







Robert Schuman

Miami-Florida European Union Center of Excellence

The European Union and Post-Cold War Defence Policies in South America

Marcos Aurelio Guedes de Oliveira





Vol. 14 No. 10 May 2014

Published with the support of the European Commission

The Jean Monnet/Robert Schuman Paper Series

The Jean Monnet/Robert Schuman Paper Series is produced by the Jean Monnet Chair of the University of Miami, in cooperation with the Miami-Florida European Union Center of Excellence, a partnership with Florida International University (FIU).

These monographic papers analyze ongoing developments within the European Union as well as recent trends which influence the EU's relationship with the rest of the world. Broad themes include, but are not limited to:

- > The collapse of the Constitution and its rescue by the Lisbon Treaty
- > The Euro zone crisis
- Immigration and cultural challenges
- Security threats and responses
- > The EU's neighbor policy
- > The EU and Latin America
- > The EU as a model and reference in the world
- Relations with the United States

These topics form part of the pressing agenda of the EU and represent the multifaceted and complex nature of the European integration process. These papers also seek to highlight the internal and external dynamics which influence the workings of the EU and its relationship with the rest the world.

Miami – Florida	Jean Monnet Chair Staff
<i>European Union Center</i> University of Miami	Joaquín Roy (Director) Beverly Barrett (Associate Editor) María Lorca (Research Associate)
2300 Campo Sano Building, 220C Coral Gables, FL 33124-2231 Phone: 305-284-3266	Maxime Larivé (Research Associate) Dina Moulioukova (Assistant Editor)
Fax: (305) 284 4406 Web: <u>www.miami.edu/eucenter</u>	Florida International University Rebecca Friedman (Co-Director)

International Jean Monnet Editorial Advisors:

Philippe de Lombaerde, UNU/CRIS, Brugge, Belgium
Michelle Egan, American University,
Kurt Hübner, University of British Columbia, Vancouver
Finn Laursen, University of Southern Denmark
John McCormick, Indiana University, Purdue
Félix Peña, Universidad Nacional de Tres de Febrero, Buenos Aires, Argentina
Manuel Porto, University of Coimbra, Portugal
Lorena Ruano, CIDE, Mexico
Eric Tremolada, Universidad del Externado de Colombia, Bogotá, Colombia
Roberto Domínguez, Suffolk University, Boston
Francesc Granell, University of Barcelona

The European Union and Post-Cold War Defence Policies in South America

Marcos Aurelio Guedes de Oliveira¹

After the Second World War the Organization of American States (OAS) was regarded as the achievement of a historic identity between the US and the rest of the Americas concerning republican and democratic ideals and an opportunity for backward Central and South American countries to bring the powerful US to help in their search for development and for creating democratic institutions.

By the late 1950s, Brazil had realized that the region was not receiving enough attention from the US in exchange for its commitment and loyal support in international matters and its economic dependency. The Cuban crisis had caused a first major division between the US and its other American partners. Accused of being no more a source of modernization and of siding with traditional oligarchy elites, the US has experienced mounting opposition in Central and South America since then. The growing support to military dictatorships had discredited both the US image of democratic leadership and the OAS as a balanced institution capable to support democracy and development.

After the 1970s, the Cold War entered on a less conflicting period and the restructuring of European big economies as well as Japan had created new economic and political partners to countries like Brazil who were willing to move into a more independent position within the inter-American system. The defence core principle of the OAS was the Inter-American Treaty of Reciprocal Assistance (ITRA), the first regional agreement based on United Nations article 51 establishing that an attack to any American country would be considered an aggression by all American countries, the US included. In 1982, the Malvinas War had brought Britain and the US to the same side against Argentina's will to retake its claimed territory. ITRA was perhaps the war's main casualty. Latin American illusions of US support and protection came to an end and the region realized that OAS imbalanced situation disfavoured it too much and a new way for developing regional security and defence should be found.

The end of the Cold War brought not only new hope for the project of the European Union but also to South American integration. The set of agreements between Brazil and Argentina have put an end to a regional dispute that was an obstacle to the start of a strong regional integration process.

At the hemispheric level, the transition to democracy represented a boost for the OAS, enshrined in the Cartagena Protocol (1985), where the nations of the hemisphere agreed that "representative democracy is an indispensable condition for the stability, peace and development of the region." Furthermore, greater capacity of action was given to the Organization Secretary General, which could,

¹ Dr. Marcos Aurelio Guedes de Oliveira is Associate Professor at Federal University of Pernambuco, Brazil, working at the Department of Political Science. He is CNPq and CAPES researcher and has written on regional integration, security and democracy as well as on Brazilian foreign policy.

from then on, "bring to the attention of the General Assembly or the Permanent Council any matter which in his opinion might threaten the peace and security of the continent and the development of Member States. Examples of this change in attitude can be observed in the conduct of electoral missions (Haiti, Nicaragua), the role played in negotiating ceasefire in conflicts in Central America (El Salvador) and the defense of the democratic system in the region (during the military coup against Haitian President Jean-Bertrand Aristide in 1991).

Despite these advances, the OAS continued to be criticized, especially in regard to its limitations to address the main problems of the continent. The organization still suffered with the conflicts between the US and other countries of the continent. To respond to this situation, Brazil took many initiatives together with other South American countries to produce a regional space for collective decisions and actions in terms of defence and security. The Group of Rio, the Presidential South American Summits and the Latin America-Caribbean Summit, convened by Brazil, were attempts to organize cooperation among countries of the continent without the US "tutelage". The boldest initiatives were the creation of the South American Union (Unasul), which became the key regional institution on security and defence and the *Bolivarian Alliance* for the Peoples of Our America (Alba) that has taken a more radical approach in denouncing US attempts to intervene in regional political matters.

Exploring new alternative to deal with security: Rio Group and Unasul

The EU model became a lighthouse for the region in its search for finding regional arrangements capable of fulfilling its post-Cold War needs. The Southern Common Market (Mercosur) was regarded as the most important agreements that led to today stage of regional cooperation. This era started with the signature of Ata de Iguacu by Brazil and Argentina in 1990 and the creation of the Brazilian-Argentine Nuclear agency. These were key steps for the formation of Mercosur. Because it was mainly a common market agreement and limited to the Southern area of South America, the countries of the region felt the need to have a different forum to address the Colombia conflict. The Group of Rio was created in 1986 by the Contadora Group, Mexico, Colombia, Venezuela and Panamá, and its supporting group formed by Brazil, Argentina, Peru and Uruguay. It was aimed at finding solutions for the political instability present in Central America and Colombia. It played an important role in voicing the regional view and avoiding conflict escalation in the region. On its fourth meeting in Cancun, Mexico, 2008, it was transformed into a larger organization called Latin American and Caribbean States Community (CELA).

It was Brazilian President Fernando Cardoso who invited South American Presidents to participate in September 2000 on what later became known as the First South American Presidential Summit. According to Cardoso's assessment the meeting was historic and represented a step forward to the construction and exchange of common experiences on democracy, peace, justice and prosperity for all countries of South America. He pointed out five key decisions taken at the meeting.²

First, the countries of South America must strive together to keep and consolidate democracy, human rights and freedom in the region. And this must take into account the history of the great South American leaders that fought for independence and freedom. Secondly, Mercosur and the Andean Community must move into shaping an enlarged South American free trade area including also Guyana and Surinam. Thirdly, each country is expected to draw a plan and projects for the development of South American energy and transport infrastructure. They would count with the support of the Inter-American Development Bank and other regional institutions to finance these projects.

The Initiative for the Integration of Regional Infrastructure in South America (IIRSA) was launched. This initiative aimed at developing the Amazon area by financing roads, waterways, bridges and making the State present in faraway and isolated areas dominated by crime and poverty. The Brazilian Bank of Development, BNDES, was another main tool for the financing of these projects. Fourthly, a committee was created to combat money laundering as well as corruption and organized crime in the financial sector. Fifth, a regional fund was created to foster common development of sciences and technology. The seed of the South American Union was planted and the debate on regional integration began to introduce issues other than trade.

The Second South American Presidential Summit held in Guayaquil, Ecuador in July 2002 advanced the decisions taken in Brasilia and represented an assurance that the Presidential summits were a new and very important multi-lateral mechanism for the region. The countries of the Great Caribbean and of South America had the opportunity to discuss ways of linking their economies and search for solutions to common problems.

The Guayaquil Consensus issued by the Summit emphasized the development of physical infrastructure for continental integration. Transport, telecommunications and energy were designated as the key elements of IIRSA, launched at the First Summit. IIRSA's guiding vision is to facilitate integration within the three main coastal zones of South America-Caribbean, Atlantic and Pacific-and to link these with the continent's internal regions. IIRSA's Technical Coordinating Committee is composed of three key financial institutions: the Inter-American Development Bank (IDB), the Andean Development Corporation (CAF), and the Financial Fund for the Development of the River Plata Basin.

Following up the call for projects at the Brasilia Summit, 162 projects in the three priority sectors for financing and implementation were identified. These include a bold scheme for road transportation linkages among Brazil and its neighboring countries. In Guayaquil, the Foreign Ministers of Venezuela and Guyana agreed to establish a Technical Committee on the construction of a direct road link between the two countries. Other agreements on the development of transport infrastructure have been signed between Bolivia and Chile, Chile and Mercosur, Chile and Argentina, and Brazil and Paraguay. There is

² Fernando Henrique Cardoso, "Cúpula Sul-Americana:Uma Avaliação" in Correiro Brasiliense 7 March

also a major project for the development of multi-modal transport to link the countries in the Amazon River Basin to the Atlantic and the Pacific.

Trade concerns were overshadowed by the initiatives for fostering the infrastructure projects. Security was also on the Presidents' agenda when they adopted a Declaration on keeping South America a Zone of Peace. The South American Peace Zone was a step to prepare the region to face the possible escalation of conflicts in Colombia and also aimed at gradually reducing military spending in the continent so as to release more resources for investments.

The South American Community of Nations, later Unasul, was launched at the Third South American Presidential Summit in the Peruvian city of Cuzco in 2004. Peruvian president Alejandro Toledo, declared a new country out of the convergence between Mercosur, the Andean Community, Chile, Surinam and Guyana was being born and it would one day have a common currency, parliament and passport. He said the new community would also help member nations to confront the challenges of globalization and if in the past, geography divided South America, today it unites it. For him, it creates a market of 361 million people. According to the Cuzco declaration the South American countries shall improve the coordination of regional diplomacy and politics towards the outside world. It also called the regional business to come forward and participate in the process of integration.

The Union of South American Nations (Unasul) was finally created in May 2008. Unasul represented a radical shift to the region. Trade was no longer the only main issue. South American countries were free to enhance their power and practice diplomacy among them and with the outside world as they never did. Despite strong differences in style among South American leaders, they all seemed to agree on the need to construct a regional pole of political power in order to influence world politics. At this point all regional interest were being shaped within the regional borders and following regional and national interests.

The South American Defence Council

The South American Defence Council (SADC) was created in May 2008 as a consulting, cooperation and coordination body of Unasul. Its main objectives are (i) to help consolidate South America as a democratic and peace zone; (ii) to construct a regional defence identity that would enhance regional unity and (iii) to create consensus of cooperation on defence³.

The First SADC meeting was convened in March 2009 and a plan of action was approved for the following two years. It consisted on working on proposals about: military cooperation and humanitarian action; technology and defence industry; training. It was decided that there would be a flow and exchange of information about the national system of defence. a) The White papers that were already published are

³ Key documents are found at http://www.unasursg.org/inicio/documentos/consejos/consejo-de-defensasuramericano.

to be enlarged with more information. b) notification to Unasul countries of military exercises and other military activities as well as invitation for them to send observers. c) cooperation on issues of security, particularly at their common borders. d) respect to national sovereignty and to regional peace zone and mission for verification on military installations.

Perhaps the boldest initiative was the Argentine proposal to create Centro de Estudos Estratégicos de Defesa (CEED) in Buenos Aires, a center dedicated to the study of regional peace and defence and a space for exchanging ideas and fomenting a regional view on defence.

In 2011 at the Meeting of the South American Defence Ministers a new and clearer set of actions were established within the same lines of the previous one. The first one is that it should put in motion its research side by supporting the production of reports, analysis and the creation of a center of documentation and information open to participation of the scientific community. A second action is to support and enhance relationship among the institutions that participate at the SADC. By fostering analysis and debate on regional defence aspects, the Center aims at helping to region to better understand its complex set of national perceptions about defence and to create a common and strong regional defence doctrine.

Together with the creation of the CEED, a number of proposals and initiatives concerning the development and production of military equipment by SADC members have come to light. Two working groups were created to propose the project of a regional training airplane and of a regional Unmanned Aerial Vehicle. The growing Brazilian military industry is trying to develop equipment together with other regional partners aimed at the region's geostrategic needs and there is a set of ongoing initiatives concerning joint projects, joint missions in order to bring together defence personnel from different countries and make them exchange experiences and think collectively.

One last aspect of defence has to do with the protection of regional natural resources. For instance, niobium, lithium, rare earth materials, sweet water as well as energy from petrol, gas, water, Sun, biofuels, etc. Traditionally natural resources have been exported from South America at a low price and imported when industrialized by a very high price. The countries of the region want to give attention to the vast natural reserves available and to change for good this unequal exchange situation.

* * *

All South American countries have at least one reason each to support cooperation on defence at a regional level. Recently all countries were concerned that an US intervention in the war in Colombia could trigger a larger regional conflict. All do fear renewed intervention by the US, Britain or other global power; some agree with the need to have an institutional body to deal with hegemonic Brazil, and many agree that a successful institution will help them to deal with conflicts within the region.

In the tracks of the EU search for a common defence policy, South America has awaken to the strategic importance of regional cooperation on defence and has, with the lead of Brazil and Argentina, forwarded a set of long term initiatives that might create and consolidate a regional security and defence community. The weakness of backward state structures and the heritage of the Cold War remain as a problem for many regional countries to break away from nationalism and embrace the advantages of regionalism on defence.