networks by participating in naval, land and air exercises such as Rimpac, Southern Star and Red Flag, to mention a few.

Diplomatic action, always very legalistic, will continue to be linked to forums such as the United Nations and the Organization of American States, but will innovate with the creation of new economic institutions, such as the P-4 agreement (Brunei Darussalam, Chile, New Zealand and Singapore), direct antecedent of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and the Pacific Alliance (Chile, Colombia, Peru and Mexico), a regional free trade bloc. Participation in the Asia-Pacific Economic Cooperation (APEC) will become regular.

After a wave of strong protests and with the effects of the pandemic still hitting the economy, in March 2022 the leftist Gabriel Boric Font assumed the Presidency of the Republic, who arrived with a refoundational spirit that was also expressed in foreign policy.

His government program as a candidate did not even mention Asia-Pacific, despite the fact that more than 50% of Chile's exports are channeled to that region. Members of his coalition also suggested the need to review the free trade agreements already signed and advocated blocking some in the process of ratification.

17 Consejo Chileno para las Relaciones Internacionales. "150 años de Política Exterior de Chile: 1871-2021". Santiago de Chile: *Ediciones UC,* 2022: 154.

The emphasis of Boric's government, which was taken almost entirely from a book called "New Voices of Foreign Policy,"[18] is on enhancing Latin American integration, fostering respect for human rights and democracy, promoting care for the environment and having a markedly feminist foreign policy. Among the elements of continuity that survived are the defense of multilateralism, respect for international legality and the peaceful resolution of disputes.

However, the very idea of putting the brakes on or promoting the revision of the free trade agreements meant introducing a disruptive element in the foreign policy of the last 40 years, which aroused strong criticism and forced the government to reverse this decision. The CPTPP was finally ratified and the course towards the Asia-Pacific began to be resumed with Boric's attendance to the APEC summit in Indonesia and to the PRC for the Forum of the Belt and Road Initiative, in addition to arranging the visit of high authorities from Asian countries. The President's Latin Americanist vocation also quickly found its limits when his criticism of the regimes of Nicolás Maduro and Daniel Ortega, in Venezuela and Nicaragua, respectively, marked a distance from his leftist colleagues. The Mexican president's decision not to hand over the *pro tempore* presidency of the Pacific Alliance to Peru, because he did not consider the government of Dina Boluarte legitimate, immobilized the bloc. Finally, the Chilean leader maintained the position of his predecessor, Sebastián Piñera, in openly condemning the Russian invasion of Ukraine, unlike Latin American countries that prefer ambiguity.

However, the major definitions that Chile must make in order to position itself in the current geopolitical scenario have not yet been produced, it is still being resolved on contingency, and this makes it necessary to evaluate the courses of action in the face of the factors that are reconfiguring the new international order.

Sailing in Turbulent Waters

The current geopolitical scenario finds Chile on a bad footing and facing multiple crises. Its economy, which shone for its performance in Latin America and led it to join forums such as the Organization for Cooperation and Development, where good public policies are rewarded, and to install officials in the International

18 Bywaters, C.; Sepúlveda, D. and Villar, A. "Nuevas voces de política exterior". Santiago de Chile, *Fondo de Cultura Económica*, 2021: 21.

Monetary Fund and many others, presents low levels of growth.[19] Foreign direct investment falls and projects stagnate.

The political stability, built through the consensus reached after the restoration of democracy, has given way to an acute polarization, which has manifested itself, above all, in the electoral reduction of the traditional parties that occupied the center, in the emergence of new forces and in the predominance of the extremes in the constitutional process that was unleashed after the protests of 2019 and 2020. Only the pandemic was able to impose a pause where the clash was increasingly recurrent.

The crisis, of course, affects security in one of the most peaceful countries in the region. New organized crime gangs have erupted with unusual violence,[20] raising homicides, in particular the Aragua Train,[21] originating in Venezuela. Terrorist attacks are also on the rise in seven provinces in the south of the country by groups claiming supposed ethnic causes.[22] The lack of border control has become evident with the entry of tens of thousands of irregular migrants, who occupy land and change the dynamics of entire neighborhoods. The Boric government, supported by sectors traditionally critical of the Armed Forces, has been forced to deploy the military in support of the police, both in the north and in the south, which has to be done through the declaration of states of emergency, since a permanent role in public security is not established in the current Constitution.

From this situation is that Chile has to answer complex questions such as: How will it face the polarization of security, given the sharpening competition between the US and the PRC (with its ally Russia)?

How will it deal with the fragmentation of economic globalization, which has brought it so many benefits? How will it deal with its so-called *global obligations*[23] on matters such as climate change, but also organized crime, terrorism, cybercrime, migrations, financial governance and others? Finally, how will it present itself to the world, given the proliferation of new strategic narratives?

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19 Salazar, Daniel. "Los países de LatAm que más crecerían en 2024: los motores económicos pierden fuerza". *Bloomberg en Línea*, January 5, 2024. https://www.bloomberglinea.com/2024/01/05/los-paises-de- latam-que- mas-crecerian-en-2024-los-motores-economicos-pierden-fuerza/

20 Poduje I. "Chile tomado: pobreza, crimen, inmigración y narcotráfico". Santiago de Chile. *Uqbar Editores*, 2023: 73.

21 Rísquez, R. "El Tren de Aragua". Santiago. *Planeta*, 2023: 215.

22 Institute for Economics and Peace. "Global Terrorist Index. *Vision of humanity*, 2023: 47. https://www. visionofhumanity.org/maps/global-terrorism-index/

23 Haass, R. "A World in Disarray: American Foreign Policy and the Crisis of the Old Order". New York, *Penguin Random House,* 2017: 227.

National Interests, the Infallible Compass

In times of high uncertainty, countries and decision-makers can become disoriented, but for the same reason, it is always necessary to return to national interests, which mark the Northern Star that *must guide men of State,* as the theorist Hans Morgenthau maintained.[24] It is true that national interests are usually permanent, although this does not prevent them from being updated as the international context in which they are promoted or defended evolves. Only if they are well defined, as a result of a thorough strategic analysis, will it be possible to face the challenges, threats and opportunities that may arise on the horizon in an advantageous manner. Their achievement, expansion or contraction depends to a large extent on their interaction with the world.

In a document prepared by AthenaLab[25] , the following were proposed as national interests of Chile, expressed from the tricontinental condition of the country and its intense global interconnections through the Pacific as an obligatory destination to overcome its relative confinement and remoteness: (1) Maintenance of territorial integrity (neighbors); (2) Effective sovereignty (throughout the country); (3) Political independence (powers); (4) Integration to the world (trade openness and multilateralism); and (5) Contribution to global security (combined operations and exercises). Certainly, in the face of the questions presented by the current geopolitical situation, the possible answers must consider how best to preserve and maximize these interests.

Facing the Polarization of Global Security: Chile, like many countries, faces the dilemma of having as its main trading partner the PRC and its main defense partner the U.S. As competition between these two powers in the military arena increases, it becomes increasingly complex to maintain an equidistant or uncompromising position.

The country has even been the scene of disputes over the awarding of contracts to companies for the installation of 5G networks. In 2019, while U.S. Secretary of State Mike Pompeo warned that it would be difficult to share sensitive information if Chinese companies were chosen,[26] Chinese Foreign Minister Wang Yi stated that security

24 Morgenthau, Hans "Politics Among Nations". New York: *McGraw-Hill Education*, 2005.

25 AthenaLab. "Aproximación a una política exterior basada en intereses nacionales", June 2020: 19.

26 "Pompeo advierte sobre Huawei: 'Poner información en esa infraestructura china presenta riesgos a los ciudadanos de tu país'". *CNN Chile*, April 12, 2019. https://www.cnnchile.com/lodijeronencnn/mike-pompeo- interview-cnn-huawei-china_20190412/

should not be an argument to block companies from his country.[27] Another complex case was experienced when the Chilean government revoked a contract awarded to a company with Chinese capital to print identity cards and national passports, after open pressure from the U.S. Embassy, which warned about the possible cancellation of the Visa Waiver Program.

These examples are just a sample of the growing complexity of the current geopolitical scenario for Chile. Interests such as political independence to make sovereign decisions, open integration to the world and the contribution to global stability are under pressure.

However, when it comes to security, there should be no doubt about the harmony between Chile and the U.S., which is supported by geography, coinciding visions, daily interactions between their Armed Forces and the use of common platforms and weapons systems. All this within the framework of a bicentennial bilateral relationship. In addition, both countries are part of the Inter-American Treaty of Reciprocal Assistance (TIAR), which already commits them in terms of defense against possible aggressions from extra-continental powers, many of which are beginning to appear increasingly in the hemisphere. In different ways, drug trafficking is hitting their societies, forcing them to generate collective responses in terms of interdiction and intelligence.

Regarding the Indo-Pacific, where more than 55% of Chilean exports are oriented,[28] Santiago and Washington collaborate preferably through their navies in the protection of commercial maritime routes and inter-oceanic passages, and also face transnational threats; in particular, drug trafficking and illegal, unregulated and undocumented fishing. In other words, they carry with them values that are essential, such as respect for freedom of navigation and the provision of good order at sea. It could be added that the security of the seabed is also becoming key, given the importance of the fiber optic cables that transmit data. In this sense, national interests are not necessarily confined to the territory and give a significant role to the Chilean Navy in its protection.[29]

27 El Mercurio. "Canciller Wang Yi: Es injusto e inmoral que algunos países abusen de razones de seguridad nacional para poner obstáculos al desarrollo de empresas chinas". *Emol*, July 28, 2019. https://www.emol. com/news/International/

28 Figures for 2021 taken from the Economic Complexity Observatory. *Observatorio de Complejidad Económica*, 2024. https://oec.world/es/profile/country/chl?subnationalDepthSelector=productHS2

29 Armada de Chile. "Horizonte en el Pacífico: Visión oceánica de la Armada". Valparíso: *Imprenta de la Armada*, 2020: 105. https://www.armada.cl/custom/radio_naval/libros/libro_horizonte.pdf.

As far as Antarctica is concerned, both countries are original signatory members of the Antarctic Treaty and although the U.S. has no territorial claims, unlike Chile, the maintenance of *status quo* on the white continent seems to be a common objective, despite increased geopolitical competition and the effects of climate change.[30] Moreover, TIAR covers part of Antarctica, which is sometimes forgotten.

Many of the weapon platforms used by Chile, such as F-15 fighters, C-130 transports, KC-135 tankers, Bell 214 and Black Hawk helicopters, as well as missiles, radars and communications systems used by ships, are of U.S. origin.[31] This situation, which includes training and maintenance plans, creates a *de facto* dependency, positive so far.

As for the PRC, the security relationship is practically non-existent. Beyond academic exchanges and visits, there is no participation in combined exercises or common platforms. However, polarization in this field is not directly manifested. Perhaps the most symptomatic is that neighbors such as Argentina, Bolivia and Peru are admitting more presence of the Asian country in the space field[32] and ports.[33]

In view of the above, Chile should have no doubt that its capabilities should be oriented, first and foremost, to the defense of its sovereignty, but since its economy is dependent on international markets, it must cooperate in order to strengthen the rules-based world order and take safeguards against those who use economic pressures to bend sovereign decisions.

The stability of the international system is beneficial to the country from the point of view that this not only creates a better environment for global trade, but also improves the likelihood of respect for territorial integrity, political independence and open connection with the world, among other national interests.

In this sense, the polarization of security should not generate a major dilemma, because it has already been resolved. It should only be added that, in the search

30 AthenaLab - Henry Jackson Society. "Chile y el Hemisferio Sur: ¿Antártica en Transición?". *Athena Lab*, 2020. https://athenalab.org/estudio-chile-y-el-hemisferio-sur-antartica-en-transicion/

31 IISS. "The Military Balance 2022." *International Institute for Strategic Studies*, London, Routledge, 2022: 403.

32 Cadell, Cate & Perez del Carpio, Marcelo. "A growing global footprint for China's space program worries Pentagon." *The Washington Post*, November 21, 2023. https://www.washingtonpost.com/world/interactive/2023/china-space-program-south-america-defense/

33 Wsj. "How the U.S. is trying to block China's control of the ports around the Globe." *The Wall Street Journal,* May 11, 2023. https://www.wsj.com/video/series/wsj-explains/how-the-us-is-trying-to-block- china- control-of-ports-around-the-globe/5534955D-DE84-453C-A1DB-5528735EB4D7.

for like-minded partners, there are also medium-sized powers, such as Australia,[34] France,[35] Japan[36] and the United Kingdom,[37] that seem highly attractive for the same reasons mentioned above, all of them democracies that, of course, condemn Russia's aggression against Ukraine.

Neighboring relations do not seem to be subject to a new polarization as the one that led to wars or crises in the past, since the countries already have legal mechanisms to solve their disputes,[38] as the Pact of Bogotá (1948), and they see diplomacy as the privileged tool to relate, since there is no major trade with them either. At least, this is the path chosen by Chile, which does not prevent it from having a permanent deterrence capacity, a great contribution to stability and promoting cooperation measures in the face of natural disasters or other common challenges.[39]

Facing the Fragmentation of Economic Globalization: Chile must insist on the advantages and benefits of free trade, both through the ratification and modernization of existing treaties, and in the search for new markets to place its exports and attract capital. Protectionism is not an option or a possibility for a country that has 25 free trade agreements that give it access to economies that represent 85% of the Global Gross Domestic Product.[40] However, the realignment and securing of supply chains sought by industrial powers through mechanisms such as *nearshoring* and *friendshoring*,[41] generate new opportunities that can be

34 Ministry of Foreign Affairs - Australia. "Foreign Policy White Paper." *Australian Government Department of Home Affairs*, 2017. https://www.dfat.gov.au/publications/minisite/2017-foreign-policy-whitepaper/fpwhitepaper/ pdf/2017-foreign-policy-white-paper.pdf.

35 Toro, Juan P. "Le Chili et la France, appartenances et opportunités multiples". *Revue Conflit*, December 3, 2021: 72.

36|PM Kishida. "New Plan for a 'Free and Open Indo-Pacific': Policy Speech by". *Japan Government,* May 19, 2023. https://www.japan.go.jp/kizuna/2023/05/new_plan_for_free_and_open_indo-pacific.html#:~:text=Japan%20will%20mobilize%20a%20total,grow%20together%20with%20other%20countries

37 HM Government. "Integrated Review Refresh: Responding to a more contested and volatile world." 2023. https://assets.publishing.service.gov.uk/media/541d72f45155a2000c5ad5d5/11857435_NS_IR_Refresh_2023_ Supply_AllPages_Revision_7_WEB_PDF.pdf

38 Rodríguez Elizondo, J. "Perú y Bolivia contra Chile". Santiago de Chile. *El Mercurio-Aguilar*, 2014: 10.

39 Griffiths, J. "Visión de la defensa nacional de Chile hacia el 2030", in Desafíos para la Seguridad y la Defensa en el continente americano 2020-2030. Griffiths, J. and Toro, J. P. (Eds.). Santiago, *AthenaLab*, 2020:192.

40 Dirección General de Relaciones Económicos Internacionales. "Impacto de los Tratados de Libre Comercio: Hacia una Política Comercial Inclusiva". *Publicación del Ministerio de Relaciones Exteriores*, 2018: 15.

41 Relocation of companies to nearby or friendly countries to avoid disruptions in supply chains.

advantageously exploited, particularly when it comes to the exploitation of critical minerals for the decarbonization of economies, such as copper, lithium and rare earths, of which Chile has abundant reserves.

However, in a world where economic coercion is back, directly or indirectly, it is a must to have an approach to investments in strategic sectors that considers the security variable. Despite being very globalized, Chile does not have legislation or a specific institution that defines what those sectors are and how to proceed when foreign interests manifest themselves. South African leader Nelson Mandela is credited with the phrase *when you have what the powerful want, you must either negotiate properly or prepare to defend it.* Probably, here we are facing one of the threats to national interests, in terms of political independence and market opening, and which is a product of a certain naivety regarding the relationship between geography, trade and security. The very option of continuing to use the Asia-Pacific concept over the Indo-Pacific seems to reflect this.

Facing Global Obligations: To the extent that it may affect the country's development and welfare, and thus compromise the promotion and defense of national interests as a whole, climate change requires the generation of national, but also regional and global cooperative responses. If in American Chile drought seems to be the most evident sign,[42] the rise in ocean levels represents a real threat to insular oceanic Chile; meanwhile, the gradual melting of ice in Chilean Antarctica is beginning to modify the landscape. Undoubtedly, there is an opportunity to decarbonize the economy thanks to the availability of critical minerals[43] and renewable energies of all kinds, not to mention the reality that the country is a net importer of hydrocarbons. The creation of new protected marine areas is one of the contributions, as well as the signing of commitments derived from the Paris Agreement (2015) and the various Conferences of the Parties (COPs)

Other challenges, such as migration, drug trafficking and terrorism, are also approached in a cooperative manner, given their transnational character and their American origin; although trust between neighboring countries does not always facilitate exchanges, nor does political instability, with untimely changes of government in Peru and Bolivia, revolts in Chile and alternation in Argentina. The curious thing is

42 Castilla, Meza, Vicuña, Marquet & Montero eds (2019). Santiago: *Ediciones Universidad Católica*, 97.

43 Hook, Leslie, Dempsey, Harry & Nugent, Clara. "Chile, Congo e Indonesia: Las nuevas superpotencias de las materias primas". *Diario Financiero*, August 13, 2023: 94 - 95. Article originally published by The Financial Times. https://www.ft.com/content/0d2fba79-940f-4a28-8f4f-58f1e755200f

that according to the AthenaLab-Ipsos survey, drug trafficking is considered the main threat to the four countries.[44]

Facing New Strategic Narratives: As explained, the country known today as the Republic of Chile is the product of a historical evolution. This conception makes it possible to understand both its tricontinental geographic positioning and its constant search to overcome its confinement and relative remoteness through the profitable use of the sea, which should continue.[45]

Latin American, Indo-Pacific (in its southeastern quadrant) or Global South? Critical geopolitics,[46] unlike traditional geopolitics, focuses on the role of discourse and ideology, therefore, it is fluid and subject to interpretation. In this sense, the interaction between human beings and physical space produces *geopolitics".*

In every period of transition, concepts tend to appear to try to account for the new realities. Therefore, we could say that Chile is a country of multiple belongings, extending Pellicer's (2005) concept,[47] and the Indo-Pacific seems to be the most suitable place to settle, insofar as it implies adherence to international standards, respect for freedom of navigation, open markets and, in the best of cases, democracy. This is, in short, the original Japanese version of the *Free and Open Indo-Pacific,* developed by Prime Minister Abe Shinzo and continued by his successor, Kishida Fumio.[48]

The Indo-Pacific also includes the territories on the American coast, in Oceania and in Antarctica, since it closes the picture to the south. It is true that since the U.S. While the U.S. adopted the concept[49] , the PRC sees it as a simple containment strategy. But as Chile's economy and security are increasingly at stake in this area, - and also

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44 AthenaLab - Ipsos. "Cuarta encuesta: Percepciones sobre política exterior y seguridad nacional". *Athena Lab*, 2023: 38. https://athenalab.org/wp-content/uploads/2023/05/4ta-encuesta-AthenaLab-IPSOS-30.05.pdf

45 Ministerio de Relaciones Exteriores de Chile. "Mares de Chile, Visión 2040". Instituto Milenio de Oceanografía Chile, January 2020: 5. https://files.imo-chile.cl/documents/mares_de_chile_vision_2040.pdf

46 Dodds, K and Ibid, 5.

47 Pellicer, Olga. "México y el mundo: Cambios y continuidades". Ciudad de México, *Porrúa*, 2005: 30.

48 Toro, J.P., "El Indo-Pacífico y su proyección hacia Latinoamérica: La vía japonesa", en J. Sahd K., N. Albertoni, D. Rojas T. (Eds.), América Latina y su proyección en Asia Pacífico, diciembre de 2023. Santiago: Centro de Estudios Internacionales de la Universidad Católica UC y Konrad Adenauer Stiftung, 119. http://centroestudiosinternacionales.uc.cl/publicaciones/publicaciones-ceiuc/5583-america-latina-y-su-proyeccion-en-asia-pacifico.

49 DoD. "Indo-Pacific Strategy." *U. S. Department of Defense*. https://media.defense.gov/2019/Jul/01/2002152311/-1/-1/1/DEPARTMENT-OF-DEFENSE-INDO-PACIFIC-STRATEGY-REPORT-2019.PDF.

the world's - it would be advisable to adopt it, since it responds to more challenging geopolitics, both in its traditional and critical conception.

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THE IMPACT OF CHINA'S GROWING INFLUENCE IN LATIN AMERICA AND PERU

Paul Eduardo Vera Delzo

> *"There are two ways to conquer and enslave a nation. One is by the sword. The other is by debt."*
>
> *John Adams, president of the United States of America.*

Summary

The economic growth of the People's Republic of China (PRC) is undeniable and so is its global influence. The loans and investments that the PRC has been making in various countries in Europe, Asia, Africa, Latin America and the Caribbean are causing concern among important international players such as the United States because, if the governments of these countries depend excessively on Chinese funds, their political and economic decisions may be strongly influenced by this Asian giant. Within the framework of this growing rivalry, the PRC has become Peru's main trading partner and although Chinese investments in this South American country are smaller than those made by other countries, they are particularly significant as they are concentrated in strategic sectors such as mining, electricity and infrastructure; something of which the Peruvian State must be aware in order to minimize the associated risks. Undoubtedly, PRC investments in Peru will be positive to the extent that they take advantage of these opportunities and avoid the problems and mistakes already experienced in other countries.

Keywords: *People's Republic of China, Peru, Chinese investments, Belt and Road initiative, Chancay mega port.*

Introduction

In just two decades, the economy of the People's Republic of China (PRC) went from representing 3% of world Gross Domestic Product (GDP) in 2002 to representing 18% in 2022. In the same period of time, trade between the PRC and the Latin America and Caribbean (LAC) region increased 25-fold, from US$12 billion in 2000 to US$315 billion in 2020. Undoubtedly, the PRC intends to expand its influence at the global level and establish an international trade less dependent on the dollar and the financial system led by the United States (US). For this reason, the PRC has

been developing its own payment system and establishing more trade agreements in yuan to strengthen the importance of this currency in the global market.

Although the PRC's defense budget is the second largest in the world, its real power comes from finance, economy and technology. Aware of this reality, the PRC has been banking on global economic penetration through the Belt and Road Initiative (BRI) to co-opt global logistics routes in order to gain economic and political influence in the international arena. Since its launch in 2013, the BRI has surpassed $1 trillion in cumulative participation, involving more than a hundred countries and international organizations, with which the PRC has signed cooperation agreements. A decade later, BRI has expanded to Europe, Asia, Africa, Latin America and the Caribbean, developing infrastructure, thereby generating strong doses of concern in countries such as the US.

In this sense, this article analyzes the impact of the growing financial and commercial influence of the PRC, both in Latin America and particularly in Peru. To this end, it initially describes the financial actions that the PRC has been implementing in order to position its currency in international markets and reduce the marked influence of the dollar in global trade. It then examines the development and impact of the BRI in Europe, Asia and Africa, providing some examples of Chinese investments made under this initiative, as well as the problems and challenges faced by some of the recipient countries. In addition, it discusses the PRC's clear political decision to strengthen relations with the LAC region not only through trade, investment and financial cooperation, but also through culture and politics. Finally, the importance of existing trade relations between the PRC and Peru is analyzed, as well as the impact of Chinese investments in Peru, mainly in sectors such as mining, electricity and infrastructure. With these actions, the PRC is laying the foundations for a new world order more favorable to its interests and global aspirations.

A New World Order in Development

In September 2022, U.S. Vice President Kamala Harris, aboard the destroyer USS Howard, anchored in Japan, stated that *"China is undermining key elements in the international order based on rules."*[1] when referring to the rules of a world order established precisely in the US during the Bretton Woods summit in July 1944, where bankers, diplomats, politicians and economists from 44 countries developed a new framework to guarantee the stability of the monetary system and finance the reconstruction of the countries

1 Voz de América. "Kamala Harris Critica a China por Visita a Japón". *Voz de América*, 27 de mayo de 2024. https://www.vozdeamerica.com/a/kamala-harris-critica-china-visita-japon/6767638.html

affected by World War II.[2] Among the measures that led to the change in that geopolitical paradigm were the establishment of an exchange system based on the dollar, but linked to gold (at a rate of 35 dollars per ounce of gold, because the US owned three quarters of the world's gold supply), as well as the creation of the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD), which is part of today's World Bank Group (WBG).[3]

With these measures, the U.S. succeeded not only in displacing the pound sterling after 130 years of hegemony and establishing the dollar as the world's exchange currency, but also in creating and leading two geo-economic instruments of global power: the IMF (which monitors the world economy and its member countries, lends to countries facing balance of payments problems, and provides practical assistance to members) and the WBG (which provides financing, policy advice and technical assistance to governments facing balance of payments problems, and provides practical assistance to members), lends to countries facing balance of payments problems, and provides practical assistance to members) and the WBG (which provides financing, policy advice and technical assistance to developing country governments),[4] reasserting its political and economic power.[5]

However, 27 years later, in the midst of the Vietnam War and in the face of the severe crisis facing the U.S. due to its high deficits, U.S. President Richard Nixon devalued the dollar and declared on August 15, 1971, the inconvertibility of the dollar into gold.[6] Finally, in 1973, Nixon ended the fixed exchange rate; thus, the Federal Reserve did not need to maintain a stable relationship between banknotes and metal.[7]

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2 El Blog Salmon. "A 70 años de Bretton Woods y la dominación global del dólar". El Blog Salmon, n.d. https://www.elblogsalmon.com/mercados-financieros/a-70-anos-de-bretton-woods-y-la-dominacion-global-del-dolar

3 Mizrahi, Darío. "A 75 años de Bretton Woods, el pacto que diseñó el orden económico global que hoy se está desmoronando". Infobae América, May 25, 2024. https://www.infobae.com/america/2024/05/25/a-75- anos- de-bretton-woods-el-pacto-que-designó-el-orden-economico-global-que-hoy-esta-esta-desmorrono-desmoronando/

4 World Bank Group. "The World Bank Group and the International Monetary Fund (IMF)." *World Bank*, 2024. https://www.worldbank.org/en/archive/history.

5 Proyecto Bretton Woods. "¿Cuáles son las principales críticas al Banco Mundial y el Fondo Monetario Internacional?" Proyecto Bretton Woods, July 15, 2019. https://www.brettonwoodsproject.org/es/2019/07/what-are-the-major-criticisms-of-the-world-bank-and-the-international-monetary-fund/.

6 World Bank Group. "The World Bank Group and the International Monetary Fund (IMF)." *World Bank*, 2024. https://www.worldbank.org/en/archive/history.

7 Mizrahi, Darío. "A 75 años de Bretton Woods, el pacto que diseñó el orden económico global que hoy se está desmoronando". Infobae América May 25, 2024. https://www.infobae.com/america/2024/05/25/a-75- anos- de-bretton-woods-el-pacto-que-designó-el-orden-economico-global-que-hoy-esta-esta-desmorrono-desmoronando/

From that moment on, the dollar became a purely *fiduciary* currency, a word that comes from the Latin root fiducia, meaning faith or trust. In other words, the dollar currently has no physical backing and is based on the faith of the international community in the proper functioning of the US economic system.[8] However, other powers such as China and Russia are seeking to establish a new world economic order, less dependent on the dollar and the US-led financial system.

In this regard, in 2002, the PRC economy accounted for 3% of the world's GDP and had less than 1% of the world's patent applications filed.[9] However, two decades later, in 2022, its economy already represented 1 8 % of the world GDP[10] and had almost 47% of the patent applications filed worldwide,[11] being the Chinese company Huawei the global leader in technology patents in telecommunications and digital transformation.[12] Undoubtedly, these data show that the PRC is making a great geo-economic breakthrough, facing commercially and financially the US.

Whereas the Society for Worldwide Interbank and Financial Communications (SWIFT) is an international cooperative organization that offers a financial messaging platform to its user community (some 11,000 financial and corporate entities in more than 200 countries) and abides by international sanctions imposed by the U.S. and the European Union (EU), both Russia and the PRC have created their own payment systems to prevent the threat of these sanctions.[13]

On the one hand, Russia, after annexing the Ukrainian peninsula of Crimea in 2014 and in view of its possible exclusion from SWIFT, developed - through the Central Bank of Russia - its own payment system, the SPFS, which connects more than 400

8 Redacción Clarín. "¿Cuál es el respaldo del dólar?". Clarín, September 29, 2018. https://www.clarin. com/economia/respaldo-dolar_0_uoiRzWFLT.html.

9 Fan, Ana. "TRABAJO FIN DE ESTUDIO, GADE, UPCT 2020". Repositorio UPCT, 2020. https://repositorio. upct.es/xmlui/bitstream/handle/10317/8820/tfg-fan-ana.pdf?sequence=1&isAllowed=y.

10 Equipo Singular Bank. "Entorno global: Las economías del mundo en un único gráfico, ¿cuánto aporta cada país al producto mundial bruto (PIB)?". Blog SelfBank, April 8, 2022. https://blog.selfbank.es/las-economias-del-mundo-en-un-grafico-cuanto-aporta-cada-pais-al-pib/#:~:text=China%2C%20mantiene%20la%20segunda%20plaza,de%20siderurgia%2C%20electr%C3%B3nica%20y%20rob%C3%B3tica

11 Organización Mundial de la Propiedad Intelectual (OMPI). "Datos y cifras de la OMPI sobre PI, edición de 2022". Wipo 2022. https://www.wipo.int/edocs/pubdocs/es/wipo-pub-943-2022-es-wipo-ip-facts-and- figures-2022.pdf

12 Huawei Technologies Co., Ltd. "Huawei es líder global en patentes tecnológicas en telecomunicaciones y transformación digital". Huawei, Nov. 3, 2020. https://dplnews.com/como-llega-huawei-a-ser-lider- en-patents- in-the-world/

13 Torres, A. "¿Qué es el sistema SWIFT?". El Orden Mundial, May 24, 2023. https://elordenmundial.com/what-is-swift-system/

Russian institutions, mostly banks, but by the end of 2021 connected 23 banks in Armenia, Belarus, Germany, Kazakhstan, Kyrgyzstan and Switzerland.[14] On the other hand, in 2015 and with the backing of the People's Bank of China, the PRC launched the Cross-Border Interbank Payment System (CIPS) to internationalize the use of the renminbi (the PRC's official currency, whose basic unit is the yuan). As of September 2023, CIPS already covered more than 4,300 banking institutions in 182 countries and regions around the world.[15] In fact, there are plans to integrate the Russian SPFS with the Chinese CIPS.[16] In the last year, Russia has resorted to trading in yuan due to Western sanctions on its exports, imports and energy trade, prompted by the Russian invasion of Ukraine in February 2022.[17]

In doing so, the PRC seeks to dismantle the current economic order and establish more yuan trade agreements to increase the relevance of the yuan in world markets and challenge the dominance of the U.S. dollar in international trade.[18] In this regard, in March 2023, Chinese state-owned oil and gas giant CNOOC and French giant TotalEnergies completed the first liquefied natural gas (LNG) transaction in the market with payment in yuan of nearly

55,000 tons of LNG imported from the United Arab Emirates.[19] Also, in November 2023, the PRC and Saudi Arabia entered into a swap agreement (a currency exchange between two countries that acts as a contingent loan between central banks) worth approximately $7 billion. Such an agreement carries significant symbolic weight as Saudi Arabia is the world's leading oil exporter.[20]

Additionally, in April 2023, it became known that Bangladesh will make a first payment in yuan to Russia equivalent to 300 million dollars for the construction of the Rooppur nuclear power plant, a project backed 90% by a loan from the Russian

14 Devonshire-Ellis, Chris. "SPFS - Russia's Alternative To SWIFT." *Russia Briefing*, December 15, 2021. https://www.russia-briefing.com/news/spfs-russia-s-alternative-to-swift.html/

15 China International Patent System (CIPS). (2024). https://www.cips.com.cn/en/participants/participants_ announcement/50157/index.html.

16 Devonshire-Ellis, Chris. "SPFS - Russia's Alternative To SWIFT." *Russia Briefing*, December 15, 2021. https://www.russia-briefing.com/news/spfs-russia-s-alternative-to-swift.html/

17 World Energy Trade. "China realiza la primera transacción de GNL en yuanes". World Energy Trade, May 10, 2024. https://www.worldenergytrade.com/oil-gas/general/china-primera-transaccion-gnl-yuanes

18 Ibid.

19 Ibid.

20 Benzinga Español. "Acuerdo swap de divisas entre China y Arabia Saudita". Benzinga, November 21, 2023. https://es.benzinga.com/2023/11/21/acuerdo-swap-divisas-china-arabia-saudita/.

government, which will cost 12.55 billion dollars and will employ 2,500 technicians during its construction.550 million and will employ 2,500 technicians from the Russian State Nuclear Energy Corporation Rosatom during its construction.[21] Currently, the Chinese central bank has 29 active swap agreements, which exceed 4 trillion yuan.[22]

In this context, the PRC has also shown its intention to achieve a greater presence of the yuan in Latin America, after becoming a key trading partner and an important source of financing for some countries in the region. On the one hand, in 2015, the PRC and Chile signed investment and currency exchange agreements, and announced the opening of the first yuan clearing bank in the region.[23] On the other hand, in March 2023, the PRC Ministry of Foreign Affairs confirmed the signing of a memorandum of cooperation with Brazil that will help promote bilateral trade and investment in yuan. To this end, the Industrial and Commercial Bank of China (ICBC) and the Brazilian bank BBM agreed to reduce the costs of commercial transactions with direct exchange between the real and the yuan, enabling the Brazilian entity to join CIPS.[24] Likewise, in April 2023, the Argentine Minister of Economy, Sergio Massa, announced the activation of the swap with China, which allows the payment with yuan of more than US$ 1,040 million corresponding to imports from China.1.04 billion dollars corresponding to imports from China.[25] Likewise, in July 2023, the Bolivian Minister of Economy, Marcelo Montenegro, reported that in only two months, financial operations for 278 million yuan had been concluded, with a forecast of an increase in the use of this currency after the export of Bolivian lithium carbonate.[26]

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21 El Economista. "El acuerdo 'nuclear' entre Rusia y Bangladesh se saldará en yuanes: primer aviso para el dólar y EEUU". El Economista, April 23, 2023. https://www.eleconomista.es/economia/noticias/12233343/04/23/ the-nuclear-agreement- between-russia-and-bangladesh-will-be-settled-in-yuan-first-notice-for-the-dollar-and-us. html.

22 SWI. "China confirma el acuerdo comercial bilateral en yuanes con Brasil". Swissinfo, March 30, 2023. SWI swissinfo.ch.

23 Benzinga Español. "Acuerdo swap de divisas entre China y Arabia Saudita". Benzinga, November 21, 2023. https://es.benzinga.com/2023/11/21/acuerdo-swap-divisas-china-arabia-saudita/.

24 BBC Mundo. "Sequía en Argentina: el campo sufre su peor crisis en 60 años". BBC, May 24, 2024. https://www.bbc.com/mundo/noticias-america-latina-55579550

25 Gobierno Argentino. "Argentina deja de pagar importaciones en dólares y pasa a yuanes". Argentina. gob.ar, April 25, 2023. https://www.argentina.gob.ar/noticias/argentina-deja-de-pagar-importaciones-en- dollars-and-switches-to-yuan.

26 26 Associated Press. "Bolivia ya comercia en yuanes ante la escasez de dólares". Voz de América, July 28 28, 2023. https://www.vozdeamerica.com/a/bolivia-ya-comercia-en-yuanes-ante-la-escasez-dolares/7201723. html.

It should be noted that the Chinese companies CTL (*Contemporary Amperex Technology*) and Citic Guoan, as well as the Russian company *Uranium One Group*, a subsidiary of Rosatom, have committed to invest almost US$2 billion in Bolivia to produce 50,000 tons of lithium carbonate per year starting on 2025.[27]

However, it should be pointed out that, despite the recognized advance of the Chinese currency in world trade, this currency is still far from becoming the most widely used currency in international transactions, since the yuan currently represents only 2.7% of the market, compared to 41% of the US dollar.[28] Aware of this reality, the PRC has been promoting other mechanisms in order to make progress in both the political and economic spheres worldwide.

The New Silk Road

Although China increased its defense budget by 7.2% in 2023, making it the second largest in the world after the US,[29] today, the PRC's real power lies in finance, economy and technology. In that sense, the PRC has been betting on a global economic penetration through the New Silk Road, also known as the Belt and Road Initiative (BRI); an international infrastructure project (maritime, land and digital) that Chinese President Xi Jinping launched in 2013 to connect the country with Asia and the rest of the world with the purpose of gaining economic and political influence at a global level.[30] Since its inception, the BRI has surpassed $1 trillion in cumulative participation, while the PRC has signed more than 200 cooperation agreements with 152 countries and 32 international organizations.[31] A decade later, the BRI has expanded to Europe, Asia, Africa and Latin America, facing criticism and challenges.

In Europe, for example, in 2015, the Government of Montenegro closed a deal with the state-owned *China Communications Construction Company* for the construction of the first 41 kilometers of a 153-kilometer highway intended to cross from south to north the country. For the execution of this work, Montenegro agreed to a loan of

27 Ibid.

28 Redacción. "China cierra su primera transacción en yuanes de GNL". El Periódico de la Energía, March 30, 2023. https://elperiodicodelaenergia.com/china-cierra-primera-transaccion-yuanes-gnl/

29 DW. "China aumenta en 7,2% su presupuesto de Defensa para 2023". Deutsche Welle, March 5, 2023. https://www.dw.com/es/china-aumenta-en-72-su-presupuesto-de-defensa-para-2023/a-54888759

30 Sebastián, Isabel. "¿Qué es la Nueva Ruta de la Seda china?". El Orden Mundial, December 29, 2022. https://elordenmundial.com/que-es-nueva-ruta-seda-china/

31 Yeh, Chia-Chun. "Cumbre Nueva Ruta de la Seda: ¿Tiene éxito el 'sueño chino'?". Deutsche Welle, October 17, 2023. https://www.dw.com/es/cumbre-nueva-ruta-de-la-seda-cu%C3%A1n-exitoso-es-el- sue%C3%B1o-chino-de- xi-jinping/a-57125425.

about $1 billion from *Exim Bank*, also Chinese state-owned.[32] Following accusations of corruption and bribery, the project is two years behind schedule and the current government of Montenegro faces the great risk of defaulting on the loan installments since in case of default the contract stipulates that the country must give up sovereignty over certain parts of its territory, following an arbitration procedure that would take place in China, following Chinese laws.[33] Many Western countries have criticized Montenegro's decision and have warned about the consequences of what they call *the diplomacy of the debt trap*, an alleged Chinese strategy to make use of its economic power and in case countries are unable to pay, seize their assets.[34] Something that the PRC has rejected, stating that credit and financing practices, in the context of the BRI, are based on international standards, also used by other countries.[35]

A year later, in 2016, the Chinese state-owned giant *COSCO Shipping Corporation* acquired 67% of the share capital of the Greek port of Piraeus, the largest logistics hub for the distribution of goods in Greece and the Eastern Mediterranean, for the amount of 368.5 million euros (about 396 million dollars). An operation that could generate revenues of up to 1.5 billion euros (about 1.613 billion dollars) to the Greek public coffers, due to a dividend and an annual commission that COSCO will pay for the 36-year concession to operate the port's infrastructure.[36]

Recently, in May 2023, the German government announced that it will allow 24.9% of a terminal in the port of Hamburg to be sold to COSCO. It should be noted that the Chinese company had intended to acquire 35% of this terminal; however, these aspirations had to be limited to 24.9%, since this reduction allows the head of the German government, Olaf Scholz, to personally approve the sale without going through the Council of Ministers, where liberals and environmentalists could have

32 Vila, Pol. "La deuda de Montenegro con China, o cómo Pekín puede hacerse con un puerto en Europa". El Orden Mundial, August 24, 2022. https://elordenmundial.com/deuda-montenegro-china-pekin-puede- port-europe/

33 Von der Brelie, Hans. "La construcción de una autopista en Montenegro activa las alarmas en la UE y la ciudadanía". Euronews, May 8, 2021. https://www.euronews.com/tag/montenegro

34 Mundo. "'Trampa de la deuda': la estrategia de China para expandir su influencia en Europa y que puede llevar a la ruina a Montenegro". Infobae, *May 27th 2024.* https://www.infobae.com/america/mundo/2021/05/08/debt-trap-the-china-strategy-for-expanding-its-influence-in-europe-and-that-may-bring-ruin-to-montenegro/

35 "Cómo la Iniciativa de la Franja y la Ruta de China cambió al mundo durante la última década". Cadena Global de Televisión de China" September 11, 2023. https://espanol.cgtn.com/news/2023-09-11/1701055472324159729/index.html.

36 "Atenas vende el Puerto de El Pireo al gigante estatal chino COSCO por 368 millones". Radio y Televisión Española April 8, 2015. https://www.rtve.es/noticias/20150408/atenas-vende-puerto-pireo-gigante-chino- cosco- for-358-million/1333548.shtml.

blocked the operation if the percentage sold had exceeded 25%, considering that the port of Hamburg is of strategic importance for German industry and one of the most important in Europe.[37] Undoubtedly, the loans and investments in infrastructure that the PRC has been making in Europe have generated criticism and concern among the member countries of the European Community, as well as from the US, since the more such assets China has in Europe, the greater its influence in that region.[38]

However, advancing BRI in Europe is no easy task. In December 2023, four years after becoming the only G7 country to sign up to the PRC infrastructure project, Italy formally withdrew from this project, due to frustration over unfulfilled promises and Italian strategic reassessment. Of the €20 billion (about $21.5 billion) in business expected in 2019, little or nothing has come to Italy, with the PRC benefiting the most. Since that date, Italian exports to China increased from €14.5 billion to €18.5 billion, while Chinese exports to Italy increased from €33.5 billion to €50.9 billion.[39]

In Asia, to cite a few examples, in October 2023, Indonesia inaugurated the first high-speed train in Southeast Asia, which was partly financed by the PRC through loans and connects the capital Jakarta with the city of Bandung (about 140 kilometers). After four years of delay and an additional cost of $1.2 billion, this work was built by *PT Kereta Cepat Indonesia China* (a joint venture company created in 2015 between an Indonesian state-owned company and a Chinese consortium), at a cost of US$7.27 billion.[40]

In this sense, the PRC has become the main creditor of several countries in the region, generating debts that are difficult to pay. In this regard, in 2010, Sri Lanka agreed to a loan from the PRC to build the port of Hambantota, on the condition that the work would be carried out by *China Harbour Engineering Company*. However, in the face of default on the debt repayment, in December 2017, Sri Lanka had to cede the

37 Martín, Idafe. "China pisa fuerte en Europa y compra parte del estratégico puerto alemán de Hamburgo". Clarín, May 11, 2023. https://www.clarin.com/mundo/china-pisa-fuerte-europa-compra-parte-estrategico- port- german-hamburg_0_twAAzImAhI.html.

38 Ibid.

39 Mundo. "Italia abandonó el proyecto chino de la nueva Ruta de la Seda". Infobae, December 5, 2023. https://www.infobae.com/america/mundo/2023/12/06/italia-abandono-el-proyecto-chino-de-la-nueva-ruta-de-la-seda/#:~:text=Italia%20se%20retir%C3%B3%20formalmente%20del,el%20mi%C3%A9rcoles%20una%20-fuente%20gubernamental

40 Swissinfo. "Indonesia inaugura primer tren de alta velocidad de la región, parte de la Ruta de la Seda". Portal suizo de noticias e información multimedia, October 1, 2023. https://reporteasia.com/destacado/2023/10/02/indonesia-inaugura-el-primer-tren-de-alta-velocidad-del-sudeste-asiatico/

operation of Hambantota to China for 99 years for $1.12 billion.[41] The construction and ceding of this port to the PRC has raised concerns not only about the bribes that were allegedly given to Sri Lankan officials and politicians in exchange for their support for the project, but also about the military use that the port could be put to.[42] Although the port lease agreement excludes military use of the site by the PRC, Western countries point out that the Sri Lankan government may be pressured to allow it as it is still heavily indebted to China.[43] In 2022, Sri Lanka declared bankruptcy, with the PRC being its largest creditor with almost 52% of its total debt.[44]

In Africa, the situation is not very different. In recent decades, the PRC has become the main economic partner of this region. The trade exchange between the two grew from $1 billion in the year 1992 to more than $100 billion in the year 2008, estimating that by the year 2035 this figure could reach $300 billion.[45] It is therefore not surprising that Xi Jinping's first official visit as head of state, both in the year 2013 and on his re-election in the year 2018, was to Africa. However, the PRC is not only the region's main trading partner, but also one of its main lenders. Africa accumulates a debt of $153 billion to the PRC, which between 2000 and 2019 has granted 1,143 loans to African governments.[46]

Chinese investments in Africa are significant; for example, of the 231 commercial ports in Africa, 51 have been built by Chinese companies. Likewise, the PRC has built 10,000 kilometers of railways in this continent.[47]

But why is China so interested in Africa? The answer is very simple. On the one hand, the PRC needs hydrocarbons and mineral resources to continue its industrialization

41 " El caso Sri Lanka, clave para entender por qué los países desarrollados no confían en los créditos chinos". Infobae, November 14, 2020. https://www.infobae.com/america/mundo/2020/11/14/el-caso-sri-lanka-clave-para-entender-por-que-los-paises-desarrollados-no-confian-en-los-creditos-chinos/

42 Ibid.

43 Ibid.

44 Yeh, Chia-Chun. "Cumbre Nueva Ruta de la Seda: ¿Tiene éxito el 'sueño chino'?". Deutsche Welle, October 17, 2023. https://www.dw.com/es/cumbre-nueva-ruta-de-la-seda-cuánto-exitoso-es-el-sueñochino/a-67126426

45 Ortiz, Patricio. "La imparable 'colonización' de África por parte de China". El País, January 12, 2023. https://elpais.com/videos/2023-01-13/la-imparable-colonizacion-de-africa-por-parte-de-china.html

46 Merino, Álvaro. "Los préstamos de China en África". El Orden Mundial, March 21, 2022. https://elordenmundial.com/mapas-y-graficos/prestamos-de-china-africa/

47 Ortiz, Patricio. "La imparable 'colonización' de África por parte de China". El País, January 12, 2023. https://elpais.com/videos/2023-01-13/la-imparable-colonizacion-de-africa-por-parte-de-china.html

and growth process, having an excess of capital that it wishes to invest abroad. On the other hand, the African states possess a large amount of natural resources, lacking the capital and infrastructure to boost their growth.[48] Therefore, a commercial and political relationship of mutual need and interest is generated. A clear example of this type of bilateral relationship is shown in what is known as the *Angola model* a formula in which the PRC offers financial assistance in the form of credits and infrastructure construction in exchange for natural resources. In 2002, after decades of violence and civil war, Angola had achieved some stability and required financing to develop. In this context, the PRC approached the country, offering loans in exchange for considerable amounts of oil. Angola is the African country that not only has the second largest oil reserves on the continent, but also the one that has received the largest Chinese loans, some $42.6 billion between 2000 and 2019.[49] However, these development opportunities are held back by various economic and political factors in African states, including high levels of corruption, making it impossible to reduce poverty and inequality in this region.

The PRC not only builds large power plants, bridges, roads, ports and railways in Africa, but also imports various raw materials from Africa: oil from Sudan and Angola, uranium from Namibia and Niger, cobalt and coltan from the Democratic Republic of Congo, among others.[50] This close relationship raises concerns in Western countries, such as the USA, because if African governments' finances are overly dependent on Chinese funds, their political and economic decisions may be strongly influenced by the PRC, in addition to the consequences of what they call the *debt trap.*

Such is the influence of the PRC in this region that, in August 2017, it inaugurated in Djibouti its first military establishment outside the national territory. This military base - located near the port of Doraleh - occupies an area of 360,000 square meters and has a 600-meter long pier, a heliport, a short runway, warehouses for ammunition and/or armaments, and administrative offices, and can house up to 400 Marines.[51] Although the establishment of this Chinese military base has aroused controversy for the international community, the truth is that countries such as the US, France, Japan, Saudi Arabia and Italy also have military bases in that country, due to the fact

48 Ibid.

49 Merino, Álvaro. "Los préstamos de China en África". El Orden Mundial, March 21, 2022. https://elordenmundial.com/mapas-y-graficos/prestamos-de-china-africa/

50 Ibid.

51 Gómez, María Soledad. "Bases Militares en Djibouti, un enclave geoestratégico". Geopol21, September 5. 2021. https://geopol21.com/bases-militares-en-djibouti-un-enclave-geoestrategico/

that the foreign policy led by the Yibouti president Ismail Omar Guelleh, in power since 1999, promotes the concession for the establishment of foreign military bases as a source of income for the public treasury, estimating annual revenues of between 20 and 50 million dollars for each installation.[52]

The Republic of Djibouti benefits not only from the installation of this Chinese military base, but also from the investments that the PRC has made in various infrastructure works, such as the remodeling of port facilities and the construction of a logistics center. One of these significant projects is the construction of the Addis Ababa-Djibouti high-speed railway line, which connects the 752 kilometers from the Ethiopian capital to the sea through Djibouti.[53] This important means of transport for cargo and passengers, for which the PRC has invested some US$4 billion, is vital both for the country's economy and for the development of the country's economy.4 billion, is vital both for Ethiopia, which lost its access to the sea after Eritrea's independence, and for Djibouti, since all of Ethiopia's foreign trade transits through the Yibouti Nagad station, along with goods, raw materials and hydrocarbons from the Central African Republic, Sudan and South Sudan, among others.[54]

However, China is not the only international player with interests in Africa. By 2022, the EU countries, in order to counter the PRC's advance in this region, pledged to invest 150 billion euros (about $164 billion) on the African continent until 2027, through an ambitious plan for digital transformation and sustainable development, called *Global Gateway*.[55] In fact, this international power struggle is also replicated in other regions such as LAC.

China's Advance in Latin America and the Caribbean

In the last two decades, trade between the PRC and the LAC region increased 26-fold, from US$12 billion in 2000 to US$315 billion in 2020; it is estimated that by 2035 it will exceed US$700 billion.[56] The evolution of these figures is not the result of chance, but of a clear political decision by the PRC to expand its influence in this important

52 Ibid.

53 Ibid.

54 Ibid.

55 Ortiz, Patricio. "La imparable 'colonización' de África por parte de China". El Paí, January 12, 2023. https://elpais.com/videos/2023-01-13/la-imparable-colonizacion-de-africa-por-parte-de-china.html

56 Hernandez, Bruno. "China-América Latina y el Caribe: inversión, comercio y perspectivas futuras". China Briefing, November 17, 2023. https://www.china-briefing.com/news/china-america-latina-y-el-caribe-inversion-comercio-y-perspectivas-futuras/#:~:text=Seg%C3%BAn%20el%20Foro%20Econ%C3%B3mico%20

region. In 2008, the PRC published its first White Paper on policies towards LAC, updated in 2016,[57] in which it underlines its priorities and growing interest in the region, through a commercial and financial strategy. In this document, the PRC clearly defines its ambitions in trade, industrial investment, financial cooperation, energy and resources cooperation, infrastructure cooperation, as well as manufacturing cooperation.[58] However, the PRC's interest in LAC is not only framed in the trade and investment sphere, but also in the political, social and cultural spheres.

For this reason, the PRC is committed to strengthening both bilateral relations with the States of the region and relations with multilateral organizations operating in the region. In 2004, the PRC became a permanent observer member of the Organization of American States (OAS) and, in 2009, it became a non-borrowing member of the Inter-American Development Bank (IDB), where it invested US$350 million to finance a number of programs in the region.[59]

Likewise, the formation of the China - Community of Latin American and Caribbean States (Celac) Forum at the end of 2014, with the aim of promoting the development of the Comprehensive Cooperation Association between the PRC and LAC, demonstrates not only the great interest that the Asian giant has in the region, but also the pragmatic way it uses to achieve its objectives.

In this regard, it can be stated that the cooperation framework proposed by the PRC for the region is composed of two important policies. On the one hand, there is the numerical scheme of "1+3+6", which President Xi Jinping mentioned in 2014, in Brazil, during the BRICS meeting; where "1" refers to a program as a guide for cooperation (i.e. the 2015-2019 Cooperation Plan agreed during the first ministerial meeting of the China-CELAC Forum in 2015), "3" refers to the three engines as the driving force of cooperation (trade, investment and financial cooperation) and "6" refers to the six axes as the key points of cooperation (resources, infrastructure construction, agriculture, manufacturing, technological and scientific innovation, as well as information technology). On the

57 "Full text of China's Policy Paper on Latin America and the Caribbean". *The State Council, The People's Republic of China* November 24, 2015. http://english.www.gov.cn/archive/white_paper/2015/11/24/ content_281475499059158.htm.

58 Hernandez, Bruno. "China-América Latina y el Caribe: inversión, comercio y perspectivas futuras". China Briefing, November 17, 2023. https://www.china-briefing.com/news/china-america-latina-y-el-caribe-inversion-comercio-y-perspectivas-futuras/#:~:text=Seg%C3%BAn%20el%20Foro%20Econ%C3%B3mico%20

59 Grefi. "El rol de América Latina y el Caribe en la Iniciativa de la Franja y la Ruta". Derecho, Ambiente y Recursos Naturales Dar, December 2019. https://dar.org.pe/archivos/publicacion/205_informe_grefi.pdf

other hand, there is the "3x3" productive capacity cooperation modality, which Chinese Premier Li Keqiang introduced during his visit to Latin America in May 2015; where the first "3" refers to the three channels to achieve continental interconnection (logistics, electricity and information technology), the second "3" refers to the virtuous interaction that must exist between three important actors (enterprises, society and government) according to the laws of the market, and the third "3" refers to the three financing channels (funds, credits and insurance) in cooperation projects.[60] It can therefore be said that the PRC has developed a specific policy towards LAC, demonstrating that it is not interested in modifying the pattern in force in the region, nor the form and type of regime of the governments with which it has relations.

Currently, the PRC is not only the largest trading partner of Argentina, Brazil, Chile, and Peru;[61] but also the main recipient of exports from Brazil, Chile, Cuba, Peru, and Uruguay.[62]

However, despite the growth in trade relations, there are significant differences in the products traded, since while LAC countries export mainly raw materials to China, the PRC exports manufactured and high-tech products to this region, affecting local industries. In addition, the trade relationship between the PRC and LAC is highly concentrated in terms of both goods and geography.[63] 70% of the goods exported to the PRC are made up of five main products (including soybeans, crude oil and copper), while 90% of these goods are exported by four countries (Brazil, Chile, Peru and Venezuela).[64] However, although it is possible to mention some general trends applicable to the relationship between the PRC and LAC, the fact is that the relationship developed between the PRC and the countries of the region differs both in terms of the characteristics of each country and the intensity of the links and the impact of Chinese products on their markets.[65]

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60 Ibid.

61 Calamur, Krishnadev. "Tillerson to Latin America: Beware of China." *The Atlantic*, February 3, 2018. https://www.theatlantic.com/international/archive/2018/02/rex-in-latam/552197/

62 "A Shifting Trade Landscape in Latin America Favors China and Globalization." *Global Americans*, July 10, 2017. https://www.bcg.com/publications/2023/north-america-next-move-shifting-landscape-global- trade.

63 Hernandez, Bruno. "China-América Latina y el Caribe: inversión, comercio y perspectivas futuras". China Briefing,, November 17, 2023. https://www.china-briefing.com/news/china-america-latina-y-el-caribeinversion-comercio-y-perspectivas-futuras/#:~:text=Seg%C3%BAn%20el%20Foro%20Econ%C3%B3mico%20 Mundial,millones%20a%20US%24315.000%20millones

64 Ibid.

65 Grefi. "El rol de América Latina y el Caribe en la Iniciativa de la Franja y la Ruta". Derecho, Ambiente y Recursos Naturales Dar, December 2019. https://dar.org.pe/archivos/publicacion/205_informe_grefi.pdf

In this context, the PRC shows its interest in LAC not only because of the abundant natural resources that this region possesses and the opportunities granted by a market of approximately 500 million inhabitants to accommodate its finished and high-tech products, but also because of its interest in strengthening the principle of *one China*, given that LAC is home to 8 (Guatemala, Belize, Haiti, Saint Kitts and Nevis, Saint Lucia, Saint Vincent, The Grenadines and Paraguay) of the 13 States that still maintain diplomatic relations with Taiwan. In the last decade, due to the growing economic power of the PRC and its refusal to accept having relations with States that recognize Taiwan, countries in the region such as Panama (in 2017), Dominican Republic (in 2018), Nicaragua (in 2021) and Honduras (in 2023) have severed relations with Taiwan and recognized the PRC as *the only legitimate government that represents all of China*.[66]

Undoubtedly, China has been well received in most of the countries of the region since, unlike institutions led by the U.S., the PRC's development financial institutions have not conditioned their loans and investments to the economic policies or democratic guarantees of the recipient countries.[67] Thus, between 2005 and 2022, the China Development Bank (CDB) and the Export-Import Bank of China (Ex-Im Bank) have provided more than US$136 billion in loans to LAC countries and state-owned enterprises, with Venezuela (US$60 billion), Brazil (US$31 billion), Ecuador (US$18.2 billion), and Argentina (with $17 billion), the main recipients of these loans.[68] In this sense, it is not surprising that the PRC is Venezuela's main creditor, since this Latin American country, despite being in a serious economic, social and political crisis, pays its obligations with oil shipments to China.[69]

In terms of foreign direct investment (FDI), the PRC has invested US$160 billion in LAC between 2000 and 2020, mainly in mergers and acquisitions.[70] In this regard, in

66 "Honduras rompe relaciones con Taiwán y reconoce 'una sola China': qué países mantienen vínculos con el gobierno de Taipei". BBC News Mundo, March 15, 2023. https://www.bbc.com/mundo/noticias-americalatina-64969870

67 De Esperanza, Cristina. "China en América Latina: ¿el inicio de una nueva Guerra Fría?". El Orden Mundial,, March 10, 2019. https://elordenmundial.com/china-en-america-latina-el-inicio-de-una-nuevaguerra-fria/.

68 Ray, Rebecca, Myers, Margaret and additional authors. "Chinese Loans to Latin America and the Caribbean Database." *Inter-American Dialogue*, Washington, DC.: 2023. https://www.thedialogue.org/map_list/.

69 "China llegó para quedarse en Venezuela". Dialogue Earth, June 23, 2016. https://dialogochino.net/ es/comercio-y-inversiones-es/6895-china-llego-para-quedarse-en-venezuela/.

70 Hernandez, Bruno. "China-América Latina y el Caribe: inversión, comercio y perspectivas futuras". China Briefing, November 17, 2023. https://www.china-briefing.com/news/china-america-latina-y-el-caribe-inversion-comercio-y-perspectivas-futuras/#:~:text=Seg%C3%BAn%20el%20Foro%20Econ%C3%B3mico%20

2015, Chinese President Xi Jinping, during a meeting with Celac leaders, pledged an investment of US$250 billion in the region over 10 years.[71] As a result, 22 LAC countries have already signed treaties with the PRC for the BRI.[72] Although the BRI was launched in 2013, the participation of the LAC region in this initiative was formalized in January 2018, through a communication sent by Xi Jinping himself, within the framework of the Second Ministerial Meeting of the China - Celac Forum.[73]

In this context, Brazil is the main recipient of Chinese capital in the region; it is estimated that between 2007 and 2021, Chinese investment in Brazil was US$ 70.3 billion in 202 different projects, mainly in the electricity (45.5 %) and oil and gas (30.9 %) sectors.[74] In 2021 alone, Chinese direct investment in Brazil totaled US$ 5.9 billion in 28 major business projects, with the oil and gas sector receiving 85% of this investment, mainly due to the partnership of the Brazilian oil company Petrobras with the Chinese giants CNODC and CNOOC for the exploitation of fields in very deep waters of the Atlantic off the Brazilian coast.[75] Other important Chinese investments include the purchase of the Mercedes-Benz plant in the city of Iracemápolis by Great Wall Motors and the acquisition of the Rio Grande do Sul Power Transmission Company by *State Grid Corporation*, the largest electric power distribution and transmission company in China and the world.[76]

Additionally, the PRC is one of Argentina's three main trading partners (with a trade exchange of US$20 billion in 2021) and one of its main investors with different infrastructure, energy and communication projects, among other sectors. One of these projects is the construction of the *Ernesto Kirchner and Jorge Cepernic* dams in the Argentine province of Santa Cruz, awarded in 2013 to a consortium formed by the Argentine companies Electroingeniería e Hidrocuyo S.A. and the Chinese company

71 Rajagopalan, Megha. *"China's Xi Woos Latin America with $250 Billion Investments". Reuters*, January 8, 2015. https://www.reuters.com/article/us-china-latam/chinas-xi-woos-latin-america-with-250-billion-investments-idUSKBN0KH06Q20150108/

72 Gava, Marcos. "La Franja y la Ruta diez años después, poco que festejar". Latinoamerica21, September 24. of 2023. https://latinoamerica21.com/es/la-franja-y-la-ruta-diez-anos-despues-poco-que-festejar/.

73 Grefi. "El rol de América Latina y el Caribe en la Iniciativa de la Franja y la Ruta". Derecho, Ambiente y Recursos Naturales Dar, December 2019. https://dar.org.pe/archivos/publicacion/205_informe_grefi.pdf

74 "La inversión china en Brasil se triplicó en 2021 y volvió a nivel prepandemia". Swissinf, August 31, 2022. https://www.swissinfo.ch/spa/brasil-inversiones_la-inversi%C3%B3n-china-en-brasil-se-triplic%C3%B3-en-2021-y-volvi%C3%B3-a-nivel-prepandemia/47867278

75 Ibid.

76 Ibid.

Gezhouba Group Corporation. This hydroelectric project that will generate 1,310 MW of energy has a total cost of US$4,714 million, which is being financed by the banks *China Development Bank, Industrial and Commercial Bank of China Limited* and the *Bank of China Limited.*[77] Another of these projects is the construction of a fertilizer plant in Tierra del Fuego with an investment of US$1.25 billion, which includes the improvement of the province's ports and the construction of a thermal power plant.[78] Also, in June 2022, the Chinese company *Gotion High Tech*, one of the world's leading manufacturer of batteries for electric cars, signed an agreement with the Argentine state-owned company Jujuy Energía y Minería Sociedad del Estado to build two lithium carbonate production plants for electric batteries, with an investment of more than US$12 million.[79]

Additionally, in 2022, YPF Tec, the business unit of the Argentine company YPF aimed at technological development, and the Chinese mining company *Tianqi Lithium* signed an agreement for the latter to invest in the exploration, exploitation, production, commercialization and industrialization of lithium in Argentina.[80]

Within the framework of relations between the PRC and Argentina, the completion of the construction - in 2018 - of the Far Space Station, a ground station belonging to the Chinese National Space Administration, located in the Argentine province of Neuquén, generated not only debates due to the commitment of the Argentine Government not to interrupt or interfere with Chinese activities at the site,[81] but also suspicions due to its secrecy and the possibilities it offers to the PRC to gather information in the hemisphere.[82] In November 2021, after months of negotiation, the Chinese government and the government of the province of Neuquén signed an agreement whereby the PRC obtained the right to use the land - rent-free - for 50 years.[83] In that sense,

77 Espina, Mariano. "Las tres inversiones millonarias de China en Argentina en los últimos meses". Bloomberg Línea, August 23, 2022. https://www.bloomberglinea.com/2022/08/23/las-tres-inversiones-millonarias-de-china-en-argentina-en-los-ultimos-meses/

78 Ibid

79 Ibid.

80 Ibid.

81 "El programa espacial chino en América Latina y la Antártida es una preocupación creciente para el Pentágono". Infobae, November 22, 2023. https://www.infobae.com/america/america-latina/2023/11/22/el-programa-espacial-chino-en-america-latina-y-la-antartida-es-una-preocupacion-creciente-para-el-pentagono/

82 De Esperanza, Cristina. "China en América Latina: ¿el inicio de una nueva Guerra Fría?". El Orden Mundial, March 10, 2019. https://elordenmundial.com/china-en-america-latina-el-inicio-de-una-nueva-guerra-fria/

83 Moreno, Naomi. "La controvertida estación espacial de China en la Patagonia". Universidad de Navarra, 2023. https://www.unav.edu/web/global-affairs/detalle/-/blogs/la-controvertida-estacion-espacial-de-china- en-la- patagonia.

the Chinese ground stations installed in Argentina, Bolivia and Venezuela have also generated U.S. concern since the PRC's major space technology companies, such as *China Aerospace Science and Technology Corporation,* and *China Aerospace Science and Industry Corporation*, have their roots in the People's Liberation Army and continue to provide military-related technologies,[84] so that the data obtained by these ground stations could not only have a civilian use, but also a military use.[85]

However, it should be noted that all countries operating ground stations in LAC also have these capabilities, so they could use the data obtained under secret conditions, in accordance with their national interests.

On the other hand, one of the first LAC countries with which the PRC established strong trade relations was Chile, with which it reached a trade exchange of US$63.4 billion in 2021, becoming its main trading partner. Among the main products that the PRC exported to Chile, in 2021, were transmission equipment (for US$1.73 billion), computers (for US$1.35 billion) and vehicles (for US$1.23 billion); while among the main products that Chile exported to the PRC, that same year, were copper ore (for US$20 billion), refined copper (for US$6.6 billion) and iron ore (for US$2.25 billion).[86]

As in other countries in the region, the PRC has been investing primarily in the Chilean electricity and mining sectors. Therefore, it is not surprising that the most important Chinese investments in Chile in recent years have been made by the *State Grid Corporation* company, by acquiring - in 2020 – the Compañía General de Electricidad S.A. (CGE), the largest distributor in Chile, for about 2.2 billion dollars; as well as acquiring - in 2019 - the company Chilquinta Energía, for more than 2.2 billion dollars. In addition to this, the Chinese company *Tianqi Lithium Corporation* acquired - in 2018 - 24% of Sociedad Química y Minera de Chile (SQM), for 4,276 million dollars.[87] According to the Chilean-Chinese Chamber of Commerce and Industry,

84 "El programa espacial chino en América Latina y la Antártida es una preocupación creciente para el Pentágono". Infobae, November 22, 2023. https://www.infobae.com/america/america-latina/2023/11/22/el-programa-espacial-chino-en-america-latina-y-la-antartida-es-una-preocupacion-creciente-para-el-pentagono/

85 Moreno, Naomi. "La controvertida estación espacial de China en la Patagonia". Universidad de Navarra, 2023. https://www.unav.edu/web/global-affairs/detalle/-/blogs/la-controvertida-estacion-espacial-de-china- en-la- patagonia.

86 "Comercio entre China y Chile". Observatorio de Complejidad Económica, 2022. https://oec.world/es/ profile/bilateral- country/chn/partner/chl.

87 Donoso M., Déborah. "Brasil, Perú y Chile en el centro de las inversiones chinas en Latinoamérica". DF Sud, November 30, 2022. https://dfsud.com/america/las-inversiones-chinas-que-se-abren-paso-en- latinoamerica.

there is also great interest on the part of the PRC in the search for opportunities in the tourism, infrastructure and agribusiness sectors, highlighting the presence of one of the largest wine companies in China: *Yantai Changyu Pioneer Wine*.[88]

It should also be noted that by the end of 2022, 21 Chinese companies were operating in Colombia in sectors such as infrastructure, logistics and automotive, among others. As a result, the PRC has been developing 38 projects in that country, with investments exceeding US$2 billion, including the Bogotá Metro.[89] However, as the PRC's political and economic diplomacy develops in LAC, so does its cultural diplomacy, as an expression of Chinese soft power. In this context, the Confucius Institutes represent a key instrument of this cultural diplomacy. These institutes were created in 2004 and are financed by the PRC, having expanded to 162 countries with 500 institutes worldwide. In Latin America there are already 41 branches within the university campuses, where Mandarin is taught, summer camps in China and cultural events are financed, as well as scholarships to study in the PRC.[90] Chinese cultural diplomacy not only strengthens mutual knowledge and understanding between countries, but also complements their political and economic diplomacy, facilitating understanding in socio-cultural terms.

Although the PRC's economic progress in terms of trade and investment in LAC is significant, the Asian giant still has a long way to go to displace competitors such as the US and the EU in the region. On the one hand, in 2020, PRC-LAC trade, at US$315 billion, accounted for less than one-third of US-EU-LAC trade, of US$955.4 billion; of which US$758 billion correspond to trade between the U.S. and LAC.[91] On the other hand, between 2000 and 2020, Chinese FDI in LAC - of US$160 billion - only represented 5.74% of total FDI received by LAC countries, compared to the combined FDI of the U.S. and EU that accounted for 70-80% of FDI in LAC.[92]

Contrary to claims that the PRC is close to exerting a predominant influence over the countries of LAC, the data show that the road is still long. However, compared to

88 Ibid.

89 Ibid

90 Moreno, Jaime. "Claves para entender el avance de China en las universidades de Latinoamérica." *Voz de America,* March 31, 2022. https://www.vozdeamerica.com/a/claves-para-entender-el-avance-de-china-en-las-universidades-de-latinoamerica/6509556.html.

91 Hernandez, Bruno. "China-América Latina y el Caribe: inversión, comercio y perspectivas futuras". China Briefing, November 17, 2023. https://www.china-briefing.com/news/china-america-latina-y-el-caribe-inversion-comercio-y-perspectivas-futuras/#:~:text=Seg%C3%BAn%20el%20Foro%20Econ%C3%B3mico%20

92 Ibid.

other powers, the PRC has shown increased interest in LAC through visible policies, which could turn the region into an area of confrontation in the framework of the strategic competition between the US and the PRC.

In this sense, several analysts point out that LAC could become involved in a second version of the Cold War. However, there are marked differences between the rivalry that Washington maintained with Moscow and the rivalry it now maintains with Beijing, since the latter is not as ideologically charged as the former. On the contrary, the PRC makes use of free trade to expand its influence; the same free trade of which the US has been its main standard-bearer. The same free trade of which the US has been its main standard-bearer.

At present, regardless of the government in power, the geopolitical stance of most Latin American countries with respect to these two great powers responds to their own national interests, aligning with the U.S. in terms of values (human rights, sovereignty and territorial integrity) and with the PRC in terms of economic interests (trade, development and economic sanctions), as evidenced by the 31 resolutions voted in the United Nations General Assembly between 2001 and 2023, in which the U.S. and the PRC voted on the opposite side.[93]

Undoubtedly, the PRC's initial involvement in LAC has been an achievement for the Asian giant; however, this does not mean that the road will be easy as it is still encountering resistance in the region, even from its main trading partners. The consequences of Chinese investments in LAC and other regions of the world have begun to show, receiving - in some cases - criticism for their lack of environmental protection, negative impact on the rights of indigenous peoples and lack of transparency.[94]

Although one of the strengths of U.S. preeminence in LAC is its geographic proximity, the fact is that having its main strategic competitor acting in its *backyard* does not sit very well with them.[95] In that sense, the U.S. is aware that the greater the PRC's economic and cultural involvement in LAC, the greater its capacity to influence political affairs

93 Talvi, Ernesto. "La geopolítica de América Latina ante la rivalidad EEUU-China: del relato a los datos". Real Instituto Elcano, February 5, 2024. https://www.realinstitutoelcano.org/analisis/la-geopolitica-de-america-latina-ante-la-rivalidad-eeuu-china-del-relato-a-los-datos/.

94 De Esperanza, Cristina. "China en América Latina: ¿el inicio de una nueva Guerra Fría?". El Orden Mundial, March 10, 2019. https://elordenmundial.com/china-en-america-latina-el-inicio-de-una-nueva-guerra-fria/

95 Ibid

in the region, something that should also be understood by its member countries. Consequently, the growing influence of the PRC in LAC is one more chapter in the current geopolitical rivalry between the two countries, a rivalry that can be sensed in countries like Peru.

China's Growing Influence in Peru

In 2009, the PRC and Peru signed a Free Trade Agreement (FTA). Two years later, Peruvian exports to the PRC exceeded the amount of exports to the US, positioning it as the main destination. Then, in 2014, the PRC established itself as the main supplier country of goods for Peru, by also surpassing the US, becoming -since that year- its main trading partner.[96] Recently, in 2022, Peru's exports to the PRC totaled US$20,791 million (representing 32.9% of total Peruvian exports), while imports from China reached US$15.782 million dollars (representing 26.2% of total Peruvian purchases), so the trade exchange between these two countries was 36,573 million dollars.[97] In this sense, the trade balance is favorable to Peru since the PRC needs mineral resources to continue its growth and Peru possesses them in large quantities, particularly copper ores and their concentrates.

Despite this important commercial exchange, the PRC is still far from being the main investor in Peru. For example, in 2022, Peru received US$30,202 million in investments from countries such as the United Kingdom, with US$6,340 million (representing 21% of the total amount); followed by Spain, with US$5,228 million (17.3% of the total); Chile, with US$3,583 million (11.9% of the total); USA, with US$ 3,232 million (10.7% of the total); and the Netherlands, with US$ 1,402 million (4.6% of the total); while in the case of the PRC, its investment in Peru was US$ 1,139 million (3.8% of the total), ranking 8th on the list.[98] It is therefore not surprising that, between 2005 and 2022, the PRC's development financial institutions granted loans to the Peruvian government (including state-owned enterprises) in the amount of US$50 million, which represents

96 "Relación Perú-China: Intercambio comercial, proyectos e inversión extranjera directa". Comex Perú, October 13, 2023. https://www.comexperu.org.pe/articulo/relacion-peru-china-intercambio-comercial- proyectos- e-inversion-extranjera-directa.

97 Entrevista a investigadores afiliados en Capechi Trade: El creciente comercio entre Perú y China: El aporte del TLC". Revista Capechi, Centro de Estudios sobre China y Asia Pacífico UP, June 25, 2023. https://cechap.up.edu.pe/noticia/entrevista-a-investigadores-afiliados-en-capechi-trade-el-creciente-comercio- entre-peru-y-china-el-aporte-del-tlc/.

98 "Relación Perú-China: Intercambio comercial, proyectos e inversión extranjera directa". Comex Perú, October 13, 2023. https://www.comexperu.org.pe/articulo/relacion-peru-china-intercambio-comercial- proyectos- e-inversion-extranjera-directa.

only 0.03% of the total loans that the PRC has provided to LAC countries.[99]

These figures clearly show that the PRC's economic progress in Peru is uneven, being the first Peruvian partner in terms of trade, but not in terms of investment. However, Chinese investments in Peru arouse concern not only among international experts and analysts, but also among US officials, Peru's second largest trading partner and the most influential country in LAC, mainly because these investments are concentrated in strategic sectors such as electricity, mining and infrastructure.

According to Peru's Supervisory Agency for Investment in Energy and Mining (Osinergmin), electricity consumption increased between 2005 and 2021 at an average annual growth rate of 5.4%, from 20.7 TWh[100] to 48 TWh in that period.[101] In fact, investment in the electricity generation, transmission and distribution sector in Peru is directly linked to the mining sector due to its high energy demand. Therefore, in 2017, a consortium led by *China Three Gorges Corporation* (CTG), the largest hydroelectric company in the world, acquired the Chaglla hydroelectric plant, the third largest hydroelectric plant in Peru (with a capacity of 456 MW), from the Brazilian company Odebrecht for an amount of 1.390 million dollars.[102] It should be noted that Chaglla is being operated and maintained by Empresa de Generación Huallaga S.A., which belongs to CTG. However, this is not the first investment made by CTG in the Peruvian electricity sector, since, in 2016, as part of the *Hydro Global Peru S.A.C* consortium, CTG was awarded the construction of the hydroelectric power plant San Gabán III, with an investment of US$438 million, and was granted the concession to develop the electricity generation activity of this hydroelectric power plant (with 205.8 MW of power) for a period of 30 years after commercial operations start, scheduled for 2027.[103]

Likewise, in 2019, the U.S. company *Sempra Energy International Holdings*, owner of 83.6% of Luz del Sur S.A.A., announced the sale of its stake to the company *China*

99 Ray, Rebecca and Myers, Margaret. "Chinese Loans to Latin America and the Caribbean Database." *Washington: Inter-American Dialogue*: 2023. https://www.thedialogue.org/map_list/

100 Organismo Supervisor de la Inversión en Energía y Minería (Osinergmin). Sitio web oficial de Osinergmin. Accessed May 29, 2024. https://www.gob.pe/osinergmin.

101 Ruiz, Manuel. "El Mercado Eléctrico para clientes libres en el Perú". Banco Central de Reserva del Perú, March 2023. https://www.bcrp.gob.pe/docs/Publicaciones/Revista-Moneda/moneda-193/

102 Hidalgo, Erika. ""Actualización: Odebrecht vende hidroeléctrica Chaglla en Perú a consorcio liderado por firmas chinas". Lex Latin, August 31, 2017. https://lexlatin.com/noticias/actualizacion-odebrecht-vende- hidroelectrica-chaglla-en-peru-consorcio-liderado-por-firmas.

103 Superintendencia del Mercado de Valores (SMV). "Información Financiera. 2024. https://www.smv.gob. pe/SIMV/Frm_InformacionFinanciera?data=A70181B50957D74090DCD93C4920AA1D759514EC12

Yangtze Power International (CYPI), controlled by CTG, for US$3.59 billion.[104] The following year, the Peruvian Institute for the Defense of Competition and Protection of Intellectual Property (Indecopi) authorized this purchase, subject to conditions. With this transaction, CTG not only acquired Luz del Sur, the country's largest electricity company with operations in the southeast area of Lima, but also *Inland Energy* and nine hydroelectric power plants, as well as *Tecsur*, specialized in construction services and electrical infrastructure.[105]

Subsequently, in 2023, the Italian energy group Enel reported that its subsidiary Enel Peru agreed to sell to the *China Southern Power Grid International* (CSGI) partnership the shares it owns in the electricity distribution and supply company, Enel Distribución Perú (equivalent to 83.15%) and in the advanced energy services company Enel X Perú (equivalent to 100%), for an amount of US$2.9 billion.[106] This transaction raised the concern of both Indecopi, observing that there would be *potential restrictive effects to competition*, and of the Peruvian National Society of Industries (SNI), pointing out that with this purchase *PRC would be controlling 100% of the electric distribution market in Lima,*[107] but mainly because it was corroborated that CSGI HK is part of the same economic group of Luz del Sur S.A.A. (Luz del Sur), Empresa de Generación Huallaga S.A. (Generación Huallaga), Inland Energy S.A.C. (Inland Energy) and Hydro Global Perú S.A.C. (Hydro Global), ringing risk alarms when Enel Distribución purchases energy to supply its regulated users, located in its concession area, which covers the northern area of Metropolitan Lima, Callao and the provinces of Huaura, Huaral, Barranca and Oyón, belonging to the Lima region.[108]

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104 Redacción. "Luz del Sur se vende a China Yangtze Power Co. por US$ 3,590 millones". Gestión, October 30, 2019. https://gestion.pe/economia/empresas/sempra-luz-del-sur-se-vendio-a-china-yangtze-power-co-noticia/?ref=gesr

105 Rojas, Ingrid. "Perú aprueba la compra de Luz del Sur por China Three Gorges". Lex Latin, April 23, 2020. https://lexlatin.com/noticias/indecopi-aprueba-compra-distribuidora-electrica-peruana-luz-del-sur- china-three.

106 Efe. "La china CSGI concreta la compra de Enel Perú". El Comercio, April 10, 2023. https://elcomercio.pe/economia/peru/enel-vende-su-empresa-de-distribucion-y-suministro-en-peru-a-la-china- csgi- noticia/?ref=ecr.

107 Montesinos, Edwin. "China controla el 100% de la energía en Lima y condiciona al gobierno de Perú". Infobae, October 4, 2023. https://www.infobae.com/peru/2023/10/03/china-controla-el-100-por-ciento-de- la-energia- de-lima-y-condiciona-al-gobierno-de-peru/.

108 Redacción EC. "Indecopi autoriza la compra de Enel por parte de empresa China Southern Power Grid". El Comercio, February 5, 2024. https://elcomercio.pe/economia/peru/indecopi-autoriza-la-compra-de-enel- por- parte-de-empresa-empresa-china-southern-power-grid-tarifas-de-luz-distribucion-de-energia-electrica-luz-del- sur-lima-ultimas-noticia/

Therefore, in February 2024, Indecopi, through the Commission for the Defense of Free Competition (CLC), conditioned this transaction to the compliance of certain rules that Enel Distribución must observe and abide by when it has to contract electric energy to serve its regulated customers.[109] Despite these regulatory acts by the Peruvian authorities, the fact that a single country - in this case, PRC - controls 100% of the electricity distribution market in Lima, the capital of Peru and a megalopolis that is home to a third of the country's population, should not cease to be a concern for the Peruvian government.

Regarding Chinese investments in the Peruvian mining sector, in February 2023, the Board of Directors of the Peruvian-Chinese Chamber of Commerce (Capechi) reported that - as of that date - more than 10 Chinese mining companies had invested US$23.1 billion in Peru, highlighting that three of them (MMG Las Bambas, Minera Chinalco Toromocho and Hierro Shougang) have a total investment of US$17.599 billion, contributing 7.6% of Peru's GDP.[110] In this context, the highest amounts of Chinese investment in Peruvian mining were recorded between 2012 and 2015, thanks to the development of the Las Bambas copper operation, one of the largest copper mines in the world, operated by MMG Las Bambas, a subsidiary of the Chinese company *MMG Limited.*[111]

In this regard, in September 2020, the then Minister of Energy and Mines, Miguel Incháustegui, highlighted that the PRC, besides being Peru's main trading partner, is one of the largest investors in the mining sector and one of the largest demanders of the metals exported by the country. Likewise, Incháustegui indicated that 23% of the national copper production and 100% of the iron ore production come from mines operated by Chinese companies, with five projects - with an investment of US$ 10,155 million - promoted by PRC mining companies, among them, the Toromocho Mining Unit expansion project (by Minera Chinalco Perú S.A.), the Pampa de Pongo deposit expansion project (by Jinzhao Mining Perú S.A.), the Don Javier project (by Junefield Group S.A.), the Galeno project (by Lumina Copper S.A.C.) and the Rio Blanco project (by Rio Blanco Copper S.A.).

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109 Ibid.

110 Chacon, Takeshi. "Capechi: Inversión de mineras chinas en Perú supera US$ 23,100 millones". Rumbo Minero, February 15, 2023. https://www.rumbominero.com/peru/noticias/mineria/capechi-inversion-mineras- chinas-peru-millones/

111 Minen. "Inversiones chinas en minería suman casi US$ 15 mil millones en los últimos 11 años". Plataforma digital única del Estado Peruano, September 8, 2020. https://www.gob.pe/institucion/minem/noticias/300881-inversiones-chinas-en-mineria-suman-casi-us-15-mil-millones-en-los-ultimos-11-anos

It should be noted that Peru supplies the PRC with 27% of copper concentrates and 19% of zinc concentrates of its total demand.[112]

However, the investments and activities of Chinese mining companies in Peru have also generated protests and complaints from communities within their areas of influence. In this regard, in 2018, members of the Collective on Chinese Finance and Investment, Human Rights and Environment (CICDHA) shared information and testimonies on four cases of Chinese-owned mining companies in Peru (Las Bambas in Apurímac, Chinalco in Junín, Shougang in Ica and Rio Blanco Copper in Piura), in which human rights, labor and union rights, the right to land and territory, and the right to life and integrity of indigenous and peasant communities near the area where these companies operate are being violated.[113]

One such case is that of the Las Bambas mine, whose area of direct social influence covers part of two provinces in Apurímac, a region in the south of the country where 40% of its population is poor. However, in order for the copper concentrate from this mine to reach the coast, it must be transported along a 324.5-kilometer road that passes through various communities in three regions (Abancay, Cusco and Arequipa). The problem is that since there is no road prepared for this purpose, in 2014, the Peruvian Government reclassified as a national route what were neighborhood and regional roads, in an accelerated process that did not take into account the population, creating expectations and demands.[114] In this regard, the demands of the population are diverse and contradictory, from the payment of compensation for environmental damage (dust, vibrations and noise) caused by the passage of a large number of trucks on an unpaved road, to requests to operate the vehicles that provide services to Las Bambas, forming part of the value chain, and jobs at the mine.[115]

As a result, between 20156and 2022, the company has recorded 400 days of transportation lost due to blockades that communities carried out along the road. For example, in February 2022, the community of Ccapacmarca, in Chumbivilcas, obstructed the road about 100 kilometers from Las Bambas to obtain financial retribution. A month later,

112 Ibid.

113 Cooper, Shougang. "Perú presenta ante la ONU cuatro casos de violación de DD.HH. de empresas chinas". RSE Perú, October 18, 2018. https://noticias.rse.pe/peru-presenta-ante-la-onu-cuatro-casos-de-violacion- de-dd-hh-de- empresas-chinas/

114 León E., Martín. "¿Por qué la mina Las Bambas en Perú está en constante conflicto?". Diálogo Chino, April 22, 2022. https://www.france24.com/es/20190501-peru-dialogo-campesinos-minera-bambas.

115 Ibid

the community of Urinsaya, in Espinar, some 250 kilometers from the mine, also blocked the road with the same intentions. It is estimated that each day of blockade is equivalent to US$9.5 million in losses for Las Bambas.[116] Additionally, the attitude of various actors exacerbates this problem. On the one hand, the absence of the Peruvian State delays the solution to this conflict, to which is - negatively – added the high turnover and lack of training of public officials responsible for managing this problem. On the other hand, the negotiation style of the Chinese-owned MMG does not allow for substantive solutions to be reached since, by giving in on numerous occasions to the pressure of the blockades through the use of indemnities, the protests are further encouraged. Finally, the presence of non-governmental organizations and external advisors, who claim to defend the communities, generate division and aggravate the situation by pursuing different interests.[117]

Peru has not only signed an FTA with the PRC, but also a Comprehensive Strategic Partnership in 2013, joining the BRI in 2019. Therefore, it is not surprising that, since a few years ago, Chinese companies have begun to show their interest in investing in infrastructure in Peru, particularly in port infrastructure. At the end of 2023, the Private Investment Promotion Agency, ProInversión, and the Peruvian Ministry of Transport and Communications declared of interest the *New Port Terminal of San Juan de Marcona* project (located in the Ica region), a self-financed private initiative proposed by the Chinese company Terminal Portuario Jinzhao Peru, which contemplates an investment of US$405 million and a concession period of 30 years.[118] The objective of this important project, whose operation would begin in 2029, is to provide port services to ships and cargo related to the Pampa de Pongo mining project of the Chinese company Jinzhao Mining Perú S.A., as well as to meet the demand of other mining projects located in the southern part of the country.[119]

After several negotiations, the project for the new port of San Juan de Marcona was awarded in March 2024 to the company Terminal Portuario Jinzhao Perú S.A., which will be in charge of its design, financing, construction, operation and maintenance. This project

116 Ibid

117 Ibid.

118 118 Redacción. "Perú: Declaran de interés proyecto Nuevo Terminal Portuario de San Juan de Marcona". Portal Portuario, December 20, 2023. https://portalportuario.cl/peru-declaran-de-interes-proyecto- nuevo- terminal-portuario-de-san-juan-de-marcona/

119 "Pampa de Pongo: grupo chino Zhongrong Xinda quieren poner en producción proyecto de mineral de hierro de US$2.100 millones en 2026". Energiminas, January 18, 2023. https://energiminas.com/2023/01/18/pampa-de-pongo-grupo-chino-zhongrong-xinda-quieren-poner-en-produccion-proyecto-de-mineral-dehierro-de-us2-100-millones-en-2026/

will not only boost exports and imports in the southern part of the country, boosting the economic and employment generation, but will also benefit the population of Marcona, as this district will receive 3% of the concessionaire's annual gross revenues, destined to finance infrastructure works in basic services and social programs.[120] However, the capacity of the Marcona district authorities to effectively manage such revenues is in doubt if they do not receive adequate support from the Central Government.

Currently, China's most important infrastructure investment in Peru is the Chancay multipurpose port terminal project, the inauguration of which - scheduled for November 2024 - will be attended by the President of the PRC, Xi Jinping, within the framework of the Asia-Pacific Economic Cooperation (APEC) Peru 2024 Summit.[121] This project, located 80 kilometers north of the city of Lima and with an expected investment of US$3.5 billion, will be executed in stages and will enable the movement of different types of cargo (containerized, general, non-mineral bulk, liquid and rolling) between Asia and the South Pacific of Latin America. The first stage - with an investment of US$1.3 billion - will be developed in an area of 141 hectares and includes the construction of an access road interchange, an entrance complex, an operational port area and a connecting tunnel (1.8 kilometers long) that will link these last two areas.[122] The Chancay port terminal, privately owned and for public use, is being executed by the company Cosco Shipping Ports Chancay Perú S.A., whose majority shareholder is the Chinese company Cosco Shipping Ports Chancay Perú S.A., and whose majority shareholder is the Chinese company Cosco Shipping Ports Chancay Perú S.A., whose majority shareholder is the Chinese company *Cosco Shipping Ports* with 60% of the shares, while the Peruvian company Volcán Compañía Minera owns 40% of the shares.

Certainly, this private investment is significant for Peru as it will not only exceed by 67% the cumulative investments of all port concessions granted in the country in the last two decades,[123] but will also allow Peru to become a logistic *hub* in the South

120 Agencia Peruana de Noticias (APN). "Estado adjudicó el desarrollo del proyecto 'Nuevo Terminal Portuario de San Juan de Marcona'". Plataforma digital única del Estado Peruano, March 25, 2024. https://www.gob.pe/institucion/apn/noticias/925273-estado-adjudicó-el-desarrollo-el-desarrollo-del-proyecto-nuevo-terminal-portuario- de- san-juan-de-marcona.

121 "Presidente de China realizará visita al Perú". El Peruano, January 22, 2024. https://www.elperuano.pe/noticia/233973-presidente-de-china-realizara-visita-al-peru#:~:text=21%2F01%2F2024%20El%20canciller,Pac%C3%ADfico%20(APEC)%20Per%C3%BA%202024

122 "El Proyecto". Cosco Shipping, 2024. https://coscochancay.pe/proyecto/

123 Falen, Jorge. "La inmensidad del Puerto de Chancay". El Comercio Perú, April 11, 2024. https://elcomercio.pe/ecdata/megapuerto-chancay-radiografia-de-la-inversion-portuaria-con-capital-chino-masimportante-peru-empresas-constructoras-obras-infraestructura-capacidad-portuaria-contenedoreshectareas-especdis-noticia/

Pacific, consolidating cargo from neighboring nations (such as Ecuador, Chile, Brazil and Bolivia) and from inland regions of the country, in order to redistribute it to Asia and Oceania. The port of Chancay will receive large container ships (carrying 18,000 containers) from the Asian region, reducing time and costs in the current maritime trade because the transfer of containers between Peru and the PRC will be reduced from 35 to 23 days. At the beginning of its operations, this port terminal will have an estimated annual capacity of 1.5 million TEU containers (20 feet or 6.25 meters), placing it among the top 10 ports in Latin America and the Caribbean.[124]

However, the maximum impact of the port of Chancay is not ensured only with its construction. To this end, the Peruvian government, in coordination with the private sector, must coordinate efforts to expedite the execution of key works to improve road and rail connectivity to the port, taking into account the main productive nodes existing in the country and the region.[125] Likewise, consideration must be given to enabling foreign vessels to carry out maritime cabotage (cargo transportation between ports in the same country).[126] Another important aspect to consider is the demographic growth in the area of influence of the port of Chancay. In this regard, the Peruvian Ministry of Housing, Construction and Sanitation estimates that the demand for housing will increase fivefold in Chancay and in districts adjacent to the project. However, to date, there are no plans in place to address urban expansion and the demand for services, including water, health, education, and public safety. On the contrary, informality and illegality prevail, as land invasions and land trafficking proliferate, which not only limit the development of urban plans that guarantee access to basic services but are also associated with increasingly violent criminal organizations.[127]

Only if the Peruvian State is able to effectively and promptly address these issues will it achieve its goal of becoming a logistical *hub* in the South Pacific, enabling the country's development, otherwise this will be another lost opportunity.

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124 Ibid.

125 "Los otros retos del Puerto de Chancay". Comex, February 15, 2024. https://www.comexperu.org.pe/ articulo/los-otros-retos-del-puerto-de-chancay.

126 Falen, Jorge. "La inmensidad del Puerto de Chancay". El Comercio Perú, April 11, 2024. https://elcomercio.pe/ecdata/megapuerto-chancay-radiografia-de-la-inversion-portuaria-con-capital-chino-masimportante-peru-empresas-constructoras-obras-infraestructura-capacidad-portuaria-contenedoreshectareas-especdis-noticia/

127 Pereyra, Gladys. " "Chancay se proyecta a quintuplicar su población sin planes ni obras terminadas: ¿qué pasa con los planes de expansión?". El Comercio, April 7, 2024. https://elcomercio.pe/lima/megapuerto-dechancay-se-proyecta-a-quintuplicar-su-poblacion-sin-planes-ni-obras-terminadas-planes-de-expansionurbana-servicios-basicos-economia-ilegal-noticia/?ref=ecr

The Center for China and Asia-Pacific Studies has identified the existence of 153 Chinese companies active in Peru, operating in 11 economic sectors in all regions of the country.[128] However, in recent years, the control that the PRC is gaining over Peru's critical infrastructure, mainly electricity and ports, has raised concerns among various national and international actors, who consider that the different governments in power in Peru are not sufficiently focused on analyzing the benefits and threats involved in giving the PRC these businesses, which are fundamental for national development.[129] In this regard, it should be noted that neither the Ministry of Foreign Affairs nor the Ministry of Defense are currently involved in the approval process of foreign investments in critical infrastructure in Peru, which is a weakness since their analysis and opinions would serve to minimize the risks involved in this type of investments.

Although any investment in a country's critical infrastructure must be carefully analyzed, it is necessary to emphasize that Peru, by opening up to international trade, has the opportunity to establish alliances and attract foreign investments that provide common benefits and generate employment and foreign currency. Therefore, it is important to analyze the main aspects related to trade exchange, projects and investment in Peru not only from the PRC, but also from any other country, mainly in the context of a latent and growing global geopolitical rivalry.[130]

Not all the impacts and results of Peru's participation in the BRI will be positive, especially if Chinese investments come with the same problems, errors and irregularities that some infrastructure projects have presented in other countries. The Peruvian State should be aware that projects financed with Chinese state loans are not subject to open bidding processes, which could result in unduly increased costs and lower quality of products and services provided by Chinese contractors.[131]

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128 Diario La Tercera de Chile. "Entrevista a Cynthia Sanborn en el diario La Tercera de Chile". Centro de Estudios sobre China y Asia Pacífico UP, June 24, 2023. https://cechap.up.edu.pe/noticia/entrevista-a-cynthia-sanborn-en-el-diario-la-tercera-de-chile/#:~:text=El%20CECHAP%20ha%20identificado%20y,del%20

129 Montesinos, Edwin. "Inversión China en Perú supera los 13 mil millones de dólares y se ha convertido en el principal socio comercial". Infobae, October 10, 2023. https://www.infobae.com/peru/2023/10/08/inversion-china-en-peru-cuanto-y-en-que-sectores-invierte-la-nacion-asiatica-en-el-pais/#:~:text=China%20

130 "Relación Perú-China: Intercambio comercial, proyectos e inversión extranjera directa". Comex Perú, October 13, 2023. https://www.comexperu.org.pe/articulo/relacion-peru-china-intercambio-comercial-proyectos-e-inversion-extranjera-directa

131 Simonov, Eugene and Withanage, Hemantha. "Documento informativo sobre la Iniciativa de la Franja y la Ruta". Friends of The Earth Asia Pacific, October 2020. https://www.foei.org/wp-content/uploads/2020/10/foe-belt-and-road- briefing-EN-WEB.pdf.

Also, Chinese financing normally involves conditions such as the requirement that Chinese companies be involved in a certain proportion of the project's contractual work.[132] In that sense, the Peruvian State should adequately analyze these and other aspects when negotiating loans and investments in the country.

Countries with poor economic management are likely to default on their debt, placing them at a disadvantage or vulnerability. In this regard, it is worth noting the concern shown by the US about the consequences of the alleged strategy that the PRC would be executing to seize critical assets or the political will of countries that cannot pay their debts. Something that the first world power knows very well, considering the words of U.S. President John Adams, who pointed out that *"there are two ways to conquer and enslave a nation. One is by the sword. The other is by debt."* What Peru must not allow is to fall into debt diplomacy, neither with the PRC, nor with any other country.

Conclusions

Undoubtedly, the PRC intends to make international trade less dependent on the dollar and the US-led financial system; to this end, it has been establishing more trade agreements in yuan in order to increase the relevance of this currency in world markets. However, this currency is still far from displacing the dollar in international transactions. Aware of this situation, during the last decade, the PRC has been betting on a global economic penetration through the BRI, seeking to expand to other continents. In Africa, for example, the PRC has managed to position itself not only as the region's largest trading partner, but also its main lender, generating a commercial and political relationship of mutual need and interest.

This situation is causing concern in countries such as the US because, if African governments are overly dependent on Chinese funds, their political and economic decisions may be heavily influenced by the PRC. Unfortunately, the development opportunities offered by these loans and investments are held back by problems in African states, including high rates of misgovernment and corruption.

In addition to focusing on Africa, Europe and Asia, the PRC shows particular interest in Latin America and the Caribbean (LAC), a region that possesses not only abundant natural resources, but also the largest number of states that still maintain diplomatic relations with Taiwan. It is therefore not surprising that trade between China and this

132 Mathews, John A. "China's Long Term Trade And Currency Goals: The Belt & Road Initiative." *The AsiaPacific Journal: Japan Focus*, January 1, 2019. https://apjjf.org/2019/01/Mathews

region has increased 26-fold in the last two decades, being the largest trading partner of Argentina, Brazil, Chile and Peru, as well as the main destination of exports from Brazil, Chile, Cuba, Peru and Uruguay. However, the trade relationship between the PRC and LAC is highly concentrated, since only five products account for 70% of the goods exported to China, while 90% of these goods are exported by four countries.

Contrary to popular belief, the PRC still has a long way to go to displace other players such as the US and the EU in the region. In this regard, in 2020, trade between the PRC and LAC accounted for 32% of trade between the US-EU and LAC. Likewise, between 2000 and 2020, PRC FDI in LAC represented only 7% of combined US-EU FDI in the region. However, the PRC's interest in LAC is not only in the area of trade and investment, but also in the political, social and cultural spheres, demonstrating that it does not wish to change the existing pattern in the region, nor the form and type of regime of the governments with which it has relations.

Although the US continues to be the most influential country in LAC, the fact that it has its main competitor acting in its closest area is a highly disturbing factor. But compared to other powers, the PRC has made its interest in LAC known through visible policies, which could turn the region into an area of confrontation between the U.S. and the PRC. Currently, the position of most LAC countries with respect to these two great powers responds to their own national interests, aligning themselves with the U.S. in terms of values and with the PRC in terms of economic interests.

With respect to Peru, the PRC has established itself as its main trading partner, although it is still far from being its main investor. In 2022, PRC investment in Peru represented only 3.8% of total investments received by Peru. Likewise, between 2005 and 2022, Chinese loans received by the Peruvian government represented only 0.03% of the total loans that the PRC provided to LAC countries. However, Chinese investments in Peru are mainly concentrated in strategic sectors such as mining (due to the great need for raw materials for its industries), electricity (due to the high demand for energy produced by the mining sector) and infrastructure (due to the need to transport *commodities* to meet the demand of the Chinese domestic market).

On the one hand, in the mining sector, Chinese investments in Peru have not only enabled the growth of the national economy but have also generated protests from the communities located within their areas of influence, as in the case of the Las Bambas mine. On the other hand, in the electricity sector, despite the regulatory acts carried out by the Peruvian authorities, the fact that PRC controls 100% of the electricity

distribution market in Lima, its capital, should be a concern for the Peruvian State. Also, in the infrastructure sector, PRC's investments in port infrastructure stand out, such as the new port terminal in San Juan de Marcona and the multipurpose port terminal in Chancay. The latter project will not only exceed by 57 % the cumulative investments of all port concessions granted in Peru in the last two decades but will also allow it to become a logistics *hub* in the South Pacific.

To ensure the maximum impact of the port of Chancay, the Peruvian government must expedite the execution of key works to improve road and rail connectivity to the port, taking into account the main productive nodes in Peru and neighboring countries. Likewise, the Peruvian government must formulate and implement plans to address the imminent population growth in the area of influence of the port of Chancay, including the demand for services. In this sense, only if these issues are addressed effectively and promptly will this important port project make the country's development possible.

The control that the PRC is gaining over Peru's critical infrastructure has raised the alarm among various stakeholders, who consider that the Peruvian State is not sufficiently aware of the challenges and threats generated by these investments. Therefore, it is necessary to involve the Ministry of Foreign Affairs and the Ministry of Defense in the approval process of foreign investments in critical infrastructure in Peru, since their analysis and opinions will be useful for an adequate decision making and to minimize the existing risks in this type of investments. Finally, PRC investments in Peru will be positive to the extent that the same problems, errors and irregularities presented in other countries are not repeated.

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CHAPTER III:

GEOPOLITICS OF TRANSNATIONAL RISKS

THE GEO-STRATEGIC PROBLEM OF THE MEXICAN CARTELS

David E. Spencer

Abstract

The Mexican cartels are national organizations with geo strategic impact through state capture of Mexico, destabilization of the United States, serving as a vehicle for Chinese strategic competition, contributing to the emergence of criminalized states throughout the Americas and the shifting of the balance of power in the region. However, their impact is not limited to the Americas. They have significant influence in Europe to include Russia and otherwise contribute to the end of the Westphalian international regime, general social disruption and instability around the world.

Keywords: *Mexican Cartels, Geo-Strategic Threat, State Capture, Global Impact.*

Introduction

Over the past 25 years or more, the Mexican cartels have grown from organizations that mainly threatened Mexico, to organizations with global reach that are impacting the political and economic landscape of the Americas and beyond. This article will attempt to enumerate how the cartels are having geostrategic impact and why this is important.

Analysis

The first impact is state capture. Throughout the Western Hemisphere, traditional Westphalian states are being replaced by a new type of state. These states are authoritarian, populist, and use both criminal proceeds and criminal methodology as a policy tool to advance their agendas both internally and externally. It has been traditionally thought that states with corruption were good states with a few bad or corrupt actors in important positions. This notion of a few bad actors within an otherwise good structure is no longer valid, as the new states have adopted criminal methods as official policy. At the same time these states maintain the façade of liberal democracies with all of its accompanying institutions. They hold elections, maintain political parties, theoretically divide power between an executive, one or more legislatures and courts. These government bodies are supposedly watched by

multiple press agencies which provide citizens the unbiased information they need to make informed decisions. This in fact is mostly fiction.[1]

In Mexico, the state is not yet like Venezuela or Bolivia, but more and more of the Mexican state has been captured by the cartels. This is particularly true at the local level. This state capture is taking place in several ways. The first is through state corruption. This has been going on for some time. Paying officials to look the other way, threatening or killing those that don't. But it hasn't been enough. This still creates uncertainty in the business and so the cartels have sought to control local politics by promoting their own candidates and by infiltrating the institutions of power, either by recruiting those already in office or getting the institutions to recruit their people; police, city and state governments, the courts, the press, and even social assistance programs. Over the years this had led to large swaths of Mexican territory coming under the total or near total control of the cartels, particularly along critical corridors for the movements of illicit goods and services, especially, but not exclusively drugs. Weapons and human trafficking are also particularly lucrative. For the last decade or so this had led to a sort of civil war between the cartels, where the different cartels dispute each other for the control of particularly prized territory.[2]

The cartels have developed large armies that roam the Mexican countryside and even some cities at will. Up to battalion size units ride around in various levels and sophistications of armored vehicles manufactured in cartel workshops. They are armed with military weapons: rifles, machineguns, grenade launchers. They are trained, uniformed and equipped to near military standards. While not as powerful as equivalent Mexican military units, they are more powerfully equipped than many state and local police forces and recent insurgent armies in the region such as the Colombian FARC. Most recently they have introduced more powerful support weapons such as heavy machineguns, homemade mortars and unsophisticated armed drones. The war continues to escalate and the Mexican government authorities, both local and national, are often either unable or unwilling to confront them although when they do, the cartels usually end up on the losing side of the confrontation.

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1 Farah, Douglas. "Testimony Before the Task Force to Investigate Terrorism Financing House Committee on Financial Services". *Financial Services*, June 23, 2016. Accessed May 29, 2023. https://financialservices.house.gov/uploadedfiles/hhrg-114-ba00-wstate-dfarah-20160623.pdf

2 Felbab-Brown, Vanda. "Criminal violence, politics, and state capture in Michoacán". *Brookings Institution*, September 24, 2021. Accessed June 15, 2023. https://www.brookings.edu/opinions/criminal-violence-politics-and-state-capture-in-michoacan/

However, the cartels, perhaps learning something from regional insurgencies, not only control territory through force of arms, but also through mobilizing the population. To do this they provide a form of justice, jobs and social assistance when needed. For example, during COVID-19, in some areas they have won over the local population to such a degree that local and national authorities that come into the region are hounded by civilians until they leave.[3]

This had led to what I call "good cartels", "bad cartels" and militias. Rather than attacking all cartels, the Mexican authorities at both the local and national level have tolerated some cartels such as the Sinaloa cartel and de facto allied themselves with this cartel to attack upstart cartels trying to take over significant portions of the market. This occurred first, against the Zetas, and today against the New Generation Jalisco Cartel or CJNG. There is little evidence of direct coordination, but rather a passive attitude towards some and a very aggressive attitude towards others which are also being attacked by the "good" cartels.

The militias are of course, the non-government self-defense forces that have risen up out of desperation to provide the protection that the government has failed to do. The problem with these militias is that it is expensive to maintain them, and if the state isn't helping, then where does the money come from? In Colombia, many of these militias were coopted by anti-guerrilla drug trafficking organizations, or became drug trafficking organizations in their own right. Instead of contributing to the solution, they became another complicating element of the problem.

The difference between "good" and "bad" cartels seems to be the level of violence inflicted by the cartel in question on the Mexican population. The Zetas and Jalisco Cartel have been particularly violent and employ public and graphic violence such as beheadings, quarterings, heart extractions, castrations, live burnings and other grotesque and graphic forms of death, torture and cruelty, all of which is filmed and posted on social media. It is not that the Sinaloa and other cartels may not be guilty of these same crimes, but they seem to be a little more discreet and selective about their atrocities.

The relationship between some elements of the government and the Sinaloa cartel has been particularly cozy, or at least documented. For example, the arrest and then liberation

3 De Córdoba, José. "Mexico's Cartels Distribute Coronavirus Aid to Win Popular Support". *Wall Street Journal*, May 14, 2020. Accessed June 10, 2023. https://www.wsj.com/articles/mexicos-cartels-distribute-coronavirus-aid-to-win-popular-support-11589480979

of Chapo Guzman's son by national authorities in October 2019, and the appearance of President Lopez Obrador in public with the mother of Chapo Guzman in March 2020. Nevertheless, the tolerance for the "good cartels" has its limits. The multiple arrests and humiliating jail breaks of Chapo Guzman, ended the Mexican government's patience and he was finally extradited to the United States in 2017, even if there continues to be relatively close relationships with his family and cartel back in Mexico.[4]

The growing capture of the Mexican State has led to a corresponding escalation in the United States. The Mexican cartels have not limited themselves to cocaine trafficking, which of itself is a $19 to $29 billion dollar industry,[5] but instead are continually diversifying their market to encompass new enterprises such as meth, fentanyl, arms trafficking and illegal immigration.

The impact on the United States has been tremendous. By the end of 2022 it is thought that at least 3.8 million illegal immigrants crossed the border into the United States during the two first years of the Biden Administration.[6] Each of these people paid the cartels an average of 5-9.000 dollars each to cross the border.[7] This means $19 billion to $34,2 billion dollar industry during the same period. Fentanyl deaths in 2020 numbered around 37.000 and in 2021 jumped to over 100.000.[8] During all the Vietnam war, the United States lost just over 58.000 from all causes over 21 years. Fentanyl has killed 236 % of Americans killed in Vietnam in 2 years, in a tenth of the time. This has provoked some US legislators to propose designating the Mexican cartels as terrorist organizations.

Meanwhile, the power of the cartels in the United States has had a similarly powerful impact on Mexico. Weapons trafficked by the cartels from the United States to Mexico

4 Avni, Benny. "Inside President Andres Manuel Lopez Obrador's odd relationship with Mexico's drug cartels". *New York Post*, November 9, 2019. Accessed June 15, 2023. https://nypost.com/2019/11/09/inside-president-andres-manuel-lopez-obradors-odd-relationship-with-mexicos-drug-cartels/

5 CNN. "Mexico Drug War Fast Facts". *CNN*, September 2, 2013. Accessed June 23, 2023. https://www.cnn.com/2013/09/02/world/americas/mexico-drug-war-fast-facts/index.html

6 Bedard, Paul. "Even More Illegal Migrants Expected in 2022, Record 2.1 Million". *Washington Examiner*, April 19, 2022. Accessed June 22, 2023. https://www.washingtonexaminer.com/news/washington-secrets/even-more-illegal-migrants-expected-in-2022-record-2-1-million

7 Moore, Mark. "US-Mexico Border Traffickers Earned as Much as $14M a Day Last Month". *New York Post*, March 22, 2021. Accessed June 22, 2023. https://nypost.com/2021/03/22/us-mexico-border-traffickers-earned-as-much-as-14m-a-day-last-month/

8 Staff. "America's Fentanyl Crisis". *New House*, February 8, 2022. Accessed June 22, 2023. https://www.gop.gov/americas-fentanyl-crisis/. Conklin, Audrey. "Fentanyl Overdoses Become n.° 1 Cause of Death Among US Adults, Ages 18-45: 'A National Emergency'". *Fox News*, December 16, 2021. Accessed June 22, 2023. https://www.foxnews.com/us/fentanyl-overdoses-leading-cause-death-adults

helped kill 36.773 in 2020[9] and 35.625 in 2021,[10] or nearly 72.398 homicides in the space of two years, 125 % of the Americans killed in Vietnam in a tenth of the time.

Not only are the Mexican cartels gradually taking over Mexico, and impacting the United States as well, but they are also expanding throughout the region. Insight Crime reported that by 2012, the Mexican cartels were operating in sixteen countries in the Americas: all of Central America, the US, Canada, Colombia, Venezuela, Ecuador, Peru, Argentina, and Chile.[11] By 2022, Mexican cartel activity was reported in Brazil.[12] Organized crime and terrorism have exploded anywhere the Mexican cartels arrive. The FARC reached their peak in Colombia after that organization and the cartels made an alliance to traffic drugs around the year 2000. That Mexican presence has continued to expand in Colombia ever since. Despite the 2016 peace process, coca crops and cocaine production have grown to unprecedented levels in that country and violence is gradually returning toward pre-accord levels.[13] Organized crime and violence is expanding in countries where illicit markets were already strong like Bolivia, Venezuela and Brazil, and now wreaking havoc in countries which were previously mostly peaceful like Ecuador, Chile and Argentina.

The Mexican influence is not just expanding the power of illegal groups. It is also contributing to state transformation. In addition to gradually expanding the previously mentioned state capture in Mexico, the impact of the Mexican cartels is helping consolidate the new model states, those with authoritarian governments but democratic facades. How has Venezuela, Nicaragua, Cuba, and others survived when their legal economies imploded, and their citizens were in the streets protesting? Why did these states survive while authoritarian states in the past like Thailand, Serbia and the Philippines did not? The key has been diversification of state income into criminal enterprises. Drug trafficking, illicit mining, money laundering, and

9 "Murder Rate in Mexico Increased in 2020". *Expansión*, January 20, 2022. Accessed June 15, 2023. https://datosmacro.expansion.com/demografia/homicidios/mexico

10 Staff. "Preliminary Data Reveals 35,625 Homicides in 2021". *Instituto Nacional de Estadística y Geografía* (INEGI), July 26, 2022. Accessed June 15, 2023. https://www.inegi.org.mx/contenidos/saladeprensa/boletines/2022/DH/DH2021.pdf.

11 Pachico, Elyssa. "Mexico Cartels Operate in 16 Countries: Report". *InSight Crime*, September 12, 2012. Accessed June 23, 2023. https://insightcrime.org/news/analysis/mexico-cartels-connections-abroad/

12 TRT. "Mexican Cartels' Activities Put Brazil on Alert". *The Rio Times*, January 7, 2022. Accessed June 15, 2023. https://www.theriotimes.com/mexican-cartels-activities-put-brazil-on-alert/

13 Acosta, Luis Jaime. "Colombia's Potential Cocaine Production at Record High, U.N. Says". *Reuters*, October 20, 2022. Accessed June 15, 2023. https://www.reuters.com/world/americas/colombias-potential-cocaine-production-record-high-un-says-2022-10-20/

others. The *Cartel de los Soles* in Venezuela is not just a few corrupt generals who are personally enriching themselves. While they are personally getting rich, they are also carrying out state policy to generate the funds for the regime to survive. As the energy sector in Venezuela imploded from incompetence and corruption, the illicit economy became increasingly important.

Later, when most of the rest of the Americas joined the Lima group to isolate the Maduro government, and cut off their legal economy, but the regime was hardly impacted. Ironically, the groups most affected were the political opposition to the regime that worked in the legal economy. The isolation and sanctions forced many of them into exile which reduced the economic burden of the government, significantly reduced the in-country opposition, and transferred the problem of care and feeding to the neighboring states and the international community. The Venezuelan government's illicit economy is partly, but also significantly facilitated by the operations of the Mexican cartels in that country. Similar participation in Bolivia and Nicaragua is helping consolidate those regimes. Mexican cartel operations in Colombia, Ecuador and Peru are making governance in those countries increasingly difficult which means that the emergence of new model regimes is possible if not even likely in those states.

The cartels have not limited themselves to the Americas. There are indications that they are aggressively expanding into Europe. In 2014, it was reported that the Mexican cartels were taking over cocaine trafficking in Spain.[14] In 2020, the Italian police detected a major operation by the CJNG to smuggle drugs into Italy via Catania in cooperation with the Italian Calabrian Mafia, the Ndrangheta.[15]

Finally, Mexican cartel operations is also playing a role in Strategic Competition between the United States, China, Russia and Iran.

Most of the fentanyl and methamphetamine being smuggled across the border by the cartels into the United States is coming from China through a combination of legal fronts and illegal business.[16] China has become the dominant source of

14 Bargent, James. "Have Mexico Cartels Seized Control of Spain Drug Trafficking?". *Insight Crime*, March 18, 2014. Accessed June 23, 2023. https://insightcrime.org/news/analysis/have-mexico-cartels-seized-control-of-spain-drug-trafficking-from-colombians/

15 Anesi, Cecilia, & Giulio Rubino. "Inside the Sinaloa Cartel's Move Toward Europe". *Organized Crime and Cartel Research Project* (OCCCRP), December 15, 2020. Accessed June 23, 2023. https://www.occrp.org/en/investigations/inside-the-sinaloa-cartels-move-toward-europe

16 Henry, Patrick. "China Working with Mexican Drug Cartels, Fueling Fentanyl Crisis in the U.S.". *Law Enforcement Today*, February 1, 2021. Accessed June 22, 2023. https://www.lawenforcementtoday.com/china-working-with-mexican-drug-cartels-fueling-fentanyl-crisis-in-the-u-s/

scheduled and non-scheduled, unregulated precursor chemicals for the production of methamphetamine, fentanyl and other synthetic opioids, as well as the direct importation of finished fentanyl. Chinese actors also launder money for Mexican drug trafficking cartels. A lot of this is done through the growing Chinese immigrant population in Mexico. This is significantly contributing to the huge drug overdose death rate in the United States, increased criminality and the corruption of US society and government.[17] Does anyone believe that in a country like China, state-controlled industries are exporting the elements of fentanyl and methamphetamines to Mexico without perfect knowledge of what these products are being used for? Could this maybe be a deliberate strategy to weaken their global rival?

The cartels have also long had contacts in Russia for arms trafficking. In 2018, the Hungarian government captured and then mysteriously released two Russian arms dealers that were helping the Mexican cartels acquire weapons to shoot down US supplied helicopters.[18] It has been reported that as Russia invaded Ukraine and came under international sanctions, one of the elements helping them resist this international pressure has been cartel investment in Russian-based crypto currencies. For example, on April 5, 2022, 25 million dollars of CJNG money was seized from Hydra Market.[19] This is only one of many examples.

Finally, the Mexican cartels have been collaborating with Iranian operatives to carry out actions in the United States. In 2011, the Justice Department announced that it had foiled a plot by the Iranians to send Qods force operatives into the United States from Mexico with the help of Mexican cartels to assassinate the Saudi Arabian ambassador. While it had long been rumored that Islamic extremism was making alliances with Latin American organized crime to commit terrorist acts in the United States, this was the first real public evidence of such a plot.[20] Had this plot succeeded, it may

17 Flannery, Nathaniel Parish, & Vanda Felbab-Brown. "How Is China Involved in Organized Crime in Mexico?". *Brookings Institution*, February 23, 2022. Accessed June 23, 2023. https://www.brookings.edu/on-the-record/how-is-china-involved-in-organized-crime-in-mexico/

18 Maza, Cristina. "Mexican Drug Cartels Asked Russia Arms Dealers for Help Shooting Down U.S. Helicopters, and Hungary Let the Russians Go". *Newsweek*, November 27, 2018. Accessed June 23, 2023. https://www.newsweek.com/mexican-drug-cartels-asked-russia-arms-dealers-help-shooting-down-us-1234167

19 Newsroom Infobae. "Hydra Market: The Financial Nexus That Linked Russia to the Mexican Cartels". *Infobae*, April 6, 2022. Accessed June 23, 2023. https://www.infobae.com/en/2022/04/06/hydra-market-the-financial-nexus-that-linked-russia-to-the-mexican-cartels/

20 Cárdenas, José. "Why Is Iran Conspiring with Mexican Drug Dealers?". October 12, 2011. *Foreign Policy*. Accessed June 23, 2023. https://foreignpolicy.com/2011/10/12/why-is-iran-conspiring-with-mexican-drug-dealers/

have forced the United States to carry out more intense military action against the Islamic Republic of Iran.[21] So, in a very real way, the actions of the cartels have the real possibility of provoking a major global conflagration.

The 2011 Iranian-Mexican Cartel plot may not be over as the U.S. Customs and Border Protection reported that in Fiscal Year 2022 and in Fiscal Year 2023 through May of 2023, 194 persons on the terrorist watch list were stopped illegally crossing the U.S.-Mexico border, 98 in 2022 and 96 in 2023.[22] While we know that all of those people had to pay the cartels to help them get across the border. What we don't know is the degree to which the cartels were conscious of the origins of these potential terrorists, or to what extent they were complicit with their intentions.

Conclusions

For all these reasons, the Mexican cartels are national organizations with geo strategic impact through state capture of Mexico, destabilization of the United States, serving as a vehicle for Chinese strategic competition, contributing to the emergence of criminalized states throughout the Americas and the shifting of the balance of power in the region. However, their impact is not limited to the Americas. They have significant influence in Europe to include Russia and otherwise contribute to the end of the Westphalian international regime, general social disruption and instability around the world. These groups are a serious challenge that cannot be ignored.

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21 Chang, Edward. "How A Mexican Drug Cartel Nearly Triggered War Between The U.S. And Iran". *The Federalist*, November 27, 2019. Accessed June 23, 2023. https://thefederalist.com/2019/11/27/how-a-mexican-drug-cartel-nearly-triggered-war-between-the-u-s-and-iran/

22 U.S. Customs and Border Protection. "CBP Enforcement Statistics Fiscal Year 2023". Accessed June 15, 2023. https://www.cbp.gov/newsroom/stats/cbp-enforcement-statistics

years in El Salvador as a consultant for the Ministry of Defense during the 1979-1992 civil war. Doctor Spencer has worked for a number of research groups and consulting firms, such as the Center for Naval Analysis (CNA) and the Science Applications International Corporation (SAIC). Doctor Spencer grew up in Latin America, where he lived in Chile, Colombia, Costa Rica, Guatemala, and Venezuela.

EUROPE-LATIN AMERICA COOPERATION AGAINST ORGANIZED CRIME

Ignacio Cosidó Gutiérrez and Luis de Mergelina

Summary

Organized crime is not only a strategic threat for Latin America, but also a serious risk for the European Union. The scale of organized crime in the American subcontinent is often beyond the capacity of governments to deal with it, threatening their institutional stability and seriously undermining coexistence in their societies. In an interconnected criminal environment on both sides of the Atlantic, violence, corruption and legal business structures are increasingly being used. To address these important challenges, it is crucial to foster bi-regional collaboration between the European Union and Latin America on security issues. This cooperation must be structural in nature and sustained over time, establishing effective coordination mechanisms to address threats common to both hemispheres, especially in relation to drug trafficking, human trafficking, money laundering, arms trafficking and cybercrime.

Keywords: *Organized crime, police cooperation, security, European Union, Latin America.*

Introduction

Organized crime is not only a strategic threat to Latin America, but also a serious risk to the European Union (EU), as Europe is displacing the United States (US) as the main recipient of cocaine from the South American continent. In this context, the control of organized crime over some states has important geostrategic implications, including possible alliances with totalitarian powers in their war against liberal democracies, increased migratory pressure or the challenge to security and coexistence.

Drug trafficking continues to be the main and most profitable organized crime activity worldwide, especially in Latin America. The scale of the Organized crime in the American subcontinent has reached a magnitude that often exceeds the capacity of governments to deal with it, threatening their institutional stability and seriously undermining coexistence in their societies. The world's most violent criminal organizations are based in this region.

The United Nations Office on Drugs and Crime, in its World Drug Report 2022, states that 74% of cocaine leaves Colombia and Ecuador mainly by the Eastern Pacific route, 15% leaves Colombia by the Western Caribbean route, and 8% leaves Venezuela and Colombia by the Caribbean route.[1] An analysis of the situation in the countries most affected by this scourge reveals that organized crime has penetrated the State, political organizations and society itself.

The problem of organized crime has a political and social background that needs to be addressed beyond security policies. The inequalities, corruption and violence that affect many Latin American countries, accompanied by frequent social mobilizations and political conflicts, hinder the stability needed to implement long-term strategies that are effective in this fight. Likewise, problems such as serious macroeconomic imbalance, high external debt, uncontrolled inflation and high unemployment rates continue to fuel social conflict and political instability. Added to this is the power achieved by organized crime structures, which in many circumstances replace the State itself, permeating public administration through corruption at different levels.

This scenario creates a breeding ground for large criminal organizations to attack democracy and reject pluralism in order to exercise unchecked power and promote their criminal interests. In addition, criminal drug trafficking networks are increasing the supply of cocaine to the global market due to a notable increase in its cultivation. In an interconnected criminal environment on both sides of the Atlantic, they are increasingly resorting to violence, corruption and legal business structures, using front men to launder their illicit profits.

Europe and Latin America are natural partners, united not only by an extensive network of agreements covering most of the countries, but also by strong ties between them. The EU is the leading investor in the region, the third largest trading partner and the largest contributor to development cooperation programs. For this reason, this article briefly reviews the main cooperation initiatives that have been implemented between Europe and Latin America in the fight against organized crime, both at the multilateral level and through specific bilateral programs with those countries where the problem is particularly pressing. Finally, it addresses the bilateral cooperation that Spain maintains with several of these countries.

1 United Nations Office on Drugs and Crime. "World Drug Report 2022". *United Nations iLibrary*, September 2022. https://www.un-ilibrary.org/content/books/9789210019545

The Shared Security Challenge and Multilateral Cooperation

Drug trafficking is not only the most lucrative organized crime activity, but also a serious threat to Latin America and Europe, which is already displacing the U.S. as the main recipient of cocaine from that hemisphere. South America is home to some of the world's most powerful and violent criminal organizations, which penetrate the economic, social and political fabric, corrupting its institutions.

This is indeed a global phenomenon. Fifty-eight percent of the most dangerous criminal networks operate worldwide and 35% of them are exclusively dedicated to drug trafficking, generating an illicit market in the EU with annual revenues of at least

31 billion euros, according to figures provided by Europol.[2] These networks also penetrate the legal economic circuit through money laundering. Of the almost 900 high-impact organized crime groups in the EU, nearly half are involved in drug trafficking, including money laundering.[3]

Large Latin American criminal organizations systematically resort to violence to extend their control. At times, they cooperate with each other to achieve criminal synergy, seeking to maximize their profits, with each group contributing its uniqueness, be it in the trafficking of specific substances, in control of brokers for the distribution of the merchandise, or in the laundering of proceeds obtained from their illicit activities.

This strategy also seeks to strengthen transatlantic ties with criminal organizations on the European continent in order to strengthen their capacities and expand their activities. Police cooperation operations have highlighted the connections between the Italian mafia, such as the 'Ndrangheta, with major Colombian (Gulf Clan), Brazilian (First Capital Command) and Mexican (Sinaloa Cartel) criminal groups. In addition, relations between Albanian groups and criminal organizations operating in the border area between Ecuador and Colombia have been demonstrated in order to control the departure of large cocaine shipments to European ports, taking advantage

2 Press and Information Team of the EU Delegation in Chile. "An important step against organized crime: Eurojust signs Working Agreements with five Latin American countries". *European External Action Service EEAS*, July 10, 2024. https://www.eeas.europa.eu/delegations/chile/un-importante-paso-contra-el-crimen-organizado-eurojust-firma-acuerdos-de-trabajo-con-cinco-pa%C3%ADses_es?s=192#:~:text=El%2068%25%20de%20las%20redes,EU%2D%20como%20en%20el%20extranjero

3 European Union Agency for Law Enforcement Cooperation. "Decoding the EU's most threatening criminal networks". *Europol*, 2024. https://www.europol.europa.eu/cms/sites/default/files/documents/Europol%20report%20on%20Decoding%20the%20EU-s%20most%20threatening%20criminal%20networks.pdf

of the absence of the state in these areas and the high level of corruption that makes criminal operations possible.

Another threat shared by the two continents is terrorism, which is often intertwined with organized crime. The presence of Hezbollah, a Shiite Islamist party and paramilitary group backed by Iran and with great influence in Lebanon, was accredited by operation Trapiche, carried out by the Brazilian Federal Police in November 2023, which uncovered a network of this group ready to attack various Jewish targets in the country. This situation confirms the thesis of the US and Israeli intelligence services on the possibility of attacks in Latin America, in addition to the risk of the region becoming a springboard of entry and logistic platform for attacks by this terrorist organization in the US. The Minister of Security of Argentina has also referred to the presence of Hezbollah in different South American countries. Among those accused in the Trapiche operation is a Lebanese nationalized Brazilian, previously convicted for drug trafficking and accused by the Argentine Prosecutor's Office of obtaining the documentation of the terrorist commando that attacked the headquarters of the Argentine Israelite Mutual Association (AMIA) in 1994, causing the death of 85 people.

The connection of this terrorist group with organized crime is conditioned by the need for more economic resources to finance its actions abroad. In this context, Hezbollah began its criminal activities with smuggling in the so-called Triple Border (Argentina, Brazil, Paraguay) at the end of the 1980s, later expanding into drug and arms trafficking, money laundering and document forgery.

Hezbollah's activities have also been spreading to other geographical points of the American continent, mainly favored by Iran's political and commercial interference in strategic points of Latin America, such as the agreement signed in July 2023 by the Ministers of Defense of Iran and Bolivia to sell to this Andean country advanced technology for border control and to combat drug trafficking on the borders of Chile and Argentina.

To address these important challenges, it is crucial to foster bi-regional collaboration between the EU and Latin America on security issues. This cooperation must be structural in nature and sustained over time, establishing effective coordination mechanisms to address threats common to both hemispheres, especially in relation to drug trafficking, human trafficking, money laundering, arms trafficking and cybercrime.

In order for this cooperation to contribute to effectively increase security between the two continents, the EU is implementing various strategies in the fight against organized crime with the participation of some of its agencies. Among the many initiatives underway, the following are worth mentioning:

The Program of Assistance Against Transnational Organized Crime – "The PAcCTO".[4] PAcCTO is a European project with Spanish leadership, launched in 2017 and aimed at strengthening the capacities of 18 Ibero-American countries in their fight against transnational organized crime. In March 2024, the launch of the second phase of this initiative took place in Panama, to which some Caribbean countries have joined, which is scheduled to last four years and has a budget of 58 million euros.

As this is a demand-driven program, it is up to each country to determine the preferred lines of work in the process of strengthening, specializing or reforming the institutions linked to the fight against organized crime. Within the framework of this program, which provided experts for its design, in March 2022, the Declaration of Creation of the Latin American Committee on Homeland Security (CLASI) was signed in Brussels. It is a political, strategic and operational coordination mechanism for the definition and implementation of public security policies in the Latin American region. The CLASI brings together ministers from 11 countries in an informal forum for political and technical dialogue with a very concrete and operational approach against transnational organized crime. The philosophy behind this body is based on the experience of the Standing Committee on Operational Cooperation in the Field of Internal Security of the EU, which aims to intensify coordination in matters of internal security, defining strategic lines of security and the fight against organized crime.

In this regard, a joint declaration was adopted in September 2023 during a meeting in Brussels of EU interior ministers with their counterparts from CLASI member states to establish elements of commitment that will provide continuity and strengthen the relationship between the EU and CLASI in the area of security and the fight against organized crime.

The European Agency for Police Cooperation - EUROPOL.[5] This agency is a central element of the EU's overall internal security architecture for achieving effective

4 PAcCTO. "What is THE PAcCTO?". *Europe Latin America Assistance Program against Transnational Organized Crime*, 2024. https://elpaccto.eu/sobre-el-paccto/que-es-el-paccto/

5 Europol. "About Europol: How Europol contributes to making Europe a safer place". *European Police Office*, July 11, 2024. https://www.europol.europa.eu/about-europol:es

police cooperation and realizing an area of freedom, security and justice. One of its main objectives is to combat transnational organized crime. To achieve this purpose, it coordinates the exchange of information between national authorities and provides continuous intelligence analysis to support investigators on the ground and international cooperation to dismantle criminal networks operating on both continents.

Europol has signed strategic agreements with several countries on that continent, such as Brazil, Colombia and Chile, to strengthen relations and exchange information in the fight against transnational organized crime, enabling signatories to connect to Europol's secure communications network (Siena), both with the agency itself and with the services of EU member states.

The European Agency for Criminal Judicial Cooperation - Eurojust.[6] It is essential that judicial authorities in both hemispheres work together to combat drug trafficking, especially by dismantling transport routes that move huge quantities of drugs and penetrate the EU, particularly through ports. In this respect, Eurojust facilitates judicial coordination and cooperation between national authorities by providing practical support to prosecutors. in the fight against cross-border crime and terrorism. With the support of this agency, drugs worth an estimated €25.5 billion were seized in 2023, which is more than double the previous year.

In July 2024, Eurojust also signed agreements with the Attorney General's Offices of Peru, Bolivia, Chile, Costa Rica and Ecuador to strengthen cooperation in the fight against drug and arms trafficking, money laundering and cybercrime, following on from the agreement signed with Panama earlier this year. These agreements will not only improve cooperation in the fight against criminal networks operating between the two continents, but will also have an undoubtedly positive impact on security, the economy and the well-being of citizens.

EU-CELAC (Community of Latin American and Caribbean States) Mechanism for Coordination and Cooperation on Drugs. This cooperation mechanism was initiated in 1998, following a Spanish proposal made in 1995 when Spain presided over the EU Council, with the aim of facilitating dialogue at both the political and technical levels on drugs. It is currently the only bi-regional mechanism of its kind, demonstrating that the fight against drug trafficking is a priority for both regions.

6 Eurojust. "Web Portal". https://www.eurojust.europa.eu/

At its XXIV High Level Meeting, held in La Paz in February 2024, the Bolivian president called for greater cooperation to help improve the exchange of information and technology to combat major criminal groups, also warning about the arrival of chemical drugs in Latin America.

European Ports Alliance. This new initiative was formally launched in Antwerp in January 2024 with the aim of preventing the infiltration of organized crime groups into port logistics centers. Ports on both sides of the Atlantic have become the main exit and entry routes for cocaine arriving on the European continent from South America. The large criminal networks involved in drug trafficking rely heavily on corruption in its various forms, such as bribery, influence peddling, etc. to facilitate their criminal activities. Therefore, the detection of criminal networks that infiltrate large port hubs is imperative due to the high number of private companies operating in port areas (such as shipping companies, cargo operators, suppliers and concessionaires). It is evident that the formation of multi-location corruption networks is an element intimately linked to the business model of these criminal groups.

One of the objectives of this Alliance is to strengthen both compliance with the International Ship and Port Facility Security Code and EU maritime security legislation by conducting port-level risk assessments and taking advantage of the security framework established by the legislation.

Programs financed by the European Union. The specific programs that the EU has been implementing for years in several Latin American countries to fight transnational organized crime are effective instruments to promote closer cooperation with the countries of that hemisphere. The following are those programs and projects that have greater continuity and strengthen cooperation relations.

- ***Copolad***: This is a multi-country drug policy cooperation project, now in its third edition, with a budget of 15 million euros and a four-year implementation period (2021-2025),[7] which operates at both the regional and national levels through technical assistance, study visits, courses and seminars, strengthening the capacities of National Drug Observatories and supporting initiatives aimed at reducing the supply and demand of narcotics.

7 Copolad. "Web Portal". *Cooperation Program between Latin America, the Caribbean and the European Union in the field of Drug Policy*, 2024. https://copolad.eu/es/que-es-copolad/

- ***Eurofront***: Latin America has 35 borders with a length of more than 41,000 kilometers between its 18 countries. The remoteness of some of these border areas, their complex geography, as well as the scarce and weak surveillance cause the existence of informal border crossings that propitiate criminal phenomena such as drug trafficking, smuggling of migrants and smuggling. In this sense, the objective of this program, which began in 2020 in seven countries and has a budget of 10 million euros, is to create more secure borders, strengthening the capacities of security forces to fight more effectively against different types of cross-border crime, especially trafficking and smuggling of migrants. Eurofront is developing its activities at four pilot border points involving seven countries (Colombia, Peru, Ecuador, Bolivia, Argentina, Brazil and Paraguay).[8]
- ***Project: Support in the fight against drugs and organized crime in Peru***: Program started in 2019 for staff training, involved in criminal investigations and in which Spain plays a leading role in its implementation. The objective of the second phase of this project, currently under development, is to achieve the interoperability of the main entities involved in the investigation of crimes related to organized crime, to improve their effectiveness through the action of specialized mixed teams.

In conclusion, the cooperation programs to be implemented in Ecuador, a country that until 2022 was not on the list of Latin American countries with security problems and is currently facing a serious crisis due to the unprecedented violence of large criminal organizations, leaving part of the population defenseless, are particularly noteworthy. The Ecuasec project aims to strengthen the institutional capacities of Ecuador's security systems in the fight against organized crime, with Spain playing a leading role in its implementation. It is also planned to create an Intelligence Center in Guayaquil, the epicenter from which many of the criminal gangs operate.

The AMERIPOL Project

The Police Community of the Americas (Ameripol) is a regional police cooperation platform whose main objectives are the exchange of police information and intelligence, joint operations and training of its members. This organization is made

8 Eurofront. "Web Portal". *Delegated Cooperation Program between the European Union and Latin America*, 2024. https://programaeurofront.eu/es/page/que-es-eurofront

up of 33 police forces from 27 Latin American and Caribbean countries.[9] It also has 31 observers, mostly European organizations, including the Spanish National Police and Civil Guard, which play a very active role, as well as Interpol and Europol, which participated in the process followed for its constitution.

Ameripol began in 2007 during a meeting of Latin American security agencies in Bogota, consolidating the process a few years later, in 2012, when its statutes were approved. The backing for the organization came in November 2023, when Ameripol's founding treaty was signed in Brasilia, granting it full international legal personality and empowering it to carry out operations autonomously, speeding up regional investigations into the various forms of organized crime. In addition, through this cooperation the police competencies required to meet the challenges posed by organized crime to public security in the region are optimized.

Ameripol is an important milestone because, in a way, it breaks the almost endemic lack of interest of Latin American countries in strengthening a system of regional governance that can transfer a common regional position to multilateral bodies. This cooperation is especially necessary to confront transnational organized crime, which is undoubtedly global in nature and has a considerable impact on Latin America. The consolidation and establishment of this organization is an element that will contribute to overcoming the security crisis suffered by several countries in the region. The problems of information exchange and lack of trust between neighboring countries in the region, partly justified by the bad experiences of information leaked to criminal organizations, are part of the great challenges to be overcome.

The institutionalization achieved by the so-called Treaty of Brasilia less than a year ago will enable Ameripol to become the third largest police organization in the world, after Interpol and Europol, with the aim of making it an international institution in its fight against organized crime. To achieve this ambitious goal, it will be necessary to establish a joint, stable, regular and permanent collaboration framework. The conference held in October 2023 in Madrid on the consolidation of cooperation between Ameripol, Europol and Interpol provided a new and important impetus to promote and strengthen police cooperation. To give continuity to this line of action, the heads of the international cooperation services of 10 Latin American countries

9 Davis, Eduardo. "Ameripol, Latin America and the Caribbean's new tool against organized crime". *SWI swissinfo*, November 9, 2023. https://www.swissinfo.ch/spa/ameripol-la-nueva-herramienta-de-am%C3%A9rica-latina-y-el-caribe-contra-el-crimen-organizado/48967394

and Ameripol will hold, in October 2024 in Colombia, a conference organized by the Spanish Civil Guard that will contribute to institutional strengthening in this area.

Spain's Bilateral Cooperation with Latin American Countries

Spain plays a leading role in the EU to promote not only cooperation with Latin America in security, but also its own bilateral projects. This cooperation is a priority and strategic for Spain due to the close historical and cultural ties, and is based on a long, regular and intense exercise of cooperation in matters of mutual interest, especially the repression of transnational organized crime, as well as the training and specialization of Latin American security forces.

In this regard, several elements are involved in the exercise of this cooperation:

In the institutional sphere, the Interior Councils and Attachés are deployed in all Latin American countries, either accredited only to their own country (such as Peru, Ecuador, Bolivia, Brazil, Chile and Mexico) or with multi-accreditation to several countries (the Interior Council in Argentina, which has extended accreditation in Uruguay and Paraguay, or the Council of El Salvador, which has extended accreditation in Guatemala, Honduras, Costa Rica and Nicaragua). The work carried out by these members of the Spanish Security Forces and Corps as advisors and attachés is essential for the consolidation of institutional relations between countries, strengthening links with police organizations in the countries where they are accredited, and facilitating the exchange of information between police and security services, the holding of courses and seminars, as well as joint participation in working groups.

At a more specific level, there are cooperation instruments that contribute decisively to strengthening and promoting bilateral police cooperation relations. Thus, Spain has signed agreements on cooperation in the fight against crime and security with Colombia, Peru, Chile, Brazil and Ecuador, among others, which act as a framework for the conclusion of future administrative agreements for the development of the agreement and the joint commissions that are held alternately in each country to deal with matters of mutual interest of an operational, technical and strategic nature.

Following the conclusion of negotiations, the agreement between Spain and Bolivia is currently awaiting signature. This agreement will strengthen the exchange of operational information for the fight against drug trafficking, thus providing a solid

legal framework for the police collaboration that is already taking place between these two countries. Meanwhile, agreements on this matter with Argentina, El Salvador and Costa Rica are in the process of negotiation.

Other key factors in police cooperation relations with Spain are the training and educational activities that Latin American security forces receive, either bilaterally or in EU cooperation programs, where Spain takes a leading role in several of them. Likewise, it is very common for Latin American police forces to participate in police specialization training activities, according to the interests of each country and based on the training needs of their security forces. In this context, courses, workshops and seminars, among others, are held both in Spain and in the country where the activity is required. This specialized training is provided by Spanish law enforcement agencies in areas such as criminal investigation, organized crime, border control, cybercrime and gender-based violence. It is also worth mentioning the specific courses organized annually in Spain by law enforcement agencies for most Latin American countries, such as this year's courses, dedicated to the fight against cybercrime and technological crimes, with the participation of heads of cybercrime investigation units of Latin American police forces.

At the EU level, Spain leads several programs, whether multi-country, such as PAcCTO or Copolad, or specific to a single country, as in Peru, where a program is being implemented for the institutional strengthening of organizations involved in the fight against organized crime. Special relations with some Latin American countries should also be highlighted, since the global relevance of some forms of crime, such as drug trafficking, underscores the need to strengthen these relations in order to effectively address these challenges.

In the case of Colombia, it is worth mentioning the operational cooperation between the Spanish Security Forces and Corps and the Colombian institutions, mainly the Colombian National Police, which is materialized through a fluid exchange of operational and intelligence information, and which is reflected in frequent actions in different areas of organized crime such as drug trafficking, human trafficking, money laundering, or the location of fugitives, among others. In addition, to facilitate this agile reciprocity, apart from the Counselor and Attaché of Interior residing there, there is a member of the Spanish National Police as liaison with the central criminal investigation and anti-narcotics units of the Colombian police.

In the case of Ecuador, the serious problems of violence that have led President Noboa to declare a state of emergency in several areas of the country have led to a change

in cooperation programs with Spain. Previously, these programs, which were carried out within the framework of the PAcCTO and Eurofront, were not bilateral in nature. However, in the near future, they will be adjusted to focus specifically on Ecuador through the Ecuasec Project, which will be led by Spain with EU funds.

Likewise, at the beginning of this year and to face the serious security crisis the country is going through, Ecuador requested Spain to activate the bilateral agreement for the fight against organized crime, and the Spanish response was a firm commitment of support. To this end, a team of Spanish police officers went to Quito to train their Ecuadorian counterparts in intelligence and risk analysis related to money laundering; at the same time, Ecuadorian police officers have been receiving training in these areas in Spain. To continue this training, during the course of the year, Ecuadorian police officers will participate in additional courses on organized crime and citizen security.

In Peru, a country with which there is a Convention on the fight against crime that was signed in Madrid in 2019 and entered into force four years later, its authorities have requested a meeting of the Joint Commission for the second half of 2024 with the aim of addressing, among other issues, aspects related to the exchange of information on international drug trafficking. Likewise, in March 2023, the Renewed Strategic Alliance was signed with Chile, which prioritizes security as an essential element for exercising rights in full freedom, since the increase in organized crime is the main threat to the most disadvantaged groups, a situation that aggravates existing inequalities. In this sense, there is a high Chilean interest in the Spanish police model for the process of renovation and restructuring of its public order and security forces, in accordance with the first national policy against organized crime and the beginning of a broad update of legislation to address the threats, strengthening and modernizing its security institutions.

Conclusions

Police cooperation between Europe and Latin America acquires a strategic dimension in the current context of deteriorating global security, characterized by the increase in global drug consumption, the strengthening and expansion of drug trafficking networks, the growing ability of these organizations to penetrate power structures, and the rise of cross-border crime. All these phenomena represent common challenges for the stability of the South American region, in which Spain is considered a fundamental ally for strengthening international cooperation at both bilateral and

multilateral levels. In this regard, Spain must assume a more prominent leadership role, which contributes to strengthening cooperation and security institutions to successfully address these shared risks.

Organized crime and its effect on political and social institutions, as well as the increasingly transnational nature of crime, make international cooperation and coordinated police action of a structural and sustained nature over time, with a necessary political impetus for the consolidation of effective mechanisms for collaboration and harmonization in the face of the main common threats in both hemispheres: drug trafficking, money laundering, arms trafficking, human trafficking and cybercrime.

The progressive implementation and strengthening of Ameripol, not only contributes to facilitate the exchange of operational and intelligence information among the countries of the region, overcoming the existing mistrust, but will also become the best partner for cooperation with Europe in police and security matters, strengthening and promoting the bi-regional strategic partnership. In this context, it will be necessary to urge the effective incorporation of countries such as Colombia and Brazil, not yet associated with CLASI, to ensure the effective implementation of the decisions taken within it and in the joint definition of strategies to be articulated against transnational organized crime.

In conclusion, it is essential to emphasize that, in the fight against organized crime, police action is not the only component to achieve its eradication, but that this action must be accompanied by robust social policies and programs involving education, health and development services, with the dynamism required to generate safe spaces in the most vulnerable areas, as these areas are the most prone to be co-opted by criminal gangs. In this context, cooperation between Europe and Latin America plays a crucial role.

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THE REGIONAL GEOPOLITICS OF HEALTH CRISES IN LATIN AMERICA

Carlos Malamud Rikles and Rogelio Núñez Castellano[1]

Summary

The health crisis that Latin America is currently experiencing due to the spread of dengue fever highlights various structural problems that have not been resolved historically and have accumulated over the last four years. Therefore, this article analyzes how the region reacted to COVID-19, and then compares how many of those errors, inadequacies and inefficiencies, which occurred between 2020 and 2021, have reappeared in 2023 and 2024, although now in relation to dengue. The text focuses on regional and geopolitical aspects and analyzes the failure of crisis management by the limited Latin American integration mechanisms, as well as the weakness of cooperation and coordination policies at the regional, subregional or even bilateral level to solve challenges that involve the entire continent.

Keywords: *Latin America, pandemic, dengue fever, integration, cooperation.*

Introduction

Four years after the COVID-19 crisis, Latin America is once again facing a new health crisis, this time involving dengue fever. Although this one is smaller, less extensive and less dangerous than the previous pandemic, it highlights several unresolved problems that have accumulated since 2020. This article analyzes how the region reacted to COVID-19, and then compares how many errors, inadequacies and inefficiencies committed between 2020 and 2021 have reappeared between 2023 and 2024, in relation to dengue. But, above all, the text focuses on regional, even geopolitical aspects, to interpret the failure in crisis management of the limited Latin American integration mechanisms, as well as the weakness of cooperation and coordination policies at the regional, subregional and even bilateral levels.

In 2020, Latin American countries showed a marked lack of coordination in the face of the spread of the virus, with unilateral and dissimilar responses, this was repeated during the subsequent vaccination process in 2021. The dominant note was the lack of

1 The authors have published an initial version of this article through the Real Instituto Elcano.

regional leadership, which neither Brazil nor Mexico wanted or knew how to exercise. In Brazil, due to the denialism of Jair Bolsonaro and in Mexico, due to the ambiguities and constant rectifications of Andrés Manuel López Obrador (AMLO). Instead of a coordinated and multilateral response, unilateralism prevailed, generating great differences and distortions between countries when acquiring and applying vaccines. The division deepened Latin America's weakness and diminished its international negotiating capacity.

In the current health crisis, linked to the spread of dengue, the region has made mistakes similar to those of the COVID-19 pandemic between 2020 and 2021, related to the lack of coordinated national measures to address the challenge more efficiently. Regional integration mechanisms have once again shown their limitations in the face of the emergence of various crises of a global or regional nature. In health issues, as in other sectoral areas such as the environment or security, Latin America lacks an integration framework capable of providing regional responses to common challenges. It is normal for each country to promote measures or take initiatives that are not coordinated with the others, in response to its own interests, without a vision of the whole.

Development

Latin American integration, marked by its failures and limitations, is an old topic in regional history. Its origins date back to the 1950s and are embodied in a wide variety of institutions created for this purpose, although none of them has become a lasting, autonomous body capable of perpetuating itself and bringing regional interests to the world stage. Nor has it been able to coordinate its efforts in security, economics, trade or health. As a 2022 report published by Michael Reid in The Economist pointed out, the instruments of integration and cooperation in Latin America are showing signs of exhaustion. Most survive thanks to bureaucratic inertia.[2]

Latin America continues to be a fragmented region, rather than divided into two antagonistic blocs. It is separated into multiple pieces that are difficult to coordinate with each other. The proliferation of regional or trade integration schemes - Community of Latin American and Caribbean States (CELAC), Union of Southern Nations (Unasur), Forum for the Progress of South America (Prosur), Southern Common Market (Mercosur), Andean Community (CAN), Central American Integration System

2 Reid, Michael. "Latin America", *The Economist*, June 2022.

(SICA), Bolivarian Alliance of the Peoples of Our America (ALBA), Pacific Alliance, Caribbean Community (Caricom), and many others -, and the impossibility for them to cooperate efficiently among themselves. In this process there is a permanent flight forward, in which the new instances do not resolve the preceding situations nor those for which they were created. Given this reality, Latin America lacks a sphere of integration capable of providing effective regional responses to common challenges, be they general, commercial or sectoral. Each country usually promotes uncoordinated measures or initiatives in response to its own national interests without a regional vision.[3]

The integration deficit in Latin America has seen two significant chapters in recent years, both related to health crises: COVID-19 (between 2020 and 2021) and dengue (between 2023 and 2024).[4] Both show the need for regional institutions capable of providing common and coordinated responses to cross-border challenges. Today there is a health issue, but tomorrow there may be other issues that threaten economic and financial balances, or the survival of States in the face of the challenge of climate change and organized crime.

As Rafael Castro Alegría and Detlef Nolte point out, "Latin American regional organizations were ill-prepared to respond to the stress of the pandemic". Both the only organization representing Latin America and the Caribbean as a whole, Celac, and that including all South American countries, Unasur, were paralyzed or in the process of disintegration. The members of Mercosur were in disagreement over the future of the organization, while its social component had been weakened. Along with Unasur, the South American Health Council (CSS), which promised to be one of its

3 Malamud, Carlos. " Regional integration and cooperation in Latin America: diagnosis and proposals", *Real Instituto Elcano Working Paper*, 2015. https://www.realinstitutoelcano.org/documento-de-trabajo/integracion-y-cooperacion-regional-en-america-latina-diagnostico-y-propuestas/; Carlos Malamud. " The integration crisis is played out at home", *New Society*, n.° 219, 2009. https://biblat.unam.mx/hevila/Nuevasociedad/2009/no219/7.pdf.

4 Ayuso, Anna. "Inequality in Latin America in the face of the coronavirus crisis", *CIDOB Opinión*, 2020:519. https://www.cidob.org/es/publicaciones/serie_de_publicacion/opinion/america_latina/desigualdad_en_america_latina_frente_a_la_crisis_del_coronavirus; G. Caetano and N. Pose. "Impacts of Covid-19 on contemporary Latin American scenarios", *Perfiles Latinoamericanos*, 29(58), 2021: 1-30. Gratius; T. Legler and J. Quezada. "The regional governance of Covid-19 in the European Union and Latin America and the Caribbean", in S. Gratius, C. Navarro and I. Molina (coord. and eds.): Anuario de la Facultad de Derecho de la Universidad Autónoma de Madrid Extraordinary. Vol. III, 2021: 59-92; Rios Sierra, J. "The non-existent regional response to Covid-19 in Latin America", Geopolítica(s). *Revista de Estudios sobre Espacio y Poder* 11 (Special), 2020: 209-222; Alvarez, Maria Victoria. "The Management of the Covid-19 Pandemic and Regionalism in Latin America and the Caribbean Learnings and Pending Challenges", *Working Papers* 71, 2022.

greatest founding achievements, disappeared. The non- existence of the CSS directly affected the regional capacity to confront COVID-19. This undoubtedly increased subregional fragmentation. Thus, "the pandemic hit Latin America at a time of institutional weakness of its regional organizations".[5]

The COVID-19 Crisis

In 2020, Latin American countries showed a lack of coordination in the face of the spread of the virus, with unilateral and different responses, which was repeated during the process of vaccination against COVID-19 in 2021. The dominant note was the absence of regional leadership, as well as of a coordinated multilateral response. Instead, national selfishness predominated, leading to major differences in vaccine procurement and injection. This division deepened Latin America's weakness and negotiating capacity.[6]

The vaccine procurement process, in 2021, was affected by five important characteristics: (1) the secondary role of integration organizations in coordinating negotiations with pharmaceutical laboratories or those governments that developed vaccines (China and Russia), (2) the absence of bilateral and/or subregional coordination or cooperation mechanisms, (3) the impact of global geopolitical struggles at the regional level, (4) domestic and international politicization surrounding vaccines, and (5) the heterogeneity of national strategies.

After almost 75 years of unsuccessful efforts to advance regional integration in Latin America, the COVID-19 and dengue pandemics have highlighted the absence of adequate regional, subregional or bilateral coordination and cooperation mechanisms to address such challenges. Despite the fine words, the COVID-19 crisis had no lasting effect in this regard. Collaboration on health policies is practically non- existent, as has been seen in the difficulties inherent in the development of research or the design and production of vaccines.

The great exception is the Pan American Health Organization (PAHO), although given its organizational nature it has a limited margin of action with respect to the sovereign

5 Castro Alegría, Rafael and Nolte, Detlef. "The covid-19 and the crisis of Latin American regionalism: lessons that can be learned and its limitations", *Relaciones Internacionales*, Nº52, 2023. https://revistas.uam.es/relacionesinternacionales/article/view/15011.

6 Malamud, Carlos and Núñez, Rogelio. "Vaccines without integration and geopolitics in Latin America", *ARI* 21/2021 of the *Real Instituto Elcano*, 2021. https://www.realinstitutoelcano.org/analisis/vacunas-sin-integracion-y-geopolitica-en-america-latina/

decisions of the countries. On the other hand, the integration organizations do not have the appropriate policies to face these challenges and the tools for regional coordination have not been developed. According to María Victoria Álvarez, "*the dismantling of bodies that could have served as a platform for working together with an important background in the matter, such as Unasur, Brazil's denialism, and the weakness, fragmentation and/or ideological polarization of subregional schemes, whether relatively new -Prosur or the Pacific Alliance- or mature, such as CAN or Mercosur*;" all "this deprived the countries of the region of a greater response capacity. The meager coordination exhibited was barely manifested in a few minor and low-flying initiatives".[7]

The negotiation and acquisition of vaccines once again highlighted the limits and shortcomings of coordination and cooperation mechanisms at the regional level beyond the usual mechanisms of integration institutions. Both continental (Celac and ALBA) and subregional organizations (Unasur, Prosur, Mercosur, Pacific Alliance, CAN and SICA) played a minor and peripheral role. Nor did they know how to coordinate a joint response to facilitate access to the drug and conduct negotiations with laboratories and pharmaceutical companies. This failure provoked bitter reflections among some leaders, such as that of Argentina's Alberto Fernández: " A veces pienso que, si hubiésemos estado más juntos y más unidos, seguramente podríamos haber sobrellevado mejor las cosas".[8]

The peripheral role of supranational organizations led most Latin American governments to promote a mixed strategy to purchase vaccines, either by acquiring them on their own, through direct negotiations with pharmaceutical companies or certain governments, or by entering the COVAX program (Global Access Fund for Vaccines COVID-19), launched by the World Health Organization (WHO) and the European Union (EU).

The only Latin American coordination initiative that took on a certain entity, although in the end it did not materialize into anything concrete, was the one promoted by Mexico

7 Álvarez, María Victoria. " The management of the Covid-19 pandemic and regionalism in Latin America and the Caribbean Lessons learned and challenges to be addressed", Documentos de Trabajo. 71/2022, *Fundación Carolina*, 2022. https://www.fundacioncarolina.es/catalogo/la-gestion-de-la-pandemia-de-covid-19-y-el-regionalismo-en-america-latina-y-el-caribe-aprendizajes-y-desafios-pendientes/

8 Casa Rosada. Remarks made by the President of Argentina, Alberto Fernández, during the joint declaration offered together with his counterpart of the Republic of Chile, Sebastián Piñera, during the first State visit to that country of the Argentine delegation, from the Palacio de La Moneda, January 25, 2021. Accessed on August 20, 2024. https://www.casarosada.gob.ar/informacion/discursos/47479-palabras-del-presidente-de-la-nacion-alberto-fernandez-durante-la-declaracion-conjunta-ofrecida-junto-a-su-par-de-la-republica-de-chile-sebastian-pinera-en-la-primera-visita-de-estado-a-ese-pais-de-la-comitiva-argentina-desde-el-palacio-de-la-moneda.

and Argentina, together with the Slim Foundation. The idea was to manufacture and distribute the Oxford-AstraZeneca University vaccine, making it available to the Celac countries. After its approval in Argentina (December 2020) and Mexico (January 2021), companies from both countries promised to produce and prepare for distribution 250 million doses in Latin America. These would be manufactured by the Argentine laboratory mAbxience and packaged by the Mexican company Liomont, although it was not possible to move beyond the initial stages.

Therefore, beyond certain minor measures, there were no significant steps to coordinate activities related to the pandemic, such as the purchase or production of vaccines. Celac, CAN, the Pacific Alliance, Mercosur, ALBA and Prosur were largely absent during the pandemic when it came to problem solving. Only Caricom and SICA acted diligently and made efforts to coordinate joint actions to renegotiate debt and request long-term technical support from the Inter-American Development Bank and the World Bank.[9] Caricom and SICA member states also made massive joint purchases of medical supplies to obtain better prices and deployed multidimensional actions covering health, risk management, trade, finance, security, justice, migration, gender, scientific research and food security.[10]

Latin America in the Vaccine Geopolitical Struggle. Latin America was immersed in the geopolitical struggle for the search of the vaccine and also in its production, marketing and distribution. This affected the Chinese (Sinovac, CanSinoBIO and Sinopharm) and Russian (Gamaleya and VECTOR) laboratories versus those of the United States (US) and the EU (Moderna, Pfizer, AstraZeneca, Janssen, Johnson & Johnson and Novavax). China and Russia planned to use the situation to gain international influence and prestige (soft power) by supplying countries with scarce financial resources and difficulties in accessing vials.

The massive purchase of vaccines by the U.S. and the EU initially left middle- and low-income countries without the necessary vials. This situation allowed them to Beijing and Moscow to increase their influence. Russia succeeded in getting Sputnik V produced in Brazil and Argentina, and began vaccinating with it in December 2021.

9 Ruano, Lorena and Saltalamacchia, Natalia. "Latin American and Caribbean Regionalism during the Covid-19 Pandemic: Saved by Functionalism?", *The International Spectator* N°55 (2), 2021: 93-113. https://www.iai.it/en/pubblicazioni/latin-american-and-caribbean-regionalism-during-covid-19-pandemic-saved-functionalism

10 Parthenay, Kevin. "Ally (regionally) against Covid-19", *Foro Internacional*, 5 1(244), 2021: 387-426. https://www.scielo.org.mx/pdf/fi/v51n2/0185-013X-fi-51-02-387.pdf.

Proof of the important role Russia assigned to its vaccine is that the Sputnik portal (whose name is a mere coincidence), one of the main Russian propaganda centers, focused on showing the successes of the product promoted by the Kremlin in the face of other people's problems.

However, this move showed, in the medium term, major limitations. China decided to become the major global supplier for countries with low purchasing capacity. President Xi placed vaccines at the center of his international strategy, considering them a "worldwide public good", and made them available to those who requested them. Faced with vaccine shortages and delays, Brazil began to distribute six million doses of Sinovac, manufactured by the Instituto Butantan of São Paulo, which is in charge of producing and distributing them for the rest of Latin America. Chile's Public Health Institute approved the use of the same vaccine.[11]

The Politicization of Vaccination. The acquisition of vaccines and the choice of which one to opt for sparked discrepancies and controversies in several countries, evidencing the fragmentation, polarization and absence of consensus on public policies in much of the region. The division was not only regional, but also occurred within countries. In Brazil, vaccines became a political and electoral weapon ahead of the 2022 presidential elections. Bolsonaro sustained an anti-vaccine and denialist strategy, while many governors and the opposition insisted on leading vaccination campaigns. In Mexico, AMLO's stance, sometimes close to denialism and against confinements, provoked political confrontations.[12]

Heterogeneity of Vaccination Plans. The fragmentation of Latin America led to a great variety in the agreements signed with laboratories and also when negotiating with one or another company. The pace of negotiations varied from one country to another. Something similar happened with the start of vaccination. If in the EU the process began in a coordinated manner in the 27 member countries, on December 27, 2020, in Latin America everything was slower and more heterogeneous. Some countries began inoculation in January 2021. Soon after, Mexico, Chile, Costa Rica and Argentina completed one month of vaccinations, while others (Uruguay, Paraguay and

11 Herreros, María Belén and Belardo, Marcela. "Health diplomacy and geopolitics: the global war over vaccines," Year 11, N°21, Debate Público. *Reflexión de Trabajo Social*, 2021. https://ri.conicet.gov.ar/handle/11335/154501

12 T. Legler. "Presidents and orchestrators: the governance of the Covid-19 pandemic in the Americas", *Foro Internacional*, 51 (2), 2021: 333-385. https://www.scielo.org.mx/scielo.php?pid=S0185-013X2021000200333&script=sci_abstract&tlng=en

Guatemala) had not yet signed any agreement with laboratories or only began to do so in the second half of the month (Brazil and Panama).

The two major regional powers, Brazil and Mexico, followed different strategies and signed different agreements. Mexico began by vaccinating with Pfizer-BioNTech, but faced with delays in supply, they opted for Sputnik V, CanSinoBIO and AstraZeneca. Brazil maintained a particular strategy, different even from that of its Mercosur partners, especially Argentina.

Differences between partners also occurred in other areas. Central America, with one of the oldest regional integration processes (dating back to the 1950s), showed signs of heterogeneity and lack of coordination to promote vaccination. Some Central American countries were among the first to vaccinate (Costa Rica), while others, such as Guatemala, had not yet begun negotiating with pharmaceutical companies by January 2021.

In the negotiations with the Western laboratories, it was not only government initiative that counted, but also the confidence that each government inspired, in relation to its solvency, debt capacity and legal security. For example, the guarantees (trust) requested from Argentina and Chile were very different. Chile closed agreements to vaccinate its entire population (18 million inhabitants) by mid-2021 and started vaccination on December 24 of that year, with the Pfizer-BioNTech vaccine, and committed another two million doses of Sinovac. It also signed contracts with AstraZeneca-Oxford and Janssen. For its part, Argentina was unable to conclude any agreement with the Western laboratories and its final margin of action was reduced to acquiring the Russian vaccine.[13]

The only hemispheric health agency, PAHO, created in 1902, even before WHO, played an important role, but with great limitations. PAHO emerged from the Pan- Americanism of the second half of the 19th century. It is made up of 35 countries, including the U.S., Canada and Cuba, and is the world's leading international organization in the field of health. The role was important, but it was constrained by the fact that it lacked sufficient competencies to become an agency with the capacity to coordinate efforts.[14]

13 Abbott, Kenneth W., Genschel, Philipp, Snidal, Duncan and Zangl, Bernhard (eds.). "Orchestration: Global Governance through Intermediaries", 2012, http://ssrn.com/abstract=2125452; Agostinis, Giovanni and Palestini, Stefano. "Transnational Governance in Motion: Regional Development Banks, Power Politics, and the Rise and Fall of South America's Infrastructure Integration", *Governance*, 2020: 1-20. https://doi.org/10.1111/gove.12529.

14 Cid, Camilo and Marinho, Maria Luisa. "Two years of COVID-19 pandemic in Latin America and the Caribbean". *CEPAL*, Santiago, Chile, 2022. https://www.cepal.org/es/publicaciones/47914-anos-pandemia-covid-19-america-latina-caribe-reflexiones-avanzar-sistemas-salud

During the pandemic, PAHO was the only body with a regional organization capable of providing some transnational coordination. However, its capacity to centralize decisions was very limited due to its historical limitations: health decisions are made nationally, which leads to a high fragmentation of responses, as was the case with COVID-19 and dengue. In addition, PAHO lacks coordination mechanisms or coercive intervention instruments to establish common and general guidelines. Its final achievements were reduced to issuing a first epidemiological alert early, on January 15, 2020. In addition, its Department of Health Emergencies monitored "the epidemiological evolution of the situation closely" and recommended that national authorities systematically monitor the WHO Event Information site.[15]

During the pandemic, PAHO provided technical cooperation through a wide range of activities at the national, subregional and regional levels. At the regional level, it co-managed the purchase of vaccines through the Revolving Fund that PAHO has had since 1977, which operated as one of the procurement channels linked to the COVAX mechanism, which recognizes PAHO Member States as a unified bloc. It also provided economic and financial support to countries with fewer resources for the purchase of medical supplies. PAHO worked to systematize and analyze the threats posed by the pandemic, developing different indicators. In a context of financial difficulties, it managed to mobilize additional resources thanks to its appeal to donors, which enabled it to receive 131.5 million dollars from international financial institutions for the purchase of essential supplies and equipment.[16]

The Dengue Crisis

In the current health crisis, linked to the spread of dengue, Latin America has made similar mistakes to those experienced during COVID-19, especially in terms of the adoption of coordinated measures by countries to face the challenge of the pandemic more efficiently.

Dengue fever most commonly affects tropical and subtropical regions. WHO describes it as a viral infection transmitted by the bite of the Aedes aegypti mosquito,

15 Zamudio González, Laura. "Indirect governance of transnational crises: PAHO and WHO facing the Covid-19 pandemic in Latin America", *Foro Internacional*, vol. 51 No. 2 Mexico City, 2021. https://doi.org/10.24201/fi.v61i2.2832

16 Kerr-Oliveira, Lucas, Friggeri, Félix Pablo, Aguilera Cazalbón, Astrid Yanet and Morais Silva, Ana Karolina. "South American regional integration in the face of the Covid-19 pandemic. A geopolitical impact of the impacts on Mercosur and the region", *Revista Tempo do Mundo*, No. 25, 2021. https://repositorio.ipea.gov.br/bitstream/11058/13352/1/Tempo_Mundo_25_Artigo5_La_Integracion_regional.pdf.

although various structural causes favor its spread. These include deficits in physical infrastructure (housing and urban), in social conditions (poverty and inequality), in investment in citizen education to deploy prevention policies and in the design of a health prevention model on a regional scale through coordination and cooperation agencies.[17]

Most people who contract it are asymptomatic and improve within one to two weeks; however, more severe cases may require hospital care or even become fatal. Dengue poses a new regional challenge, as was COVID-19. Nature magazine points out that the situation will worsen in the coming years and by 2039 the infection could spread to almost all of Brazil and Mexico, the two largest countries in Latin America.[18]

In order for Latin American countries to more effectively combat the virus and the structural causes that favor its expansion, greater coordination, cooperation and intergovernmental collaboration at the regional level would be necessary. This would make it possible to develop a protocol for combating the pandemic at various levels, including the promotion of public-private partnerships. According to PAHO, the cumulative incidence up to May 2024 was 775 cases per 100,000 inhabitants, a figure much higher than in other years. In fact, there has been an increase of 243% compared to the same period in 2023, and 445% over the average of the last five years. The year 2023 saw the highest number of dengue cases in Latin America, with more than 4.5 million new infections. The situation worsened in 2024, with more than

9 million cases in June. However, this is not a phenomenon confined to Latin America and is becoming more and more common in the region. According to WHO, in the first four months of 2024 there were 2 million more cases worldwide than in 2023.

The Geography of Dengue in Latin America. Dengue outbreaks used to occur three to five years after the last epidemic, although recently its recurrence has intensified. The summer months are the most ideal for the spread of the disease, due to the heat and humidity during the rainy season, which favor mosquito breeding and the spread

17 WHO/PAHO. "Dengue. Pan American Health Organization, 2024. https://www.paho.org/es/temas/dengue

18 Nature. "Human movement and environmental barriers shape the emergence of dengue", 2024. https://www.nature.com/articles/s41457-024-48455-0

of the disease. However, the effects of climate change and high temperatures have favored transmission in any season.[19]

In the year 2024, dengue has become a regional challenge, which could soon become a structural problem. This time, the current outbreak began in the southern summer, in the Southern Cone, and then spread across the Andes. By the middle of the year 2024, everything pointed to the virus reactivating in Mexico during the northern hemisphere summer and increasing its incidence in Central America, where it was already high.

Table 1: Incidence of dengue fever in Latin America by subregions

Subregion	Increase compared to 2023	Most affected country
Central America and Mexico	92 % compared to the same period in 2023 and 155 % above the average of the last 5 years.	Mexico grew 354 % over 2023 and 357 % over the previous 5 years.
Caribbean	459 % over 2023 and 552 % over the average of the last 5 years	Dominican Republic grew 442 % over 2023 and 320 % over the previous 5 years
Andean Region	37 % compared to 2023 and 211 % of the promise of the last 5 years.	Peru grew 375 % over the previous five years
Southern Cone	The region that reported the most cases. 244 % compared to the same period in 2023 and 422 % compared to the average of the last 5 years.	Argentina, more than 1,387 % over the previous 5 years

Source: Prepared by the authors with PAHO data.

Until July 2024, the highest incidence had occurred in the Southern Cone, especially in Brazil, which was facing the worst dengue epidemic in its history. The Brazilian Ministry of Health confirmed at the end of May that five million cases had been exceeded. The previous maximum peak was recorded in 2015, with 1,580,000 cases. The figure was a record since 2000, when the historical series began. Since the beginning of 2024, more than 2,800 deaths have accumulated. The other Southern Cone countries were also experiencing the worst dengue pandemic of all time, and last March, Brazil, Argentina and Paraguay accounted for 85% of the cases in the entire region. In June 2024, Argentina accumulated more than 520,000 cases, with 355 deaths. In year-on-year comparison, the outbreak was 3.25 times higher than in 2023. Uruguay, a less affected country,

19 Torres R, Jaime R. "Dengue in Latin America: a unique situation?", *Universidad Central de Venezuela*, 2001. https://vitae.ucv.ve/pdfs/VITAE_1708.pdf

also set a record in June: 1,090 infections nationwide. Paraguay, meanwhile, had more than 45,000 cases and 120 deaths.[20]

Since the second quarter of 2024, dengue has been reactivated in the Andean zone, especially in Bolivia, with a preponderance in the Amazonian departments, starting with Cochabamba. In Peru, the government of President Dina Boluarte approved in April an emergency decree with extraordinary economic measures to reinforce the plan that was to counter the outbreak. Then 117 deaths had been recorded compared to 33 in the same period in 2023. Suspected cases also tripled to 235,314 in May, 251% more than the previous year. In Ecuador, from January to May 2024, there were more than 27,000 infections, almost the same number as in the whole of 2023 (27,838 cases). Colombia went from 131,784 cases in 2023 to 147,135 between January and May 2024. In Chile, where climatic conditions are different, dengue cases started later, being all imported.

The disease has spread in the same period outside the Southern Cone, especially in Central America. Despite the fact that the peak season for dengue fever is the end of the year, Guatemalan authorities declared a national health emergency in April due to the epidemic, which had caused 12 deaths and more than 17,000 cases so far this year. Dengue cases in Guatemala were 4.9 times higher than those recorded in 2023. Honduras declared a national health emergency in June after an increase in hospitalizations and deaths due to dengue while Panama accumulated more than 5,000 cases.

In the second half of 2024, the virus was expected to spread to Mexico, Central America and the Caribbean, coinciding with the summer. These countries were facing the onset of the season of greatest circulation of the virus, driven by the heat and rains, which favor its propagation. Its effects were seen from the beginning of the year. In 2024, there were 5,439 cases in Mexico, five times more than in the same period of the previous year, when it did not exceed 1,000. Dengue cases increased in Mexico by 458 % annually, to more than 55,000. As of May 31, the Dominican Republic counted 7,574 cases. In 2023, the Ministry of Health confirmed 27,972 more cases than in 2022. And at the end of June, the Cuban Ministry of Public Health announced that it is keeping the health system on alert due to the increase in dengue cases in 9 of the 15 provinces.

20 Rivas González, Raúl. "Historical outbreak of dengue fever in Argentina: what is the reason for the unusual spread of this disease?". *The Conversation*, 2024. https://theconversation.com/brote-historico-de- dengue-en- argentina-a-what-is-the-unusual-expansion-of-this-disease-due-228325.

Table 2: Declaration of a state of emergency

Country	Declaration of a state of emergency
Argentina	November 2023
Paraguay	November 2023
Brazil	January 2024
Peru	February 2024
Guatemala	March 2024
Bolivia	April 2024 (Cochabamba)
Colombia	May 2024
Honduras	June 2024

Source: Prepared by the authors

The Efforts to Stop Dengue. Governments have few short-term solutions available in the fight against dengue. Its spread responds not only to structural factors, but also to environmental factors that favor its expansion and escape its direct competition, such as rising temperatures and extreme weather events, in addition to El Niño and its sequel of rising temperatures and drought. Climate change is one of its obvious causes. The higher the temperature, the faster mosquitoes develop and the more rainfall there is, the more breeding sites proliferate. In recent years there has been a clear increase in temperature and a change in rainfall cycles.

However, in other aspects, public policies are decisive: investment in research (vaccines, cloning of mosquitoes, among others) and training of human capital (doctors, nurses, health personnel). There should also be a commitment to improving regional coordination, although the lack of regional integration structures and institutions is a major obstacle that slows down the introduction of improvements and best practices in the fight against the pandemic, as well as any attempt to increase collaboration, coordination and cooperation among countries.[21]

Research. One key to combating the pandemic is research. Precisely, a coordinated regional research effort would save costs, speed up results and reaction times.[22] In fact, pooling academic and research efforts with regional public policies would increase

21 Kourí, Gustavo. " Dengue fever, a growing health problem in the Americas", Pan American Journal of Public Health 19 (3), 2011. https://www.scielosp.org/pdf/rpsp/v19n3/30314.pdf

22 Ochoa Ortega, Max Ramiro, Casanova Moreno, María de la Caridad and Díaz Domínguez, María de Los Ángeles. " Analysis of dengue, its transmitting agent and prevention and control strategies", *Archivo Médico de Camagüey Magazine*;19, 2015: 189-202. http://scielo.sld.cu/scielo.php?script=sci_arttext&pid=S1025-02552015000200013

success in the fight against the epidemic. Scientific progress is already being made at the local level, but more coordinated and complementary initiatives are needed to achieve regional effects.

There are some national examples that could be replicated on a regional or subregional scale, but this requires greater coordination, cooperation and collaboration. A group of Brazilian researchers has implemented a method to combat the mosquito that transmits dengue fever: it uses the insect itself as a Trojan horse to spread a larvicide. It is a technique developed by the public Fiocruz Institute, which consists of filling a container with water containing a cloth impregnated with larvicide. Although it does not eliminate mosquitoes, it kills the larvae in the breeding sites. In Peru, they have created an artificial animal in the shape of a toad, which with its movements scares away the insect that does not spawn.

Regional collaboration would be key to boosting the industrial production of modified mosquitoes to combat dengue fever. *The World Mosquito Program* (WMP) is promoting a project to create aedes aegypti mosquitoes with wolbachia, a naturally occurring bacterium that about 50% of insects have, but not this mosquito. The bacterium prevents the spread of dengue, since the mosquito may have the virus, but does not transmit it. WMP has been extracting wolbachia from fruit flies and injecting it into the eggs of the aedes aegypti for more than 15 years. This program has yielded results in Australia, which has already been declared free of dengue, and Indonesia, where the incidence has dropped by 77%.[23] For the time being, this initiative only works in Colombia (with a biofactory in Medellin), Mexico, Honduras, Brazil and El Salvador.

As with COVID-19, the region not only lags in research, but also acts in an uncoordinated manner with regard to vaccines. In the case of dengue, in October 2023, the WHO recommended the use of TAK-003, manufactured by the Japanese pharmaceutical company Takeda. The vaccine is based on a weakened version of the dengue virus. In May 2024, the WHO had prequalified the drug, a process that evaluates the quality, safety and efficacy of drugs. It was the second vaccine to be prequalified by WHO, which recommends administering it to children aged 5 to 15 years in high dengue burden and high transmission intensity settings.

Nevertheless, the region continues to act in a very uncoordinated manner. The vaccine has only been approved in Brazil, Argentina and Colombia and is under

23 Salvá, Ana. "There is still hope to eradicate dengue" El Pais, November 3, 2020. https://elpais.com/planeta-futuro/2020-11-03/aun-hay-esperanza-para-erradicar-el-dengue.html

regulatory review in other countries, including Mexico. Brazil alone developed a pilot vaccination plan for three million people with Takeda's Qdenga. Meanwhile, Paraguay is still awaiting further experimental results. In Bolivia, the Ministry of Health does not recommend its application and in Argentina, the Ministry of Health issued a communiqué rejecting its mandatory use despite the fact that in April 2023 it recognized its safety, but there is not sufficient consensus to include it in the national vaccination schedule.

Investment in Human and Physical Capital. Poverty, together with poor living and sanitation conditions, as well as the deficient physical infrastructure that affect many Latin American cities are causes of the spread of the virus.[24] Rapid population growth and unplanned and accelerated urbanization also play a crucial role in the increase of dengue cases. The feedback of precarious living conditions, with insufficient sanitation and drinking water, exacerbate the problem and create a favorable environment for the proliferation of mosquitoes.

In the 20th century, Latin America urbanized rapidly.[25] Between 1970 and 2000, the urban population increased by 240%. Today, more than 80% of its inhabitants live in cities and, by 2040, the figure will increase to 85%. Accelerated urban growth, without comprehensive planning, has resulted in cities facing serious habitability and sustainability problems. There is also a set of facts that help spread dengue fever, such as the proliferation of substandard housing, precarious settlements, illegal occupation of marginal lands, and the higher economic and social costs of access to basic infrastructure and quality urban goods and services.

These characteristics of Latin American urbanization favor the spread of pandemics. Medium and large cities become epicenters of massive demographic flows. Prolonged journeys in crowded public transportation (buses, trains and subways) facilitate contagion. Something similar occurs with housing, where the coexistence of families with three or more generations in the same small dwelling, even in the same room, further complicates matters.

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24 Lemos, Gilda. "Dengue, a re-emerging social problem in Latin America. Strategy for its eradication", *Biotecnología Aplicada* 23(2), 2005: 130-135. https://www.researchgate.net/publication/258393328_Dengue_un_problema_social_reemergente_en_America_Latina_Estrategia_para_su_erradicacion

25 IDB and Celade. "Urban Growth in Latin America. Cepal, San José de Costa Rica, 1975. https://repositorio.cepal.org/handle/11362/8609; Mejía Pavony, Germán R. " The urban adventure in Latin America". *Fundación Mapfre/Taurus* (Latin America in contemporary history, Series tours), 2013. https://documentacion.fundacionmapfre.org/documentacion/publico/en/bib/150408.do

The region has a large housing deficit. One out of every three families, 59 million people, live in precarious housing, generally small, built with inadequate materials or lacking basic services. Nearly two of the three million families that are formed each year are forced to move into informal housing due to the insufficient supply of adequate and affordable housing. The deficit has increased systematically since 1990.[26]

Inequality stalks Latin American cities. This is manifested in income distribution, but also in housing and access to goods and services (education, health, credit systems, etc.). According to ECLAC, the percentage of extreme poverty in 2023 was 5.2% of the population and poverty was 29%. The Gini coefficient is around 0.45, although several cities far exceed these figures. The difficult social situation complicates the access to housing and increases the number of informal settlements, which is fed by between 20 % and 50 % of the population of Latin America's large cities. Massive migration from rural to urban areas and intra-urban mobility of higher income sectors (from the center to peripheral neighborhoods with gated communities) have reordered the urban space, marked by high levels of socioeconomic and geographic segregation.

Although dengue is not a disease only of the poor, poverty is the best breeding ground and serves as a springboard for it. In Argentina, for example, the provinces most affected by dengue have the highest poverty rates. The three provinces with the highest incidence (cases per 100,000 inhabitants) are Catamarca (45% poverty and 1,545 cases per 100,000 inhabitants), Chaco (55% poverty in the Gran Resistencia area and 1,499 cases per 100,000 inhabitants) and Formosa (47% poverty and 1,454 cases per 100,000 inhabitants).

The incidence of dengue is much higher where living conditions are poorer: communities with inadequate infrastructure, without safe drinking water or effective solid waste treatment, with open-air dumps, which favor the multiplication of the mosquito. Reducing poverty and improving habitability and access to drinking water would be an effective barrier to contain the spread of the virus. The Aedes aegypti leaves its larvae in water, so places where water stagnates after rainfall, in buckets that many poor communities use to store water, or in tires, plastic and other waste strewn on public roads, are the most suitable places for larvae to grow. Social behavior and socioeconomic factors influence the spread of diseases caused by this type of vector.

26 UN-Habitat. "Housing Deficit in Latin America and the Caribbean". *United Nations Human Settlements Programme*, 2015. Accessed August 20, 2024. https://unhabitat.org/sites/default/files/download-manager-files/D%C3%A9ficit%20habitacional.pdf

The Department of Tropical Medicine of the Central University of Venezuela studied that people living in shantytowns are 13 times more likely to be infected by dengue than someone living in an apartment or house.

Public policies should provide health services with resources, educate citizens about good habits and improve infrastructures. The link between dengue and social vulnerability is related to the quality of housing, overcrowding, the way water is stored and waste is treated. Added to this are the difficulties in accessing health centers and buying repellents or other ways of keeping mosquitoes away.

This strategy includes strengthening surveillance, early diagnosis and timely treatment. Investing in poverty reduction and in the improvement of physical and human living conditions will result in greater social and health benefits. This involves intensifying efforts to eliminate potential mosquito breeding sites, improving protection against bites, preparing health services for early diagnosis, and educating the population on the need to go immediately to primary health care centers at the first signs of dengue.

Investment to improve infrastructure helps to prevent the virus from spreading. In Argentina, for example, 92% of the population is urban and one in three households have problems in their homes due to lack of connection to basic services, such as drinking water, electricity or sewage. In addition, there is critical overcrowding, with more than three people per room. These problems increase the chances of contracting dengue fever. The last census shows that, although 93% of private homes have piped drinking water, 15% have no access to it and 43% do not have sewage. At the same time, there are large differences between provinces. While in Misiones, 77 % do not have sewers, in the City of Buenos Aires this figure drops to 1.5 %. In Argentina, there was a disordered expansion of cities, which led to the construction and expansion of shantytowns and temporary settlements, on the one hand, and more gated communities (country clubs), on the other. In Argentina's 33 urban conglomerates there are more than 6,000 poor neighborhoods where 90% have no running water, 97% have no sewage system, 99% have no gas and 55% have no formal electricity.

It is essential to invest in human capital (education) to continue training and raising awareness among the poorest population about the need to develop practices such as "descacharreo" in winter. The "descacharreo" consists of removing from homes and their surroundings all types of objects that represent a potential mosquito breeding

place (any receptacle that can store stagnant water, such as pot holders), so that there are no available places to deposit larvae and that in September/October the eggs do not hatch. Therefore, prevention campaigns, public awareness and school education are key to contain outbreaks.

Brazil is an example of public policies focused on awareness and education. The government distributes dengue vaccines through the public health system, but due to the low number of doses available, their application was initially limited to children and adolescents. However, the age limit was later raised to 59 years, due to the low response of citizens to be vaccinated.

Commitment to Regional Coordination. The LIV Ordinary Meeting of Mercosur Ministers of Health, held in June 2024, showed the regional deficits in dealing with health crises. There, the need to develop a comprehensive management strategy to combat the dengue, zika and chikungunya viruses, which has not been in place until now, became apparent. Each country has a particular health situation and must adapt the best strategies in this regard. The key is to foresee environmental control mechanisms and improve laboratory capabilities to diagnose dengue, zika and chikungunya viruses. Paraguay's Minister of Health, María Teresa Barán, pointed out that the country does not work as a regional bloc when it comes to transferring knowledge and experiences between countries and increasing the production of medicines, supplies and health technologies.

The health ministers stressed that, in the case of dengue, as with COVID-19, each State wages war on its own, with little or no coordination, collaboration and cooperation schemes, whether regional, subregional or bilateral. The lack of regional coordination facilitates the spread of the virus, as occurred with COVID-19. Latin America, with only 8.2% of the world's population, had nearly 80 million cases and 1.7 million deaths (28% of the world total). These catastrophic figures have highlighted the need for a coordinated and effective regional response. According to The Lancet, the COVID mortality rate in Latin America during 2020 and 2021 was 1.99, almost double the global rate of 1.04.[27]

27 The Lancet. "Global age-sex-specific mortality, life expectancy, and population estimates in 204 countries and territories and 811 subnational locations, 1950-2021, 2024 and the impact of the COVID-19 pandemic: a comprehensive demographic analysis for the Global Burden of Disease Study 2021". https://doi.org/10.1016/S0140-6736(24)00476-8

Table 3: Excess mortality from COVID-19 per 1,000 inhabitants

Region/Global Average	Mortality per thousand inhabitants
North Africa and Middle East	1,33
South Asia	1,28
Sub-Saharan Africa	1,13
Global Media	1,04
Western Europe	0,85
Southeast Asia	0,70
Oceania	0,59

Source: Prepared by the authors with The Lancet data.

The health challenges faced by Latin America, first by COVID-19 and now by dengue, have revealed the lack of coordinated responses and solutions at the regional level to face these types of challenges. In the case of COVID-19, Latin American countries responded in an uncoordinated manner to the challenges of the pandemic. Now, again, with dengue, the lack of coordination has been evident. The vaccine has been endorsed by the EU, Indonesia, Brazil, Argentina and Colombia. Currently, there is a regulatory review process in other countries, such as Mexico. The Brazilian government decided to pilot a mass vaccination plan with TAK 003. In this context of lack of coordination, proposals such as the one formulated by a group of former Ministers of Health and academics in the magazine The Lancet is in line with the idea of advancing in practical policies of greater coordination, cooperation and regional collaboration in the face of common challenges, in this case health challenges. The idea is to create a Latin American Regional Center for Disease Prevention and Control (LATAM CDC).[28]

Initiatives of this type should have some useful characteristics that would make it possible to avoid the problems that have hindered other attempts at regional integration, such as the excesses of ideology and nationalism, and the deficit of leadership.[29] Since the end of the last century, the excess of ideology has hindered

28 García, Patricia, Saavedra, Jorge, Espinoza-Pajuelo Laura, et al. "Why Latin America needs a regional Centre for Disease Control and Prevention", *The Lancet*, Vol 402, 2024. https://doi.org/10.1015/S0140-5735(24)00813-4

29 Malamud, Carlos. "Regional integration and cooperation in Latin America: diagnosis and proposals", *Real Instituto Elcano Working Paper*, 2015. https://www.realinstitutoelcano.org/documento-de-trabajo/integracion-y-cooperacion-regional-en-america-latina-diagnostico-y-propuestas/; Malamud, Carlos. "The integration crisis is played out at home", *New Society*, n.° 219, 2009. https://biblat.unam.mx/hevila/Nuevasociedad/2009/no219/7.pdf.

concrete advances in regional integration. While the Chavista left promoted Celac, ALBA or Unasur, the right tried to paralyze these projects with alternatives such as the Pacific Alliance or Prosur. In the end, none of these schemes has been consolidated. Some have disappeared, while most of them barely survive in a state of semi-paralysis.

If they can be developed, the regional integration bodies responsible for coordinating the fight against epidemics should be governed by scientific criteria, creating technical centers of excellence, free from political interference, capable of promoting cooperation and horizontal coordination between countries, training public health professionals and standardizing practices for prevention, preparedness and response to pandemics.

Integration implies relinquishing various national competencies in favor of a supranational body, abandoning those nationalistic impulses that limit or slow it down. To avoid this, a body with supranational competencies should be created, with autonomy to collect and exchange data, to monitor national and regional disease trends in real time, and to develop public health goods and new digital technologies in response to the challenges posed. Above all, it should enjoy sufficient authority to declare states ofpublic health emergencies, which allow for the prompt and effective mobilization of regional resources in a coordinated manner.

Such an initiative requires strong institutional support and regional leadership. The proposed body, the LATAM CDC, should have an inclusive governance structure, similar to that of other existing institutions, and should involve governments, academic institutions, international organizations, the private sector and civil society. Countries with more developed health systems, such as Brazil, Argentina and Mexico, should play a leading role in promoting this project, although at the moment there does not seem to be either the political will or the internalization of the advantages of promoting such an initiative.

Conclusions

Initiatives to promote greater regional coordination in health matters, most of which are limited or impossible to implement, point to a serious structural problem: there is no regional strategy in Latin America for collaboration, cooperation and coordination in the fight against common health problems, in this particular case dengue fever.

PAHO plays an important but insufficient role, despite its hemispheric scope and because it is not a regional integration body. Its activities include disease prevention,

surveillance, health education and the strengthening of health systems. In order to strengthen the above-mentioned values (collaboration, cooperation and coordination), it would be necessary to promote public health policies at the regional, subregional or even bilateral level. This has serious limitations, since PAHO's governance structure, which includes the U.S. and Canada as well as Cuba, is intergovernmental and does not promote horizontal cooperation between countries. PAHO was the only hemispheric agency with sufficient organizational capacity to facilitate some transnational coordination during COVID-19. It would be good if these tasks could be fulfilled again with dengue. The existing limitations, starting with the decentralization of health decisions in Latin America, generated in 2020 a high fragmentation of responses and reduced the effectiveness of coordination mechanisms. PAHO lacked and still lacks coercive intervention instruments to coordinate the different national actors, which limited compliance.

COVID-19 and dengue have demonstrated the need for regional bodies with sufficient organizational capacity to foster transnational coordination, with intervention instruments that can lead common initiatives. Dengue appears as a growing challenge (its mosquito-borne transmission potential has increased by 54 % between 1951-1950 and 2013-2022) and of regional scope. Research published in Nature Communications indicates that by 2039, 97 % of localities in Brazil will be affected by dengue and 81 % in Mexico. The fight against dengue, and any other epidemic, requires the design of regional strategies.

These strategies are essential to achieve a triple virtuous effect: (1) Promote cooperation and collaboration in a way that is not ideologically biased and is not influenced by electoral ups and downs. Based on efficiency to optimize resources, reduce response times, improve public health capabilities, share knowledge and take advantage of individual experience to improve collective capabilities. The idea is to design organizations similar to those existing in the EU and Africa that can provide joint responses to common challenges, facilitate coordination, share resources, strengthen capacities for manufacturing drugs and other health inputs, and negotiate supplies (vaccines, repellents, etc.) collectively. They should also be able to respond rapidly and jointly to outbreaks that may occur in any country in the region. The possibility of unitary action would make it possible to take advantage of existing capacities in each of the Latin American states, minimizing duplication. One example is the PAHO Revolving Fund, which operates as a channel for the purchase of vaccines through which member states are recognized as a unified bloc. (2) Such collaboration

can strengthen national health systems, boosting health development through the need to invest in human and technological capital and infrastructure. (3) Finally, by encouraging spaces for dialogue and partnership, horizontal cooperation would contribute to the establishment of a resilient health infrastructure and advance public-private collaboration at the regional level.

The key is to compensate for the deficits of existing regional institutions, opting for a more scientific approach focused on regional cooperation and collaboration, as suggested by some studies such as that of Ruano and Saltalamacchia.[30] An approach oriented to technical issues, accompanied by the creation of professional bodies with sufficient institutional autonomy to promote greater cooperation. This would make it possible to avoid the existing political and ideological disagreements resulting from the current fragmentation of Latin America.

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30 Ruano, Lorena and Saltalamacchia, Natalia. "Latin American and Caribbean Regionalism during the COVID19 Pandemic: Saved by Functionalism?", *The International Spectator*, 55(2), 2021: 93-113. https://www.iai.it/en/pubblicazioni/latin-american-and-caribbean-regionalism-during-covid-19-pandemic-saved-functionalism.

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Latin America in the New

GLOBAL GEOPOLITICS

Paul Eduardo Vera Delzo and Román D. Ortiz, Coordinators

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