

**SCENARIOS FOR THE NEXT
GENERATION OF CRISES IN LATIN
AMERICA**

R. Evan Ellis

Mclean, VA
23 June 2005

Booz | Allen | Hamilton

SCENARIOS FOR THE NEXT GENERATION OF CRISES IN LATIN AMERICA

23 June 2005

Introduction

The political environment in Latin America has deteriorated in recent years to the point at which it is now possible to foresee the emergence of a series of new crises that will demand the attention of U.S. military planners. The inability of Latin American democratic governments to effectively address the core socioeconomic problems of their societies has fueled populist political dynamics throughout the region. In Venezuela, the ability of Hugo Chávez to resonate with the sentiment of marginalized and alienated sections of society allowed him to capture the institutions of the state and transform a country that had been considered a stable democracy and a strategic bulwark against Cuba into a major problem for the United States in the region. In recent weeks, politically mobilized indigenous and other populist groups have played important roles in the ouster of democratically chosen leaders in Bolivia¹ and Ecuador. Peru appears to be on the brink of a succession crisis, with Peruvian president Alejandro Toledo holding onto power with an approval rating of less than 10% in the face of strong opposition by a coalition of indigenous and other populist forces. South of the Andean region, discontent with the status quo has brought socialist parties to power in Brazil, Uruguay, and Argentina, while the socialist party has deepened its control in Chile, with a divided opposition offering multiple candidates for the upcoming presidential election.

Whereas U.S. dominance of the region was once a generally accepted fact, the southern cone today from the U.S. perspective, can be characterized into two camps: difficult situations and emerging crises. The “less problematic” portions of South America are today those dominated by socialist countries courting China and seeking economic integration and political alliances which exclude the U.S. The “more problematic” countries—concentrated in the Andean Ridge—are marginal democracies whose insufficiently responsive political institutions either have already broken, or are on the verge of breaking in the face of a wave of radical populism sweeping the hemisphere.²

While the U.S. has invested significant resources in its strategic and military relationships with countries such as Colombia, the next generation of crises in Latin America that may demand a significantly increased military role are likely to occur as a

¹ The term “democratically chosen” is deliberately used to reflect that Carlos Mesa came to power in Bolivia in 2003 in accordance with a democratic succession process following the resignation of the previous president, Gonzolo Sánchez de Lozada.

² For an excellent discussion of radical populism in South America and the dangers that it presents to U.S. national security interests, see Steve Ropp, “The Strategic Implications of the Rise of Populism in Europe and South America.”. Carlisle Barracks, PA: U.S. Army War College Strategic Studies Institute. June 2005.

function of the intersection of such populism, insufficient institutions, and persistent socioeconomic problems, in countries such as Bolivia, Venezuela, Peru and Ecuador. Many policymakers explicitly or implicitly argue that the sociopolitical implosion of our own hemisphere is less pressing than other national security concerns. For these individuals, it is useful to recall the period between World War I and World War II, in which U.S. military planners--then as now confident in the inevitable global march of democracy--were focused on minor contingencies such as unrest in the Philippines and Mexico, and thus completely missed the danger posed by fascism and Nazism sweeping through the broken institutions of post-war Europe, until the forces of those populist movements had unmistakably transformed the entire strategic landscape.³

Without arguing that the populism today sweeping the Andean ridge is strategically equivalent to the dangers posed by radical populism in interwar Europe, the dynamics posed by this Latin American populism poses a series of national security challenges that merit serious consideration.

SCENARIOS FOR CRISIS

Military planners have long recognized that the use of scenarios and interactive gaming is an effective tool for understanding and preparing for an otherwise vaguely-defined national security challenge. While it is difficult to predict with precision what will happen as a consequence of the intersection of populism and inadequate institutions in Latin America, it is possible to use scenarios to illustrate what could happen.

The balance of this paper thus presents three scenarios regarding how a crisis might unfold in Latin America, requiring the attention of U.S. military planners. The scenarios are not offered as predictions of the future, but rather, illustrations of some of the types of difficult planning tasks that DoD could face as a result of dynamics currently unfolding in the region:

1. ***Bolivia Disintegration and Non-Combatant Evacuation Operations (NEO).***
In the early months of 2006, Bolivia holds simultaneous elections for the presidency and both houses of the legislature. Populist leader Evo Morales comes to power through an alliance of disparate leftist and indigenous parties and moves to nationalize the Bolivian hydrocarbons industry to appease the demands of his followers. Within the same timeframe, a referendum held by the governments in the petroleum rich departments of Santa Cruz and Tarija overwhelmingly vote for autonomy from La Paz and the right to control their own resources...while a concurrently held national constituent assembly dominated by populist factions in the Bolivian northwest rejects all proposals for decentralization. Santa Cruz and Tarija--citing the referendum results--deny the right of the central government to expropriate their petroleum resources. The new Morales government calls upon the military to occupy the oil fields. In the face of constitutional ambiguity, the military remains in its barracks. Labor

³ For an elaboration on this key point, see Steve Ropp, "The Strategic Implications of the Rise of Populism in Europe and South America." Carlisle Barracks, PA: U.S. Army War College Strategic Studies Institute. June 2005.

organizations and indigenous groups again rise up in protest, resulting in significant violence against oil interests and foreign nationals. The police in each region align with the governments of their departments—including in La Paz, where the police appear to stand aside as radical followers of the new Morales government riot against oil interests, western businesses, and foreigners. The U.S. decides to evacuate its nationals. The Department of Defense (DoD) is tasked to begin planning the operation, in coordination with the Department of State (DoS). The European Union also decides to evacuate its own nationals from La Paz.

Key issues raised by the scenario include:

- Coordination of U.S. and European efforts where they have never worked together before
 - Conduct of a NEO in a landlocked country
 - Considering the use of land routes in which the number of roads are limited, and blocked by protesters
 - Considering the use of the commercial airport when the route that connects the capitol to the commercial airport goes through the heart of opposition territory (El Alto).
 - Considering the use of helicopter from a city in which high altitudes which significantly inhibit helicopter performance
 - Spillover violence in southern Peru that has paralyzed the ability of the Peruvian government to openly support the NEO, refusal by the Bolivians to allow military operations from Chilean territory
 - Resistance by Argentina and Brazil to do anything that could inhibit their ability to buy gas from the new Bolivian government
 - Complicating factors, including evidence that through the Venezuelans, the new government is bringing in the Chinese to help nationalize the hydrocarbons industry
2. **Narcotics Surge in Peru.** A sustained increase of aerial spraying against the growing of coca leaf and heroine poppies in Colombia--as well as increased government presence in remote rural areas of that country continues to displace narcotics production into Peru. When Alvaro Uribe is re-elected as president of Colombia in 2006, a number of key narcotics producers consciously decide to move their operations to San Gaban and the Alto Huallaga region of Peru, where government presence tends to be relatively light. The move causes a major spike in coca production in the region, as well as a new wave of rural violence as the Colombian groups encroach on territory once loosely controlled by weaker Peruvian groups. The new groups also quickly begin to employ and buy off indigenous groups and deliberately promote the escalation of indigenous violence to drive rivals, non-indian campesinos, and local government officials out of areas in which they are operating. The syndicates further ally with indigenous and radical groups in the Peruvian parliament, using their money to buy protection and block any meaningful counternarcotics activities in the region. The new alliance tips the delicate political stalemate in Lima, and when President

Alejandro Toledo launches a campaign against the narcotraffickers, a coalition of indigenous and labor groups, backed by the narcotraffickers, successfully brings a vote of no-confidence against him. The charges are arguably legitimate, having to do with new evidence in the case involving the forgery of signatures associated with the prior registration of his political party, Peru Possible. Toledo, with the backing of the Peruvian military, and claiming that the narcotraffickers are behind the campaign to oust him, refuses to resign and remains in power through an autogolpe (self-coup). He appeals to the U.S. for major Narcotrafficking assistance, and promises the full cooperation of the Peruvian military and the local police. DoD and DoS are called upon to plan a major new counterdrug program for Peru.

Key issues raised by the scenario include:

- Effective interagency coordinating in planning a massive new counternarcotics campaign
 - Planning to conduct counternarcotics campaigns in the context of radicalized indigenous movements, including assuring the safety of personnel while potentially scaling up rural alternative development programs and dealing with corrupt institutions
 - Enlisting the support of the population, neighboring countries, and the Organization of American States in the face of a contested regime and a recent history of similar autogolpes
 - Examination of how effective programs in Colombia can be leveraged in a geographically comparable but different context (and how errors and problems encountered in Colombia programs can be avoided).
 - Planning for major riverine and aerial interdiction operations
 - Potentially building new infrastructure and training programs
 - Reviewing rules of engagement, human rights certification of Peruvian military and police officers being trained and other policy issues
3. ***Stability Operations in Venezuela.*** During 2006, evidence emerges that Venezuelan president Hugo Chávez is engaged in multiple activities to destabilize neighboring countries of the region--including channeling newly acquired small arms and munitions to FARC and ELN rebels operating in the border region with Colombia, as well as having played an active role in funneling resources, training and encouragement to indigenous and populist groups that brought down the governments of Bolivia and Peru in 2005. Three further events begin to cement a regional consensus that Chávez must be contained: (1) the downfall of the Toledo government in the face of widespread indigenous violence in the south of Peru in early 2006 (with evidence of the direct involvement of Chávez), (2) the assumption of power of Evo Morales in Bolivia, followed by the nationalization of the Bolivian hydrocarbon industry and the forging of an energy pact between Bolivia and Venezuela, representing control over a significant portion of petroleum resources on which Argentina, Chile and Brazil depend, and (3) evidence that Chávez is collaborating with the Iranians on a nuclear program.

A group of conservative Venezuelan military officers take control of the nuclear site, exposing evidence of a covert weapons program to the international community. The action evolves into a coup by pro-US officers and the Venezuelan military splits. In the face of the exposed nuclear program, support for Chávez in the military ranks fade—but as the new officers gain the upper hand, the pro-Chávez members of the military channel significant arms and materiel to former “Bolivarian Circle” militia elements in the countryside. In a pre-planned exercise modeled after similar Cuban plans to protect the Communist revolution against US invasion, the armed militias “go to ground” as part of a strategy of protracted resistance. The new regime in Caracas invites the US in to restore order until new democratic elections can be held.

Unlike 2003, with the temporary consensus of key players such as Brazil, Chile and Argentina, the OAS backs sending a stabilization force into the country, on the condition that is multinational in character and not dominated by the US in its command structure. DoD is called upon to begin planning for leadership of and participation in a major multinational operation.

Key issues raised by the scenario include:

- Planning a major multinational operation in Venezuela in which other nations are demanding a leadership role, but where effective organizations and practices do not exist for such an operation
- Planning to deploy and support a significant U.S. force in Venezuela—and to support the deployment and sustainment of other military contingents with lesser capabilities—even while the US continues to be substantially engaged in the CENTCOM AOR.
- Planning to contest a well armed and decentralized resistance in both the mountainous and jungle terrain in the South of Venezuela
- Planning urban operations in the heavily populated slums of urban areas such as Caracas, which were the stronghold of Chávez supporters.
- Planning to locate and capture Chávez, who has gone to ground
- Addressing and neutralizing an opposition strategy designed to prolong the resistance, inflict maximum casualties, deny Venezuelan oil resources to the new regime, and make the country ungovernable.
- Addressing demands by the Chinese, who are leveraging their successful experience in Haiti and their observer status in the OAS to demand a significant role for their troops in the multinational operation—particularly in the oil-rich Orinoco River Basin region, where their workers are engaged in petroleum exploration and extraction operations.

CONCLUSIONS

Scenarios are frequently misinterpreted as exercises in alarmism whose failure to occur is cited as evidence of a flaw in the original analysis. The scenarios outlined in this paper are no way intended as predictions of what will occur, but rather, concrete illustrations and food-for-thought regarding some of the ways in which populism in Latin

America could generate significant, specific challenges for DoD planners. It is the hope of this paper that the scenarios advanced herein will contribute to a dialogue within DoD concerning the strengths and drawbacks of various response options if such events indeed came to pass. The consideration of scenarios is not a substitute for depth and continuity of experience in a particular area when a crisis occurs--but as with other scenarios used within DoD, a broad discussion of specific challenges that might emerge in Latin America and how to address them will reduce strategic surprise, accelerate planning, and multiply the effectiveness of those work Latin America as part of the U.S. national security community.

Dr. Evan Ellis is an associate with Booz, Allen & Hamilton, Inc., who focuses on gaming, quantitative analysis and Latin American security issues. Dr. Ellis' work includes studies of the role of China in Latin America, political mobilization in Venezuela, and the analysis of democratic security and U.S. operations in Colombia. As a quantitative analyst with training in a variety of statistical techniques, Dr. Ellis has also played a role in business strategic planning, naval systems engineering, nuclear materials management and computer network architecture analysis.

Dr. Ellis holds a PhD in political science with a comparative politics specialization in ethnic violence. His publications include "US National Security Implications of Chinese Involvement in Latin America," "A New Chinese-Led Economic Order for Latin America?," "The Sociopolitical Destabilization of Venezuela: A system dynamics perspective on the interaction of elite rhetoric, sociopolitical structure, and mass mobilization," "Latin and South America: A Case Study in Emergent Geopolitical Viruses," "Organizational Learning Dominance: The Emerging Key to Success in the New Era of Warfare" and "Nodal Analysis and its Role in Precision Strike."