



UNITED STATES MARINE CORPS
MARINE CORPS INTELLIGENCE ACTIVITY, QUANTICO
2033 BARNETT AVENUE
QUANTICO, VIRGINIA 22134-5011

IN REPLY REFER TO:
1000
ISD
10 Apr 12

UNCLASSED//FOUO

Subj: 2012 JOINT FAO PROGRAM LATIN AMERICA COURSE

Purpose. Provide an After Action for my Joint Foreign Area Officer sustainment training at Naval Postgraduate School, Brazil and MARFOR SOUTH 29 Mar- 3 Apr 2012.

Itinerary: Monterey CA, Brasilia Brazil and Miami FL.

Bottom Line. Defense is low in everyone's agenda as reflected by each countries' budget. This is also true for Brazil. Despite its growing economy and emergence as a regional power, Brazil's ambitious plans for defense growth are not matched by an investment in resources. Potential terrorist incidents during upcoming international games could change a national mindset that external threats are non-existent. This Joint FAO iteration was chock filled with valuable briefings from key US and regional actors. Briefings available in FAOweb FAOfiles Joint FAO Program Course Material at <https://myfao.nps.edu/web/fao/> or Defense ConnectOnline at <https://www.dco.dod.mil/> where once you obtain your account notify me and I will add you to my public meeting for access to briefs.

Major Meetings

Jodi Hanson Bond, VP US Chamber of Commerce- US Business in Latin America: "Under 40 crowd" like Americans for shipping. Over 40 crowd running president senior leadership core, anti-American- divide occurs in bureaucracy from Brasilia. President Dilma Rouseff herself in favor. Itamaraty (Foreign Ministry) not as pro US.

Bob Schmidt- Chief Office of Civ-Mil Coop USAID: No regional strategy for Latin America. LAC bureau is very small with only 75 people in Washington DC. Brazil's engagement is primarily environmental. Michael Shifter- Inter-American Dialogue: Latin America and the Caribbean are not policy priorities for the United States. Colombia was nearly a failed state, but our policy of support combined with a catalyst for change from the existential threat is a success story.

Our relationship with Brazil has evolved in a positive fashion in 30 years.

Dr Phil Williams- University of Pittsburgh- Mexico and Drug Violence and the Colombia/FARC: FARC threat still exists and it will be some time before it is fully eliminated. Likewise, Peru still faces a Sendero Luminoso threat, albeit narco-criminal in nature. Caribbean will be the next major transit narco zone when CD pressure builds in CENTAM and Mexico. The current debate in US Government is whether DOD should be involved in helping military in CENTAM in law enforcement. Resistance to militarization of foreign policy in Central America ignores Existential threat.

Dr Harold Trinkunas- Stanford, Venezuela post-Chavez: Oct12 elections, Concern over political violence post Chavez due to his terminal cancer is low. Civil war or coup is also unlikely. After Chavez, nation will likely become pro-American again. Military will maintain PRC and RU links out of necessity, but mil-mil relations with US will improve.

COL Mark Wilkins, USA Ret (LATAM FAO): US backed security efforts in COL and MX have created incentives for criminal groups to move into CENTAM. Lethal Mexican groups Zetas in eastern coast, Sinaloa Cartel throughout west coast of the region have presented a near narco-state. Challenge is dealing with a varied range of countries unlike only one (Colombia).

Dr Looney, Naval Postgraduate School Economist: Latin America-commodity boom primarily, not necessarily sustainable. Still lagging in terms of education, drag productivity. Not addressing once commodity boom ends. Mexico- restrictions in oil, education poor. Falling behind on productivity, one term limit issues, drug violence. Argentina- populist model. Suppressed inflation, commodity boom. Taxing agriculture. Cuba- uncertain times, no major reforms, no traction. Venezuela- well below potential. Brazil- Taxes too high, pensions 6.8% of GDP, revenue crunch for education and other reforms. PRC wearing out their welcome, flooding region with cheap imports

Dr Antonio Ramalho da Rocha- University of Brasilia - Brazil Geopolitical Rise- Brasilia: National Def Strategy redefined, Ramalho part of team that wrote it. The new MOD Celso Almorim is experienced, respectful of military, and cautious. Longest standing ITAMARATY (Foreign Ministry), longer than Barao do Rio Grande. Building civilian authority over armed forces and Jointness, already there is a consensus among young officers. Some Generals still resist need to

share power with other branches. Regarding Amnesty Law, most would not want to see military to go to jail for dictatorship abuses, just simply apology. Not enough evidence as to whether this was state policy or not. Coup in 1964- Brazil wanted to see military take over. But in 1970s intelligence became a monster. Still has to be properly reformed. Military has remained silent about controversial dictatorship. Today most Brazilians are comfortable with employing military for public security. Threats are criminal. MOD gains larger budget from congress due to Haiti. Eventually Haiti will re-establish an army but BR has no exit strategy. Today it is in Brazil's interest to have access to Pacific trade.

Dr Alexandre Barros- Early Warning- Business in Brazil. Contributes to the O Estado de Sao Paulo: Brazilians will continue to have a young demographic for next 30-40 years unlike Europe which provides economic advantage. Why did BR and TU propose mediation with Iran over nuclear crises? Both have nuke programs that could be a target like Iran is today (long term preventive habeus corpus). PRC is biggest partner, but highly concentrated. Very few people in Brazil know about PRC, no studies think tanks associations. Iron ore, foodstuffs, soy and large imports (from PRC trading companies). BR businessman just starting to visit PRC. Brazilians do not feel Latin; concept of LATAM does not make much sense to BR. Brazil needs access to the Pacific. La Paz- issue about Bolivia's exit to the sea. Possibility of southern Peru being considered. Road already paved to Peru. Overall good military relations with US--- within limits, tech transfer for aircraft is a point of disagreement. "No involvement on "US crusades". "Middle East is not our business." Amazon- balance preserve and development. BR military gets paranoid of NGOs etc. Potential bubble with rising poor into middle class-have money; will want more of it. Low inflation has now made it clear how high taxes really are. Laws and bureaucracy make it difficult to innovate. But strategy of diversification is good. Major concern of military is bloated pensions.

Embassy Country Team: Ambassador Shannon- Brazil is driver, "strategic partner in the making". POLOFF- Increase in Pres Dilma engagement with US. Growing mil-mil info sharing. Best relations with military since 1970s (Gates and Jobim). Interested in anti-piracy and Gulf of Guinea in Africa. FX-2 decision to be made May12. Annoyed with US over USAF Embraer Super Tucano recompetition, S&T Off- Cyber and disaster mgmt. esp with floods is Army priority. Increased bilateral, preference is with the US. MLO- Engagement with Brazil is "exploding". Note that BR Navy is maritime component command to UNIFIL in Lebanon. Constitution limits to NO combat mission. Seek greater involvement with UN as future. 2008 Nat'l Def Strategy- to link defense industry to military. Decrease interest in Iran. Army did reposition Rio Brigade to Amazon (regionalization of force), as well as Bn in Manaus with Blackhawks from Sao Paulo. Drugs- BR is 10 years behind MX in this growing crises, may get there sooner! Interest in HADR esp in S. America (Haiti and CH earthquakes). Former FR Aircraft carrier- BR Navy ruined shaft, poor maintenance, bad

lubricant formulation. Will probably retire and build own out of North East shipyards. A4s continue to practice. Consul: BR is #3 after MX and PRC for number of Visas! Econ Off- BR planning on providing \$50K scholarships to 100,000 post-graduate Science students "Science without Borders" initiative. Brazilians want to learn English, the Int'l language. #6 economy, presalt oil. Remember Blue and Green Amazon. Defense is low- only 1.3% of GDP. World Cup and Olympics costs putting strain. High manpower and pension costs (73% of def budget) leaving little for modernization and O&M. Concession to 3 major airports- a good thing.

Jonavisa Gonsalves- BR Senate Staffer for Defense and Intel (former SNI/ABIN officer: Focus is econ and social development. Brazil must strengthen defense. 21st century strategy- S. Atlantic and Africa (Angola, Mozambique, Cabo Verde etc) with BR having the #2 highest black population after Nigeria. Associate all development with security. The first National Strategy for Defense released in 2009. Nation of peace- 150 years since last war (Paraguay). 16,000 km of frontiers with 9 countries, tough managing diverse borders. Like Canada, not much of a culture of defense by Brazilians, lack of perceived threat; will this change during Cup and Olympics if a terrorist incident occurs? Last 20 years-very small defense budget, began improving in 2003-2010 when former President Lula began investing in defense. Renewed infrastructure protection concern. Frontier platoons are still 400 km apart! Ready to discuss organized crime with US on EQUAL terms, essential to develop EQUAL partnership with US. History- then 1990 President Collor disbanded Intel. Now he is the Chair of the Foreign Affairs Committee and is committed to rebuild it. In 1999 the Brazil Intel Agency ABIN was established, but has had weak capabilities, mostly CI only in focus with a small budget of \$30M annually. Ongoing concern about Intel's role in Democracy. Note that the 1988 Constitution has NO reference to Intelligence. There is a need to establish a robust foreign Intel capability. The small Federal Police (7,000 men) is overwhelmed. Amnesty Law for military has become a problem. Army focus includes Cyber, Navy- working with French to build nuclear submarine and integrate the propulsion into its system. Needed for Blue Amazon. Haiti- part of tradition from Suez to Gaza with UN. Personally, Gonsalvez does not think a permanent UN Security council seat for Brazil is realistic or really necessary. Important to help build BR military capability with experience. CENTAM- simply not a priority for BR, South America is . The drugs problem is the consumer. Iran-deteriorating relationship.

MOD- Retired BR Air Force Col Marcos Antonio- Chief of the Strategy of Defense: The latest version of Brazil's National Defense Strategy is

under staffing. Defense White Paper- Law 133 provides Army authorities for policing up to 150 km from borders. Main focus areas: 1) territorial defense as a medium sized power 2) Maintain peace per BR Constitution which does not allow UN Chapter 7 (Peace Enforcement or combat operations) outside national defense 3) Anti-piracy agreements 4) Contribute to UN as well as perm UNSC seat 5)countering the narco threat. MOD reorganizing military, defense industry and manpower. Focusing on presence in remote locations and development and defense. Joint Emphasis- to improve interoperability and doctrine. Navy priorities are denial of the sea, Army is flexibility up to Brigade with training, communications, mobility (tactical/strategic) and logistics. Air Force focus on surveillance, air superiority. "Braço Forte"- Strong Arm Strategy- over 20 year period (to 2030), plan is to invest 2.5% of GDP in mandatory funding. Not yet law, still being debated. Includes expanding Marines beyond the Riverine Bn in Manaus and the Amphib Division in Rio. Includes establishing and equipping a 2nd Amphib Division in the coast of NE Brazil. (Note that according to MARFOR SOUTH, BR Marine Corps is seeking 20 new fully equipped AAVs as well as refurbishment of the fleet of 26 at \$250M contract. Currently only 8 are operational but hulls are in good shape). Includes ProSub program for nuclear sub in Itaguaí, Rio de Janeiro (note other briefers indicated the French are assisting with building this capability for the Blue Amazon defense). Navy has been in front with strategy and has already received additional funding. Law has approved expanding manpower of BR Navy. BR seeks to establish a 2nd Naval Squadron in the NE coast, as well as continue to build Naval Aviation. Includes System for Management of the Blue Amazon (SISGAAZ). Includes SISFROM (border Green Amazon). Plan also includes expanding the Army from the current 27 Brigades to 35 Brigades. Plan to expand the 21 border platoons to 49 Platoons. COBRA is the program to modernize equipment. This includes "Guarani" armored cars and fostering indigenous technology to reduce dependency. Air Force has fighters in Manaus as well as P-3 Maritime capability, R-99s in Annapolis, and KC 390 Embraer tanker under development. FX2 fighter is defined (note: other briefers stated Rafaele will probably win the competition, rather than F/A-18). VLS-satellite launch vehicle and Alcantra are priorities. MOD reorganization- recently established Joint Staff (EMCFA- Estado Maior de Commando Forcas Armadas). CENSIPAM is under MOD but civilian led. MOD has begun 15 day "Escola Superior de Guerra" War College (ESG) courses in Brasilia to teach politicians about defense. Challenge is current absence of threat and an enemy-but this does not justify neglecting national defense. Security is defense, not just military-- States request support and for a defined period approved by the BR President, military provides intelligence assistance as well as support to police

in Rio. This includes combat vehicles in Rio. Military personnel have full legal protection for this police role.

Eduardo Esteves- NGO based in Buenos Aires (www.fep.org.ar): Military "no longer only game in town". Argentina also does not see domestic role for the military (e.g., public security). Military still has not figured out its role in a democratic Argentina, minimal budget (less than 1% of GDP), "gutted and defanged". UK can hold off the Navy from the Falkland Islands with one frigate and submarine. Argentina passionate about the "Malvinas" and surrounding maritime zone, 1994 National Constitution asserts legitimate right. Note that the Brazilian Senate staffer showed a slide with the "Blue Amazon" which includes islands in the Atlantic such as the Malvinas with UK flags. Implying a threat? Issue heated with post 2009 UK oil discoveries. Could lead in possible rebuilding of military in future.

LtCol Donigan and Col Gandy MARFOR SOUTH - Discussed priority of supporting US Government interagency strategy supported by DoD Counter Transnational Organized Crime (CTOC) operations. They stated the GCC priorities are 1) Northern Central America 2) Guatemala and Honduras 3) insurgencies in Peru and Colombia. For those priorities, security cooperation and building intelligence capabilities are major efforts. The Brazilian Marine Corps Commandant (Almirante Guimaraes) will be visiting with his aide, Commander Stewart. His interest lies in the AAV refurbishment in Barstow as well as visits to Quantico (MCCDC doctrine center) and Camp Lejeune.

The POC is undersigned at MCIA ISD, 703-432-7083,
ewittkoff@mcia.osis.gov.

E. P. WITTKOFF

Copy to:
HQMC PPO PLU
MARFOR SOUTH G-2
NPS